

Spring into financial fitness

5 ways to stay financially fit

As the days get longer and the first signs of spring appear, it's the perfect time for a financial refresh - not just for individuals but for your long-term financial plans as well.

With the current tax year ending, and a new one about to begin, now is a great opportunity to reassess your financial situation and make the most of your Individual Savings Account (ISA), and Self Invested Personal Pensions (SIPP) tax allowances.

Here are some **simple steps** to set yourself up for **financial success**.

i This is a guide for clients, should you need more information, contact your financial adviser.



1 Revisit your budget

Knowing what's coming in and what's going out is vital to working out your plans for the future. Revisiting your monthly income and expenses will tell you where you might be able to cut back and how much more you might be able to set aside in savings.

But don't forget to make allowances for the things you enjoy in life as well – like holidays and dining out. That'll make it feel less of a burden and help you stick to your revised budget.

2 Tackle your debt

Debt can be a useful thing, but too much of it is a major cause of money stress. Review what debt you have, what interest rate you're paying, and when it's due for repayment.

Prioritise loans with higher interest rates and consider paying down what you can, perhaps from a year-end bonus. Or, if the rate you're paying on your debt is higher than the expected return on money you've already saved or invested, use some of that to reduce the balance.

Then check whether you can consolidate your debts for a potentially lower rate on a single loan. Anything you can do to simplify or reduce your debt will set you up in a better position for the future.



3 Review your plan

Getting your finances right isn't easy. It needs the structure of a clear plan, and regular reviews to adjust it as your circumstances and needs change.

There's never a better time than now to check if you're still on track for your longer-term financial goals. That could be your target income level in retirement or plans to buy a holiday home. Perhaps there's a need to revisit the split of investments in your portfolio depending on how markets have performed or as you get nearer to retirement.

It could be that you have new goals you want to work towards, as your needs and those of your family change over time.

An experienced financial adviser can help you create and maintain your plan but can also encourage you to confront more challenging topics. Part of their role is to pose the difficult questions you might avoid asking yourself, but which need answering if you're to achieve real peace of mind. How would your family cope if you suffered a serious illness? What do you want to happen to your wealth after you've gone?

