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30 Industry Awards since 2002 and 'in the frame' every year for 10 years, winning IFA of the Year, Online IFA of the Year, Pensions IFA of the Year, Protection IFA of the Year and many more.

Need An Adviser Timeline

2000 - Trading starts from a converted farm outbuilding

2001 - Pioneered fee based financial advice with fixed cost quotes for all

2002 - Need An Adviser.com goes live online

2002 - 1st Awards: Winner IFA Firm of the Year and Winner Best Use of New Media.

2003 - Treasury invites us for talks on our unique advice model

2004 - Expansion and new head office in Burntwood acquired. Represented now in London, Midlands, Scotland, Northern Ireland, France and Spain.

2005, 2006, 2007 - Finance mentors to BBC TV program

2006 - Named in first ever Chartered Financial Planner listing

2006 - Pioneered 'EU Passport' financial advice service to British expatriates in Spain

2007 - Need An Adviser.com redesign and launch for blind, deaf, colour blind and dyslexic access

2008 - 'EU Passport' financial advice service to British Expatriates in all 25 EU States

2009 - New Associate Consultants recruited in Scotland, Northern Ireland, Spain and France

2009 - 2 more awards in the IFA Firm of the Year and Best Tax and Estate Planner categories

2010 - Winner IFA Firm of the Year and Winner Online IFA of the Year again

2011 - Treasury Select Committee Lobby Group **Advisers United** launched by us to help lobby for fee based financial advice across the whole financial services industry

2011 - Need An Adviser for Mobile goes live plus 4 new websites launched already to simplify our sites

2011 - What's next? 10 more Money Advice Websites planned to help our clients before year end

Commissions to be 'Banned' - This is Simply Not True

Much has been written about new rules on how commissions are to be banned when you seek financial advice from 2013. This is not true, it may be commission but with a new name called "adviser fees". We thought it helpful to explain the three new different types of "advice" and what the payment options are. As you know we are already a 100% fee based advice firm.

1. Independent Advice:
The traditional model of whole of market advice but now must be based upon agreed adviser fee remuneration for the works involved with you rather than commission and offer a much wider range of products.
High level qualifications (level 4-6) are required to remain an independent adviser. 'Chartered' status is level 6 degree equivalent, but level 4 will be the minimum (comparable to 'A' level standard in our opinion).

Your Client Protection: Liability for advice is with the adviser i.e. you are fully Financial Ombudsman protected in case of mis-selling or complaint.

The adviser fee can be paid as a true fee or from the policy you take out. "Woops" does that look like commission in all but another name? It does to us.

2. Restricted Advice:
Financial Advice either based upon limited range of products sold due to qualifications or limited to the type of advice a firm wants to offer. This type of adviser will still need to agree an "adviser fee" with you. Qualifications will still be required but perhaps not to the highest level such as a level 6 Chartered status but level 4 is still the minimum and subjects qualified in will control what areas an adviser can be involved in.

Your Client Protection: Liability for restricted advice is still with the restricted adviser firm i.e. you are fully Financial Ombudsman protected in case of mis-selling or complaint.
This model is very similar to solicitors where they specialise in family law or property conveyance or contract or litigation only but not all.

An adviser fee must still be agreed and can be paid as a true fee or from the policy you take out, much in the same was as Independent Advisers.

3. Non-Advised Sales:
The salesperson (not an adviser) does not have to comply with high level qualifications requirements. You usually answer a series of questions and are given a few options to choose from. You are given no advice whatsoever. You chose the policy or mortgage yourself.

Your Client Protection: There is no liability for advice as no advice was given and therefore no negligent advice Financial Ombudsman rights.

The salesperson (not an adviser) does not have to agree an adviser fee with you but can take full, sometimes disproportionately high, commissions without the need to agree these with you, it just needs to be disclosed in the "small print".

Many banks, insurers and online comparison sites, loan companies and mortgage companies use this model for in branch and online sales. Indeed, have you noticed how many now advertise their "financial planning managers" and not "financial advisers"? Why? Would it be because no advice is given?

Financial Bulletin

Spring 2011

Money Minutes

Award Winning Financial Advice

Roberts Clark

New Websites Go Live

At 7,000 pages you said our websites were just too big to find what you want.

