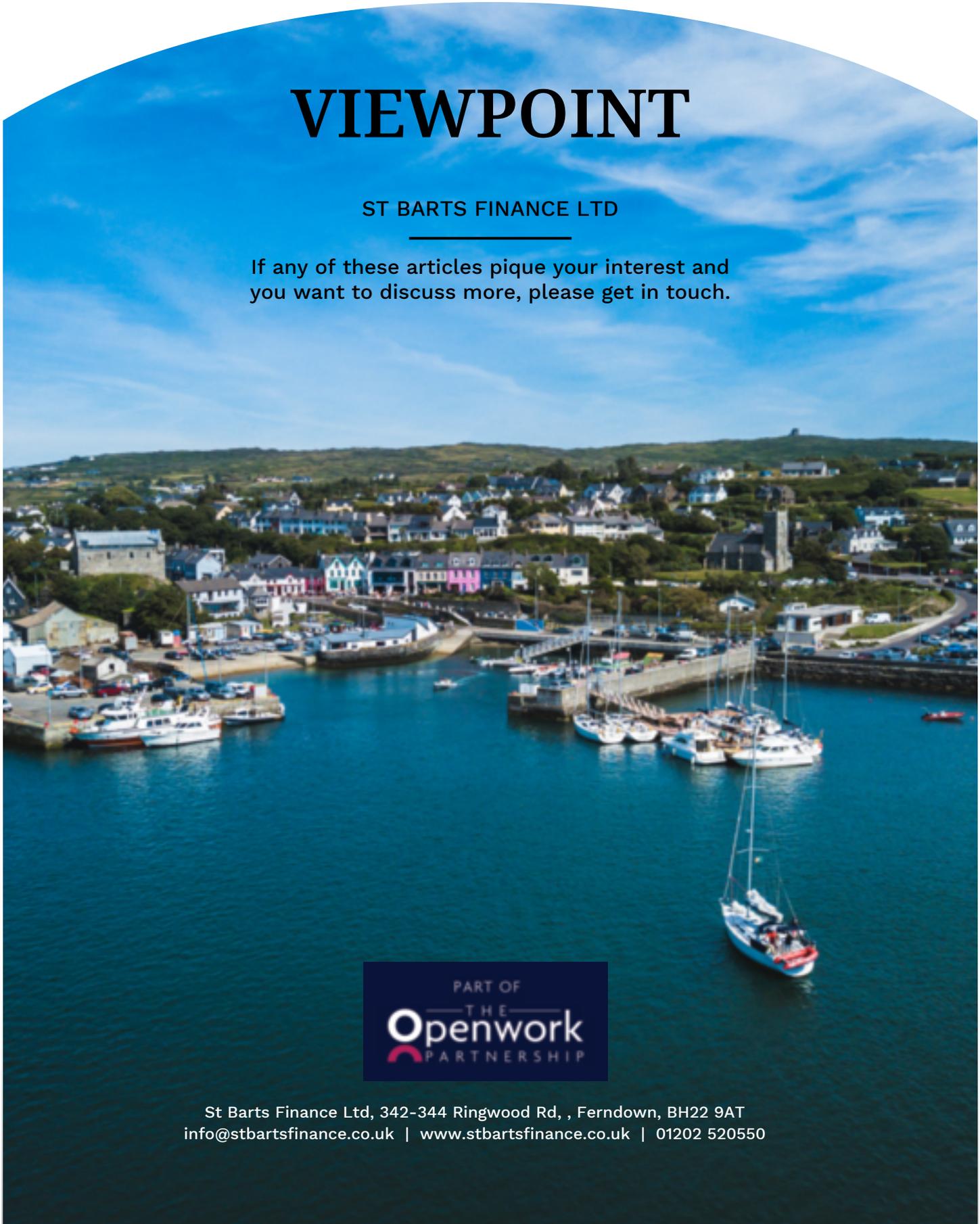




VIEWPOINT

ST BARTS FINANCE LTD

If any of these articles pique your interest and you want to discuss more, please get in touch.



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Do these 5 things if you're planning for retirement

Retirement planning doesn't have to be daunting. Here are five key things you can do to start creating a comprehensive plan for life after work.