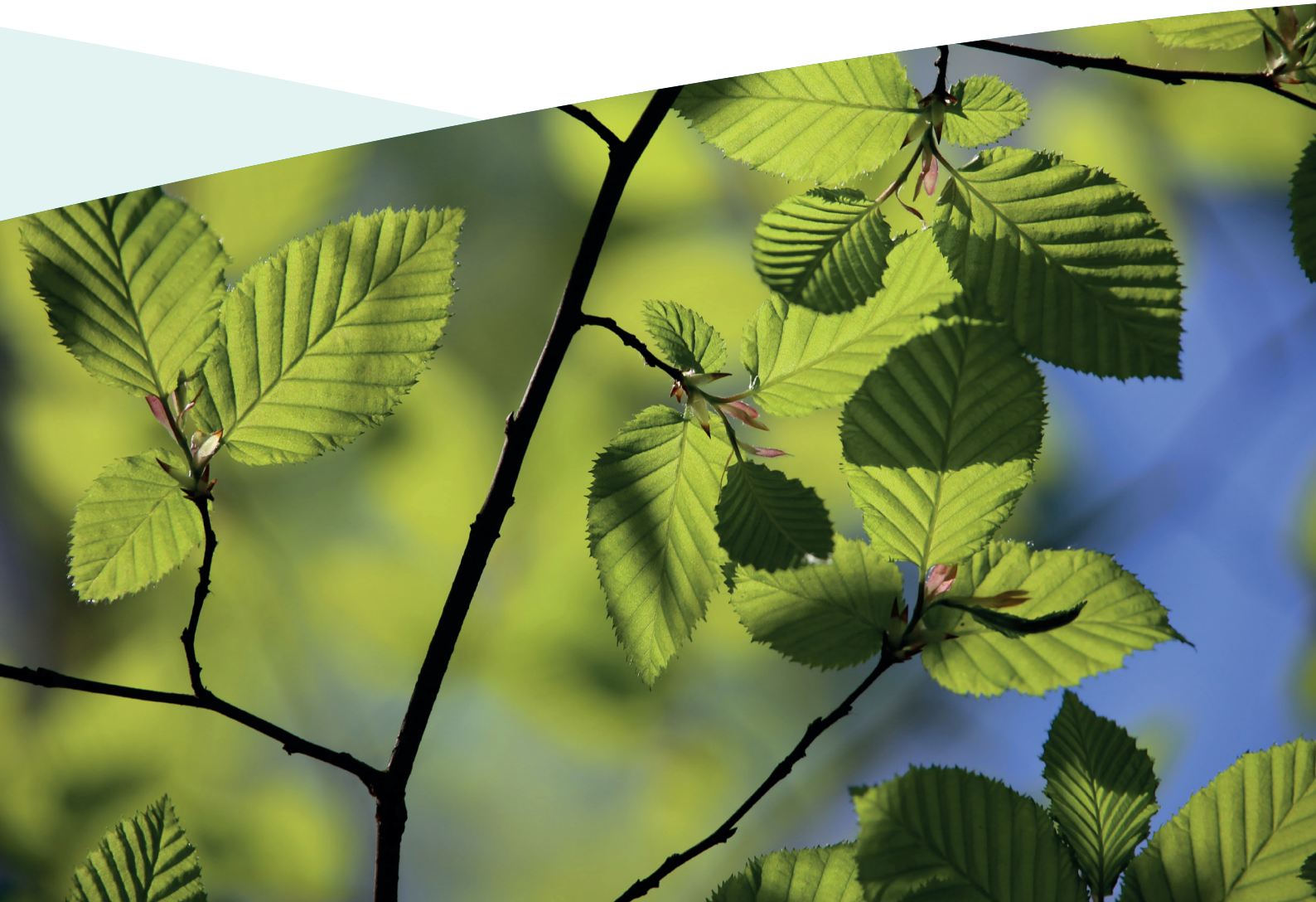


④ Make sure you and your family are protected

No-one likes to think about death or serious illness, but one of the most important financial planning steps you can take is to ensure that you and your family are protected should the worst happen.

Is your Will in place and up to date? And a Power of Attorney to ensure someone can take control of financial decisions if you're unable to? Have you still got the appropriate level of financial protection in place, whether that's life insurance, critical illness cover or income protection?

We don't know what's around the corner, so some forward planning now could be the best thing you do for your loved ones.



5 Keep saving

Before thinking about how to grow your savings and investments, check that you've still got adequate 'rainy day' funds set aside in cash for emergencies, and for foreseeable expenses, say in the next three to five years.

If you have scope to invest more, you have until the end of the tax year in April to make the most of the tax relief offered by your annual ISA and pension allowances. There are rules and limits on what you can pay into them, but they're great ways to pay less tax while saving more towards your future.

For more information the HMRC website is a great source of information for ISA subscription limits and/or pension contributions.

With the current economic landscape, including potential tax changes introduced in the latest Budget, a financial adviser can help you understand your options, discuss how they fit into your overall plan, and make sure you're comfortable with how much risk you're taking.

Don't lose track of your financial fitness in the year to come. It could help secure the financial future for you and your loved ones.



Want to know more?

Interested in discussing this information further, or setting up a financial review? Talk to your financial adviser – they're always happy to help.

Remember

All investment carries risk and the value of your investments may go down as well as up.

Any news and/or views expressed within this document are intended as general information only and should not be viewed as a form of personal recommendation or advice.

Parmenion

Registered Office: Aurora,
Counterslip, Bristol, BS1 6BX.
Website: www.parmenion.co.uk

Parmenion Capital Partners LLP
Authorised and regulated by the
Financial Conduct Authority.

FCA Number 462085.
Registered in England and Wales
OC322243.