

Just ASC!

ASC Financial Managements Newsletter



ASC teams up with top local insurance firm

JUST a year after forming an alliance with Stafford-based accountants Carthy Crawford, ASC has now forged a link with the Newcastle insurance firm JSW.

The move will enable clients of both firms to obtain competitive deals as part of a two-way agreement.

JSW Insurance Services Ltd., is based in Church Street, Silverdale, and is run by Nathan Walton and his fellow director Craig Roberts.



They specialise in business insurance but also offer a comprehensive service covering nearly every aspect of insurance – from car and home insurance to travel protection.

The company's website – www.jswinsurance.co.uk – enables customers to link to www.bizzycover.com where they can 'chat' online with staff in real time.

Mr Walton said: "We provide access to a range of exclusive and specially discounted, high quality insurance solutions designed to make sure all aspects of our clients' businesses are fully protected.

"We have a highly professional yet friendly team and qualified experts to ensure all our clients receive the best advice on the cover required to meet their needs."

He added: "Our clients are dealt with by a dedicated account manager who ensures they get the cover they need and don't end up under-insured or paying for additional cover they never use.

"We're excited to be associated with ASC because both companies have the same philosophy on providing top quality service combined with genuine value for money, which is rarely matched in today's business environment."

Call JSW for a quotation on 01782 661323



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This issue

A fantastic opportunity to escape to a warmer climate

ASC Case study - smoking

Seek expert help on your personal pension

Cost of living is on the increase - we give you some very useful tips

Win a bottle of bubbly - see back page



Pictured left to right are Tony Castrey, Nathan Walton, Gary Hamner and Craig Roberts at the JSW office in Silverdale.

Minimum retirement age to be 55

THE minimum age at which you can claim your personal pension will rise to 55, in April 2010, the government has revealed.

So, if you are in your late 40s or early 50s and wish to take your pension soon, make sure you seek advice from an expert.

A key problem is that if you were to take your pension at such an early age, the annual income could push you into the higher 40% tax bracket once it is added to your salary.

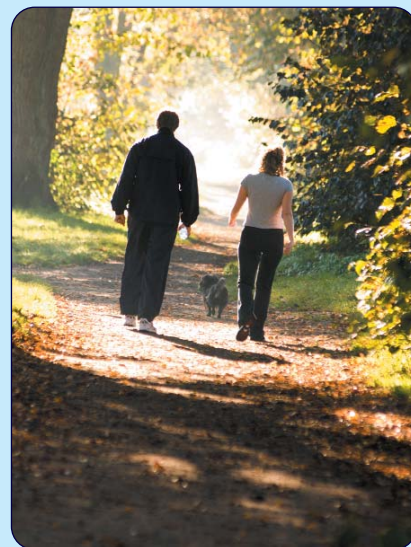
There are contracts available to draw tax free cash but not the income. This would allow you to access the lump sum component of your pension while deferring any income from the remaining 75% of your pension pot to a later date.

You could then go out and buy that long-awaited car or caravan while the vast majority of your pension pot continues to be invested.

"We call this method draw-down and it can be particularly effective for those whose pension pots are quite large, say £100,000," explained ASC's Tony Castrey.

"First you will receive a tax-free lump sum to spend or save in any way you wish. The rest continues to grow.

"More and more people are being attracted to such investment schemes because they make sense for those who do not wish to leave all of their pension money unused until they reach the normal retirement age."



A tropical investment opportunity

AS British holidaymakers prepare for the Great Summer Getaway it might be financially prudent to head for the sun-kissed tropical islands of Cape Verde.

The aim is not simply to get a suntan but to check out the spectacular location as a source of investment for those who have a personal pension they don't wish to use immediately.

The independent Republic of Cape Verde - lying just off the coast of West Africa - is being hailed as a potential vacation hotspot of the future.

ASC is now offering clients the chance to enter this market via investment in the freehold of a new hotel on one of the largest of the Cape's nine islands, Santiago.

Three new airports are scheduled to open in Cape Verde and there has already been a 25 per cent rise in tourism over the past five years.

To cap it all, the islands' property market is in its early stages and is ripe for development.

Channel 4, for example, put the area at number 12 in its round-up of the top 20 best places to buy in the sun. Florida was number 16 and the Costa del Sol number 14.