We listened and are now separating each subject into a new site:

Now Live
PensionTransferAdvice.com
AnnuityRatesAdvice.com
EquityRelease-Advice.com
AdvisersUnited.com

Coming Soon:
ExpatAdvice.com
OnlineWillShop.com
UKLifeQuote.com
and many more to follow ....

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£10bn Wasted In Unnecessary Tax

New Tax Year Planning

Once again the April 5th tax year end has been and gone. Did you know that last tax year, nine out of ten people in the UK, that's 45 million people, wasted, on average, over £222 each by giving unnecessary tax to the Chancellor? Research

Get Advice .. Save Tax

commissioned last year by IFA Promotions (www.ifap.org) an organisation promoting independent financial advice) found where most tax is wasted.

What we wasted in tax:

- £2.24 billion in tax by not planning properly to avoid Inheritance Tax liabilities.

- £144 million wasted by not using our ISA allowances in full.

- £500 million wasted by late submission of self-assessment tax returns or getting them wrong.

- £349 million wasted by not using our personal allowances properly or by not reclaiming overpaid tax on savings interest

- £720 million could be spared by optimising contributions to personal or company pensions and getting full tax relief.

- £171 million is up for grabs if we and our employers use share option schemes properly.

- £309 million lost by not using our capital gains tax allowances.

£1.14 billion more could go to good causes by making our charitable gifts in the right way rather than gifting anonymously.

Read our Tax Savings Tips Inside in this issue ....

Need An Adviser.com Mobile Web Apps

New, fast download mobile versions for all Need An Adviser websites have been launched for your mobile, smartphone and tablet pc/ipad/galaxy.

Automatic Smartphone and Tablet PC Recognition switches you to mobile version meaning:

– Fast Page Download when on the move

– Easy Navigation with colour scheme for faster surfing

– Valuable Advice and info at your fingertips

– Use wherever you and your phone or tablet pc

– Text only version for non-smartphone versions

There are three surfing options:
1. Mobile View,
2. Text Only View (for non-smartphones),
3. Desktop View if you want the normal website view.

Now Available on your Mobile Phone:

7,000 Pages of Content: in a quick download format

Contact Us: Secure Contact Form on your phone

Online Diary: Book an appointment or call back on your phone

Other Secure Forms: Endowment Sale, Bond, Pension, Enhanced Annuity and many more

Mobile Life Insurance Quotes (term, whole of life, income protection): compare on your phone

Mobile Annuity Quotes: Compare annuity rates on your phone

21 X mobile friendly Financial Calculators: Plan/Play on your phone

Shop: You can order and pay for financial advice or guides and download to your phone

Mobile Will: You can even make your Will using our Mobile Will app

NEW TO US? FREE CONSULTATION: Tel 020 8144 7620 or 01543 677444
To receive this bulletin and more email: registrations@needanadviser.com or register at www.needanadviser.com

Our Tax Savings Tips

Market Linked Savings:
ISAs: Use your £10,680 annual ISA allowance – Shelter stock market investments in ISAs, or moving savings from an ordinary deposit or savings account to an ISA. Move even just the first £5,340 into a cash ISA will help.

Friendly Society Accounts: Everyone, including children, has a calendar year tax-free friendly society allowance of £270. You are allowed to save £25 per month or up to £270 as a lump sum in a Friendly Society Plan with no liability to tax. Parents can save on behalf of themselves and their children and save tax.
National Savings & Investments as additional tax-free savings options. There are many types of National Savings Products to suit people of all ages whether children, working, not working or retired that pay no tax.

Investment Bonds: Up to 5% a year 'income' can be taken from an investment bond with the tax deferred for 20 years. There is no need to declare this an income and if you are a taxpayer now – you may pay no tax if you are a basic or lower rate taxpayer at the 20th anniversary. This is especially attractive for **Higher Rate Tax Payers** – who may be Basic Rate Tax Payers in 20 years. It is also attractive for pensioners, as investment bond 'income' below 5% does not reduce the additional personal (age) allowance.

Pensions:
Tax Relief: If you are working, by paying into a pension you save up to 20% tax relief on personal contributions and if you run a business, your company can also save tax and national insurance by paying into a pension for you.

Higher Rate Tax Payers: If you pay 40% or 50% income tax, you are able to obtain tax relief on contributions within certain limits on payments that you make to pensions. **£100 in your pension fund may actually cost you just £50 or £60.**

If you do not work, have children, grandchildren or are retired (below age 75) consider saving in a Stakeholder pension. These people can have invested for them up to a maximum of £2,808 this year by somebody else. With tax relief of 28p for every £1 saved, the government make this up to £1.28. If you invest the full allowance of £2,808 this gets tax relief of £792 worth making a pensions savings pot with tax relief of £3,600.