1. Start sooner rather than later

Retirement might be a long way off, but the choices you make now could have significant impact when you stop working. Start exploring all your options to ensure decisions made today benefit your finances in the years ahead.

2. Work out how much you'll have

It's worth starting with a state pension forecast (easily available from GOV.UK) to help you estimate how much state pension you'll receive. If you have a defined benefit or defined contribution pension, you can ask your provider for a forecast or more information about your retirement options.

Don't forget to include the projections from any savings or investments you have. And it's always a good idea to locate any lost pensions from previous employers through the government's free pension tracing service.

3. Work out how much you'll need

Chances are you'll have to get used to a different pattern of income and spending when you stop working, but planning can make that a less daunting prospect. Simply splitting your expenditure into two categories - essential and discretionary - is a great place to start and ensure you can cover the basics.

4. Look at your income options

You might need to decide how you're going to take your money in retirement depending on the type of pension you have. This may include an annuity, a tax-free lump sum or drawdown options.

If you have a defined benefit pension, for example, you'll probably receive a guaranteed income from your normal retirement age. If you have a defined contribution pension, you'll gain access to a pot of money that you can start drawing down from the age of 55.¹

Remember to consider other sources of income, such as rent from property, savings or part-time work.

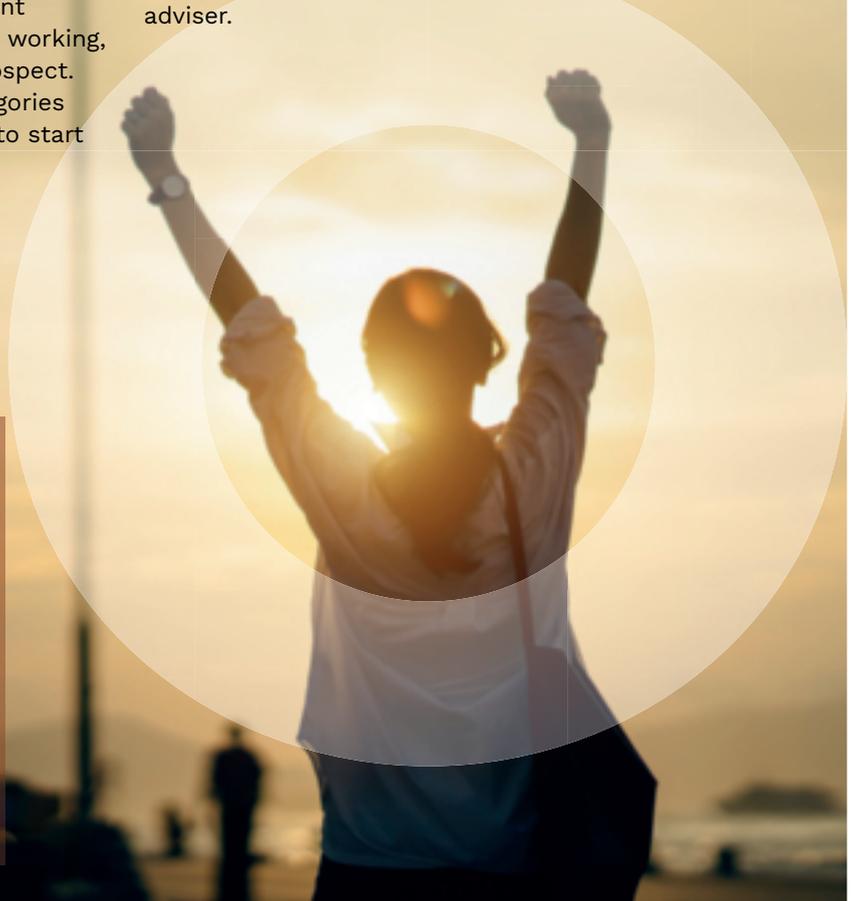
5. Make a plan (or contact your financial adviser)

You can start planning for your retirement once you have all this information at your fingertips. If you want more tailored support with a plan, or if you'd like help to get started, please reach out to your financial adviser.

¹ From 2028, the age at which you can start accessing your pensions will increase to 57.