Director Gary Hanmer said: "This could be a healthy way to use a pension that isn't going to be taken right away. The government in Cape Verde is welcoming foreign investment and is redeveloping the local infrastructure.

"The country could turn out to be what the Caribbean was a few years ago as long as any tourism development is properly controlled. Potentially we could be talking about investments yielding between 30 and 40 per cent on capital growth."

A pension would have to be converted into an alternative package known as a SIPP, enabling the investor to access his or her lump sum. All or part of the remaining 75% would be available to be re-invested.

Mr Hanmer added: "We would urge anyone who is wondering how to maximise a pension pot that they are not planning to use in the near



future to call in and talk through the positive and negative aspects of investing in a place like Cape Verde.

"There is little doubt that it is opening up to large-scale tourism and could be a source of wealth in the not-so-distant future."

The islands enjoy 365 days of sunshine and boast spectacular mountain scenery as well as deserted beaches.

Added Mr Hanmer: "We are looking for people aged 40 or over with a pension pot of between £16-40,000. The opportunity is based on independent, expert projections and the intention is to return 99% of capital on completion of the building of the hotel, then retain a shareholding to provide ongoing income.

"It is based on a typically 25-year management contract with an initial three-year guaranteed income once the hotel is in operation."

Changing times

Telling us you have changed your address or phone number couldn't be easier now that ASC is on the World Wide Web. Just visit <http://newdetails.ascifa.com> and complete our online form which lets you also notify us of your email address and mobile telephone number so that we can always keep in touch.

The changing face of the tax free ISA

MILLIONS of people have chosen to pour their hard-earned money into Individual Savings Accounts (ISAs) to avoid the burden of paying tax on their savings.

In April this year a significant change took place which is designed to make the system simpler and even more attractive.

The old 'maxi' and 'mini' ISAs have been consigned to the history books to be replaced by two types of ISA – a 'cash ISA' and a 'stocks and shares ISA'.

In addition, the maximum investment allowance permitted in any one year has risen to £7,200.

It means that investors can now subscribe:

- Up to £3,600 in a cash ISA
- Or up to £7,200 in a stocks and shares ISA
- Or the annual investment allowance of £7,200 can be divided between both types of ISA (up to £3,600 in one cash ISA and the remaining balance up to £7,200 in one stocks and shares ISA).

The system has built-in flexibility and like-for-like ISAs can still be transferred from one manager to another.

Moreover, a cash ISA can now be converted into a stocks and shares ISA, though it is not possible to do this the other way round.

Another change is that old-style PEPS have been reclassified as stocks and shares ISAs.

ASC Director Mr Gary Hanmer said: "Perhaps the most important change has been that the amount you can invest in a cash ISA in any one year has risen from £3,000 to £3,600."

He added: "Investors must remember that the £3,600 is the maximum that can be invested in any 12 month period running from April to April."

Did you know?

After 2010 anyone taking their State pension will need only 30 years of National Insurance contributions to qualify for a full pension. At the present time the qualifying period is 40 years.



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Casestudy

How to beat identity fraudsters

TO combat the growing menace of identity theft, Invesco Perpetual has issued a four-point guide aimed at safeguarding personal information.

1. Check bank and credit statements frequently, looking out for any transactions you don't recognise.
2. Carefully dispose of documentation that contains personal details rather than just throwing them away.
3. For a small fee you can check your credit file with a credit reference agency such as Call Credit, Equifax or Experian to help identify any activity of which you are unaware.
4. Make sure you receive all post that you are expecting. If you think post is missing, contact Royal Mail. Also, arrange for Royal Mail to redirect post to your new address if you have moved house – and inform companies that you deal with regularly that you have moved.

How smoking can boost your financial health

ARE you a dreaded smoker with a blood pressure count somewhere in hyperspace? If so, read on. You might learn something to your advantage.

The curious fact is that this may be your ticket to a higher pension payout.

Research by ASC has found that some companies will grant you an improved annuity when you decide to cash in your private pension.

In one particular case an annuity was a staggering 20% higher than a similar one given to a non-smoker.

As ASC Director Gary Hanmer explained: "It's really down to the unpalatable fact that they expect you to die a bit sooner than someone who has never smoked. They can afford to pay you that extra slice of interest."