Cash Savings:
Non Tax Payers and Children: You pay tax on interest received from a Bank or Building Society accounts unless it is in a special tax-free account.
Make sure you complete a R85 form to ensure that interest is paid with no income tax deducted.

Tax is Taxing

Joint Accounts: If one of you does not pay tax, talk to the bank or building society about only paying tax on the interest on half the amount or better still, change the savings account into the name of the non-taxpayer only.

Higher Rate Tax Payers: You pay higher tax on income from savings interest, dividends, unit trusts and many others, which are claimed via self-assessment. Again, consider saving in Investment Bonds. Income Tax can be deferred for up to 20 years. In 20 years you may not be a higher rate taxpayer and may reduce or completely avoid paying tax at that time.

Children and Adults: A child or adult can receive up to £70 interest per year tax free from National Savings ordinary savings accounts. Why pay tax on interest?
Parents: Can make gifts of money into children's savings accounts. Gross interest of up to £100 per parent is allowed on the individual child's savings account that is not taxed as if it were the parents' income.
Grandparents: Gifts to children of money from anybody else other than parents e.g. grandparents. There is no limit on the amount of interest that can be paid which does not affect the income tax position of the person giving the money.

Capital Gains Tax:
Tax Free Allowance: Each year use your gains Allowance of £10,600. You can realise gains/profits of this amount and not pay up to 28% tax on the gain.

Losses: If you have made losses you can offset these against gains or carry them forward indefinitely.

Second Properties: You are liable to CGT on the sale of any second property - with careful changes in ownership of the property and perhaps making it your permanent home for a period – you could slash the tax bill due.

Inheritance Tax:
Gifting: £3,000 annual gifting allowance. You can make gifts to whoever you choose each year to reduce your inheritance tax bill. You are allowed to carry over any unused allowance for 1 year. So if you did not make a gift last year, you can gift £6,000 this year. You can also give up to £250 to as many other people as you like.

PETs: Potentially Exempt Transfers. You may be able to gift more than £3,000 each year and provided you live for 7 years, it may save inheritance tax.
Trusts: Put your life insurance policies in trust. Any benefits on death are paid out more quickly to the people you care about. Using trusts for investments can also reduce your inheritance tax bill.

Tax Returns and Benefits:
Self-Assessment Filing: People waste hundreds of pounds each year by not completing their return in time.

6 Million Tax Codes Wrong in 2010: Check the tax code on your payslip and with your Inspector of Taxes. It is staggering how many people were issued the wrong tax code that means we pay more tax.

Non-tax payers: Contact the HM Revenue and Customs and ensure that you claim back any tax that you may have paid.

Irregular Income: If you are retired or receive irregular income from pensions, bank and building society accounts and/or investments. Contact your tax office to see if you are due a refund. You can even go back six years. HMRC will send you a short form to complete - it can't hurt!

New Non-UK Domicile Rules for 2012

The Budget in March 2011 confirmed a new limit of remittance basis tax charge of £50,000 from April 2012. This is designed to encourage even more non UK Domiciles to declare Worldwide Income in the UK for tax.
Most Foreign high earning Non-UK Nationals will either pay taxes in the UK on all Worldwide income or pay a tax charge of £50,000.

'Non-UK Doms' or if married to a 'Non-Dom' should contact us to review investments and tax planning.

A Pension Tax on your Pay Rise - Annual Allowance Explained

New rules from April 2011 confirm the revised pension 'annual allowance' . This is the maximum you can pay each year in pension contributions. You now have to be very careful if you receive a pay rise and as a result your pension entitlement goes up.

Annual Allowance April 2011 – reduced to £50,000
- Maximum yearly pension contributions (including employers payments and tax relief) £50,000 pa (old rule £255,000).
- Final Salary Pension Increases will use a new valuation 'factor' of 16 times any increase in benefit (old rules 10 times).

General Calculation: Gross Individual Pension Contributions plus Company contributions = Your Total Annual Contribution.

Excess Contributions: if you and your employer exceed the £50,000 annual allowance, a tax charge is levied.

Final Salary Schemes are different and care should be exercised to calculate an increase in benefits to give an annual allowance equivalent value.

