

THE ADVISER.

Spring 2012

Welcome to the latest edition of our newsletter, our update on developments in the world of Financial Services.

If you have any questions about the issues raised in this newsletter, please do not hesitate to contact us.

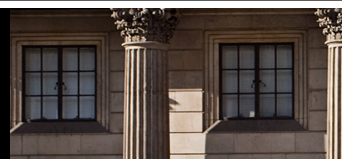
Use it or lose it!

The Individual Savings Account (ISA) is a rare opportunity which the Government offers you to shelter your money from the tax man. For every pound you put in, you pay no further personal tax on any profits earned and do not even have to declare its existence to the tax man. This tax year (2011/12), you can invest up to £10,680. However, the tax year can fly by, so you need to make sure you act early or you lose the year's opportunity forever.

The full amount can be be invested into a Stocks and Shares ISA, or up to £5340 can be be invested in a Cash ISA. As always, investing in Stocks and Shares means that your capital will be at risk and you may not get back the amount that you invest.

ISAs are available for lump sum investment but also for regular savings. Whatever you choose to do, however, the deadline is approaching and you therefore need to start planning to make sure you can take full advantage. Of course, you do not have to use the whole allowance - but if you can, or if you have investments elsewhere that could be transferred over, sheltering them within an ISA provides a very tax efficient way to hold on to any gains you do make.

Please note: the exact tax benefits of ISAs vary depending on your circumstances and are subject to change.



Employers, are you ready for pension compulsion

From October 2012 UK employers will have new responsibilities to enrol any qualifying employees into the Government's own National Employment Savings Trust (NEST) savings scheme, if their current pension provision does not meet the Government's new standards.

The actual dates are dependent on the company size by employee count, but one thing for certain is that every employer needs to start making plans now!

For an informal chat regarding this please call Daniel Peberdy on 01332 372387.

Contact Us:

Sherwin Financial Services Ltd, Curzon House, 3 Bramble Street, Derby, DE1 1HU. Tel: 01332 372387



Sherwin Financial
Independent Financial Advisers

Sherwin Financial News

Sherwin Financial Services Ltd continues to go from strength to strength, and as a result has had two new additions to the team during 2011.

Hannah Froud joined the team in November, as Trainee Financial Administrator. Previously Hannah has worked for the local council in a customer services role. This has been an excellent foundation, as Hannah's key objectives in her new role are to handle administration in a compliant and accurate manner, and help the team to maintain their levels of service that they provide to new and existing customers.

Amanda Buxton joined the team in December, as an Independent Financial Adviser. Amanda has worked in the Financial Services industry for almost 25 years. She has been an Independent Financial adviser for the last 10 years, having worked for two of the major High Street banks, in the Derby area. Amanda holds the Diploma in Financial Planning and is a member of the Chartered Insurance Institute and Personal Finance Society.

Elaine King has recently been authorised to advise on Protection this will enhance our ability to help you, our clients, ensure that you have the appropriate levels of cover for you, your family and your business.
Call 01332 3772387 to arrange an appointment or for an informal discussion.

This now brings the team up to seven members, and puts Sherwin Financial Services Ltd in a strong position to help you, your family and business with your financial planning needs.



Changes to Pension Legislation

Reducing the Lifetime Allowance.

From April 2012 the maximum tax free value of pension contributions at retirement will be reduced from £1.8m to £1.5m. Tax charges of 55% on lump sums and 25% if paid from the annual pension income will still be incurred on the excess. The maximum tax-free lump sum will remain at 25% of the standard lifetime allowance. Further consideration is being given to how best to protect existing rights under appropriate traditional rules.

Changes to contracting-out.

From April 6 2012, contracting-out of the additional state pension will be abolished for certain types of pensions. There are no changes if your employee is contracted out into a salary related pension scheme. The changes only apply to contracted out money purchase schemes and money purchase stakeholder schemes. If your employees already pay into one of these schemes you may still be able to make contributions, however HMRC will stop paying national insurance contributions.

If you feel that you will be affected by these changes in any way then please feel free to contact us for more information on 01332 372387.

Introducing SIPP

A Self-Invested Personal Pension (SIPP) is a particularly flexible form of pension savings plan which provides significant flexibility and a wide range of investments for you to choose from when saving for your retirement, including the purchase of property. Like all pension plans, they are designed for long term savings but are intended to help you take more control over your investment than some alternative plans. Compared with general stakeholder and mainstream personal pensions, SIPP's tend to be expensive and therefore such plans will not be suitable for everyone. However, for the more active and adventurous, they offer some interesting opportunities.

If you are interested in this type of pension, we have a pensions expert who will be happy to help. Please contact us for more information.



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