



FiveFinancial
WEALTH MANAGEMENT

SELF-INVESTED PERSONAL PENSIONS

Using an Independent Financial Adviser





ABOUT US

Five Financial Wealth Management is an Independent Financial Advice firm based in Dorset, England.

We understand that your financial circumstances are unique. Our role is to help you achieve your goals and build a secure financial future.

Making financial decisions, whether for yourself, your family, or your business is important. That's why clear communication is at the heart of every client relationship. We are here to guide you through every step of the process.

Our experienced and dedicated team is committed to helping you make informed financial decisions and ensuring you receive high-quality, tailored advice.

We always put your interests first, working closely with you to achieve the best possible outcome.

In an increasingly complex financial world, we work hard to maximise your financial position and deliver genuine value through effective, personalised advice.

We also believe in empowering our clients through education, helping you build a greater understanding of financial products and planning opportunities. From across the market, enabling us to provide clear, impartial advice.

To support this, we offer access to a wide range of products and services from across the whole market, enabling us to provide clear, impartial advice based on your individual needs and objectives. This broad market access allows us to compare a variety of options, helping you benefit from competitive and suitable financial solutions.

Meet your financial adviser

Nicholas Jowett
CeMAP CeRER DipFA MiLibf

E: nick@fivefinancial.co.uk
T: 01202 916004
M: 07976 314664



IMPORTANT INFORMATION

Five Financial Wealth Management is an Appointed Representative of New Leaf Distribution Ltd. who are authorised and regulated by the Financial Conduct Authority. Number 460421.





HOW A SELF-INVESTED PENSION WORKS

A Self-Invested Personal Pension (SIPP) is a type of pension that gives you greater control over your retirement savings and investments.

A SIPP can be suitable for employed individuals, contractors, business owners, and the self-employed, offering a flexible way to save for retirement.

With a SIPP, you can make contributions at times and amounts that suit you. If you are under 75 and a UK resident for tax purposes, your contributions will usually benefit from government tax relief. Basic-rate taxpayers typically receive 20% tax relief automatically, while higher and additional-rate taxpayers may be able to claim further relief through Self Assessment.

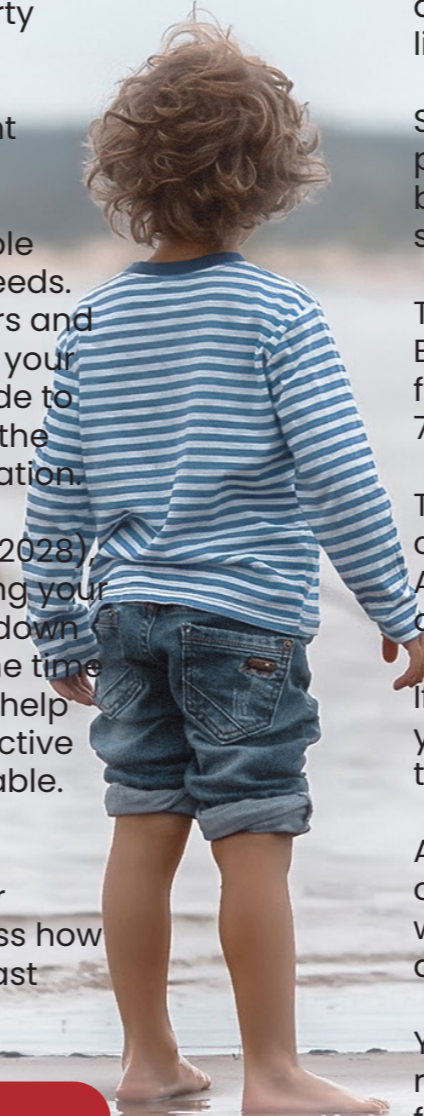
Funds held within a SIPP can grow free from UK Income Tax and Capital Gains Tax (CGT), helping your retirement savings grow more efficiently over time.

A SIPP also provides access to a wide range of investment options across the market, including funds, shares, bonds, and commercial property investments.

By working with an Independent Financial Adviser, you benefit from professional guidance when selecting the most suitable investment strategy for your needs. Unlike DIY investing, our advisers and paraplanning team will ensure your portfolio aligns with your attitude to risk, long-term objectives, and the importance of global diversification.

From age 55 (rising to 57 from 2028) you can usually begin accessing your pension savings through drawdown income or lump sums. When the time comes to take benefits, we will help you choose the most cost-effective and tax-efficient options available.

We can also provide cash flow modelling to help forecast your future income needs and assess how long your pension funds may last throughout retirement.



Annual Reviews

We will meet with you at least once a year to review how your pensions and investments are performing and to ensure they remain aligned with your financial objectives.

Regular reviews allow us to assess investment performance, consider any changes in market conditions, and make recommendations where appropriate to help maximise long-term growth potential.

PENSION TAX RELIEF

We all want to get the most out of our retirement, it is also in the government's interest that you are able to retire with a good standard of living.

So whenever you contribute to your pension the government will pay 20%, boosting the amount of money you save.

The boost is called basic rate relief. Everyone who is a resident in the UK for tax purposes and under the age of 75 qualifies for this.

There are limits to the amount you can pay into a pension, see Lifetime Allowance or discuss this with your adviser.