Example Final Salary Valuation 1: Small pay rise and additional year service in pension resulting in an
Accrued Pension Entitlement This Year £10,000 pa and an
Accrued Pension Entitlement Next Year £11,000 pa
Increase in Pension Due = £1,000 pa.

Value of Increase for Annual Allowance Calculation: £1,000 pa X 16 = £16,000. Which is below £50,000 = No Tax Charge.

Example Final Salary Valuation 2:
A large pay rise may cost you a lot in tax.

Accrued Pension Entitlement This Year £10,000. Accrued Pension Entitlement Next Year £14,000 (because you had a promotion this year with a higher salary meaning a higher pension entitlement)
Increase in Pension Due = £4,000 pa.

Value of Increase for Annual Allowance Calculation: £4,000 pa X 16 = £64,000. £64,000 is £14,000 over the £50,000 pa Annual Allowance Limit.
This means a TAX CHARGE Bill is due .. The £14,000 Excess is deemed as added to your income and taxed at either 20%, 40% or 50%.

£140 Weekly State Pension Not What it Seems ...

Many of us will have looked on with pleasant anticipation at the news of our state pension being improved dramatically under new proposals.

The Government's Headlines
– £140 per week state pension for all, it could even be as much as £155 per week.
– Only 30 years National Insurance Contribution paid to receive a full state pension, no longer 40 years +.
Too good to be true? Sadly, yes it is. In our opinion, we will all be worse off.

1. State Pension Age Increases

65 for All - Men already receive state pension at age 65. State pension ages for women are being phased in to increase to age 65. If you are a female born between April 1950 - March 1955, you have a phased retirement age between 60 and 65, if born after April 55, your retirement age is 65..

66 for All - State Pension at age 66 for Men and Women this gradually increases from 65 to age 66 from Dec 2018 to April 2020 (it may even be from 2016 for men). If born April 1959 - March 1960 you will have a phased retirement age. If born after April 1960, you will retire at age 66.

67 for All - State Pension at age 67 gradually increases from 66 to age 67 from 2034 through to 2036 i.e. if you were born April 1968 - March 1969 you will be in the phased retirement age stage, if you were born after April 1969 onwards it will be age 67.

68 for All - State Pension at age 68 from 2044 i.e. if you were born between April 1977 - March 1978 it will be phased in from ages 67 to 68 and if born after April 1978, State Pension Age will be age 68.

2. State Second Pension S2P (used to be called SERPS)
The State Second Pension (S2P) or as it used to be, the State Earnings Related Pension Scheme (SERPS), is technically scrapped with effect from April 2012.

This additional, second state pension is paid for by all employees as part of our National Insurance Contributions (NIC). Self employed people pay less NIC are not entitled to the second state pension.

Two State Pensions: Most people therefore have a State Pension and Additional State Pensions from old 'Graduated' NIC, SERPS and now S2P. For some, this can mean state pensions in excess of £150-£200 per week.

Contracting Out - Many of you will have heard of the term 'contracting out'. This is where you opt out of the S2P and part of your and your employers NIC are paid into your own pension plan. You may have seen the words "Protected Rights" or "Guaranteed Minimum Pension GMP" in your pension statement; this is contracted out NIC inside your pension pot.

By default, if contracting out of S2P is to be scrapped, then this means your company final salary pension may have to pay in more to make up the company pension shortfall or cut pension benefits or your company money purchase pension or personal pension fund will not grow as quickly as it will no longer received those "contracted out" National Insurance payments.


Give in one hand and take with the other

What this means is that whilst the State Pension weekly amount is increasing, many will lose State Second Pension/SERPS benefits and many will have to wait until age 68.

Pension Planning Fashionable Again
Many do not save as much as they should in pensions, preferring ISAs or property and Premium Bonds. The fact remains that pension contributions receive tax relief of between 20% and 50% depending upon how much you earn. This means that if you pay in £80 your pension pot is made up to £100 immediately. No other investment offers a 20% return instantly with a possible additional 20% or 30% income tax refund if you are a higher rate tax payer.

Flexible Pensions - In addition, the Government introduced more flexible pension access rules in April for people who save more into pensions. This will mean we can access a greater amount of our pension fund in retirement and many families will not lose the pension fund on death, which again was a reason for many not to save in a pension.

Review your retirement planning before it is too late.