The value of your investments and any income from them can fall as well as rise. You may not get back the amount you invested.

The Openwork Partnership is a trading style of Openwork Limited which is authorised and regulated by the Financial Conduct Authority.



Inheriting ISAs: explained

Planning on leaving your ISA to a loved one? Here's what you need to know.

Individual savings accounts (ISAs) are a great option for tax-free saving, but it's important to understand the rules around inheriting ISAs if you want your beneficiaries to make the most of your legacy.

What is an ISA?

A savings account in which your earnings are tax-free. Every year, the government sets a limit on tax-free savings. This is your ISA allowance, and it's £20,000 for the 2025/26 tax year.

Who can inherit an ISA

Anyone can inherit the funds in an ISA, but only a spouse or civil partner can retain the tax benefits thanks to the additional permitted subscription (APS), also known as an 'inherited ISA allowance'.

How does the APS work?

An APS is an extra allowance that your spouse or civil partner can add to their existing ISA allowance. It's based on the value of an open ISA held in your name when you pass away or the value as at date of transfer. Your spouse or civil partner must be living with you at the time of your death.

For example, if you have £20,000 set aside in an ISA when you die, your spouse or civil partner's ISA allowance increases to £40,000 (their £20,000 allowance plus the additional £20,000 from the ISA they've inherited). This means they can pay the money from the inherited ISA into another account without paying tax on it.

An APS must be claimed within three years of the death of the account holder or up to 180 days after administration of the estate is complete, depending on the assets held in the account(s) and whichever deadline is sooner.

Can someone else inherit an ISA?

If you leave money in an ISA to a beneficiary that isn't your spouse or civil partner, the funds will form part of your estate and be subject to inheritance tax (if the value of your estate exceeds £325,000, in the 2025/2026 tax year).

What can my spouse or civil partner do with their APS?

They're under no obligation to stay with the same provider of the inherited ISA. They can transfer up to the value of their APS in any type of ISA if the provider accepts transfers from inherited ISAs. As with any saving decision, it's worth shopping around to find the best deal.



Get in touch if you want tailored support with your estate planning.

An ISA is a medium to long term investment, which aims to increase the value of the money you invest for growth or income or both. The value of your investments and any income from them can fall as well as rise. You may not get back the amount you invested.

HM Revenue and Customs practice and the law relating to taxation are complex and subject to individual circumstances and changes which cannot be foreseen.

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Reasons to consolidate your pensions

If you've worked for more than one employer, you will doubtless have more than one pension plan. How long is it since you last looked at them? Are they languishing in poor performing funds?

Combining some or all of your pensions into a single plan could save you money, achieve better growth and make your life easier. Here are some things to consider:

5 benefits of pension consolidation

1. Consolidating could save you money. Each pension plan has its own annual charges so combining multiple pensions into one means you'll only pay one annual fee. Shopping around could also help you find a plan with lower charges than your current ones.
2. It gives you greater flexibility. Modern pensions may offer benefits that older ones don't, like flexible drawdown of your pot or income for your loved ones after you pass away.
3. It keeps things simple. You only have to remember one set of login credentials and, if your address changes or you want to change the recipient of any death benefits, you only have to tell one provider.
4. You could get better opportunities. Bringing your pensions together could increase the overall value of your savings and a different plan or provider might give you access to a wider range of investment funds.
5. It makes it easier to plan for the future. An important part of retirement planning is understanding what you've got and what you'll need. Having everything in one place makes it easier to track your plan's value against your goals.

Things to be aware of

You could be charged exit fees. Some plans still have exit penalties so make sure you're aware of these and the impact they might have on your pot.

It may be better to stay in a final salary (also known as defined benefit) scheme. These offer a guaranteed income in retirement alongside other benefits (like a pension for your spouse when you die) which you'll lose if you transfer out.

There's no guarantee you'll be better off consolidating. Your current pensions may have benefits like early access or guaranteed annuity rates that might be worth keeping, and annual fees on other pensions may not be competitive.

Get advice before you consolidate

We're here to help. We can assess your situation, explore your options, and help you understand if pension consolidation is right for you.

The value of investments and any income from them can fall as well as rise and you may not get back the original amount invested.