His simple advice is that all individuals considering cashing in personal pensions should shop around for the best deal, making sure they tell their financial adviser about any illnesses they may have.

Added Mr Hanmer: "We have one case where we were able to compare annuities for a client and found one that paid him £100 per month more than most of the others."

"It was fortunate for him that he sought our advice before going ahead with a self-bought annuity. Shopping around can make the world of difference."

"It may not sound like we made a huge difference to his pension but £100 a month over say 20 years, is an additional income of £24,000."

"No-one should ever accept the first quote without comparing the various offers that are out there in the market place."



A corking win

PHILIP Williams, of Baddely Green, won our free draw in the first edition of the ASC newsletter. His name was picked out of the hat after he filled in a questionnaire designed to help us monitor clients. He said: "I can't remember winning anything before." Well, we'll drink to that!



CHEERS! Philip and Patricia Williams of Baddeley Green with our first giveaway bottle of bubbly.

Win a bottle of bubbly!

You could win a bottle of champagne just by filling in our questionnaire. Answering our simple questions will help us to better understand your requirements as part of our ongoing commitment to improve and monitor the services we provide.

It will only take a few minutes to complete the form – and all entries will be placed in a draw, with the first picked from the hat receiving a free bottle of bubbly.

Please circle the answers you feel are most appropriate. Thank you for sparing the time – and good luck!

1. Is ASC's advice explained in straightforward, jargon-free language that you can readily understand? Yes No
2. Do you understand the charges ASC may apply for providing financial advice? Yes No
3. Are you kept up to date with information

about your savings/investments? Yes No

4. Were any complaints or queries you may have had dealt with in a timely and proper manner to your satisfaction? Yes No (If you answered 'no', please tell us why)

5. Is there a way in which ASC could improve its service to you?

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Name.....

Address.....

.....

..... Postcode

Tel:.....

Mobile:.....

Email:.....

Investing without any big risks >>>>>

A NEW capital-protected investment open only until July 4th has been announced by Legal & General.

It is available either as an ISA up to £7,200 or as a direct share offer with no limit to the investment amount. The scheme is designed to run for six years but has an early repayment feature.

The full investment plus a fixed 25 per cent is payable on the third anniversary if the FTSE 100 Index grows by 15% or more. The return over the full six-year period is 120% of any capital growth in the FTSE

100 over the term plus the original capital investment.

There is 100% capital protection when held to maturity should the FTSE 100 fall in value over the period.

ASC's Gary Hanmer said: "These types of investment have proven popular in the past and are limited to a certain number of investors. Anyone interested in such a scheme should contact me as soon as possible to meet the closing date."



Control your cash with a DIY budget

WITH the cost of living continuing to increase, banks facing problems with lending money and oil prices pushing families over the limit, a leading insurance firm has come up with the perfect way to make sure your spending isn't getting out hand.

They want families, individuals and even businesses to follow in the footsteps of Chancellor Alistair Darling by staging their own, personal Budget Day.

The firm, AXA, has devised a free, online budget planner to enable everyone in Britain to assess their financial health, decide their priorities and seek ways to protect their hard-earned cash.

The comprehensive, easy-to-use audit has been put online and can be found on the website www.mybudgetday.axa.co.uk

The idea requires you to have a few items at hand. These include details of salary, investments, mortgage, utility bills, insurance premiums, pension contributions, food and clothing bills and child-related costs.

A year ago the company launched a ground-breaking study which looked at whether financial advice could actually improve people's finances as part of an investigation into debt.

The results showed that access to advice and financial planning could reduce individual debt by almost a quarter and increase savings by over 40 per cent.

Significantly, it also revealed there is a link between the amount of time people spend understanding their finances and how much they subsequently save.

The biggest lesson is that setting up a detailed list of income and expenditure allows individuals to gain insights into any cash flow problems.

According to AXA, everyone would benefit from spending just an hour a week, or even an hour a month, keeping on top of their finances and ASC Director Tony Castrey said: "The budget planner is an invaluable tool for every household – most people simply don't take the time to keep a check on what they are spending, or what they're saving."

He added: "It may also make them realise that there's help out there – professional advice can make a huge difference. After all, we devote our lives to that very subject. We know just how the money markets work."