If you pay a higher-rate tax (40%), you can claim a further 20% tax relief through your tax return every year.

An additional rate tax-payer (45%) can claim back up to a further 25%, we will help you with this every year as part of our ongoing service.

You must pay enough tax at the relevant rate to claim back the full amount, e.g. if you made a contribution of £10,000 to your pension you only need to pay in £8000, and the government would pay in £2000 of basic rate tax relief.

Higher rate taxpayers could claim back a further £2000 or £2500.

Please note Tax rules do change we will keep you updated with the latest changes every year.

Annual Allowance

The maximum amount that you can contribute from all sources each tax year is £60,000.

This limit includes the total value of contributions made by you, your employer or anyone else on your behalf, as well as the basic-rate tax relief added.

It will also include any benefits built up in a final salary or defined benefit pension scheme.



INDEPENDENT ADVICE OR DIY INVESTING

Every month, new apps and investment platforms are launched, all claiming to offer the latest and best way to manage your pensions and investments.

While managing your own investments may seem straightforward, there are several important factors to consider before making financial decisions.

Many investors focus solely on investment returns, but returns only tell part of the story. Understanding risk is equally important – and arguably the most important part of investing. Every investment carries some level of risk, and balancing risk with potential reward is essential to achieving long-term financial success.

Everyone views risk differently. An investment that feels low risk to one person may be considered high risk by another. Without careful planning, investors can unknowingly expose themselves to more risk than they are comfortable with, which may only become apparent during periods

of market volatility or financial uncertainty.

It is important to understand the relationship between risk, return, and volatility, and to recognise the impact investment risk can have on your current and future financial plans. Ignoring risk when making investment decisions can prove costly, as understanding how investments behave in different market conditions is just as important as understanding the potential returns they may deliver.

Many providers now offer sophisticated technology and online investment platforms for a percentage-based fee. While these services can provide convenience and accessibility, they are often offered without personal financial advice. This means investment decisions are left entirely to the individual, and there may be limited support if investments underperform or fail to meet expectations.

Unless you have the time to carry out extensive research or possess a strong understanding

of asset allocation, diversification, and investment management, professional financial advice can provide significant value and reassurance.

We help manage this process for you by continuously monitoring fund performance, reviewing investment strategies, and assessing how portfolios compare against their peer groups and benchmarks.

Through regular reviews and ongoing communication, we ensure your investments remain suitable for your objectives and continue to reflect your changing circumstances and financial goals.

There are a wide range of investment solutions available, and by working with us we can help identify the most appropriate investment strategy, tax wrapper, and portfolio structure for your individual needs.

As Independent Financial Advisers, we provide unbiased and unrestricted advice based on a comprehensive and fair analysis of the market.

We will assess which investment and pension products may be suitable for you, along with any appropriate tax-efficient wrappers, such as ISAs and pensions, to help maximise the value of your investments over the long term.

Why use an IFA?

Research shows that by incorporating certain Wealth Management best practices, advisers can add about 3% per annum in net returns for clients over their lifetime.' (Source: Vanguard)

Open Ended Investment Company Funds (OEICs)
Including Exchange Traded Funds (ETFs)

Unit Trusts and Investment Trusts

Personal Pensions, Stakeholder Pensions

Self-Invested Personal Pensions (SIPPs) and Annuities

Insurance Based Investments, including Capital Investment Bonds
and Endowments.

Structured Capital at Risk Products (SCARPS) and Structured Deposits

Certain Specialist Investments suitable for retail clients, including Venture
Capital Trust (VCT)

Investments and Enterprise Investment Schemes (EIS)



STRATEGY CHOICE

Actively Managed

This strategy is made up of different funds investing in various asset classes. Investment managers will regularly review the performance and risk of different funds and decide whether it is prudent to buy or sell funds within the portfolio.

Passive

The strategy will be made up of various tracker funds which are solely designed to track the world's markets.

There will be little influence from an investment manager.

Enhanced Passive

Using advanced technology, the investment manager will monitor trends in the market to include the best-performing passive structures. A rules-based system allows for the technology to assist the investment manager in managing volatility, whilst looking for strong annualised returns.

Ethical

Using the same process as the Actively Managed Strategy above; Ethical portfolios primarily invest in companies or funds that focus on social responsibility and ethical governance.

DIFFERENT SOLUTIONS

Platform Solution

We may recommend that you hold and trade your investments and/or Pensions in one place via a platform service. Under this solution, the funds are managed by Discretionary Fund Managers (DFM) through the construction of model portfolios which align with your attitude to risk and offer diversification.

By opting for this solution, you will have easy access to valuations and up-to-date information, accessing the chosen platform where the funds are held. The DFM will also send quarterly reports detailing the investment performance and valuation of your portfolio to keep you regularly updated. This solution also provides greater security for your funds as they are ring-fenced from the DFM.

Life Office Solution

This option might be suitable for you if you have basic needs and do not require the use of a platform to view your investments, this may suit you better.

Bespoke Solutions

For clients investing over £200,000 and having a higher net worth, we may recommend a bespoke fund management solution where a unique portfolio is created. This will be at a higher cost but you will have an investment manager working alongside us to monitor your investment and fund performance.

Boutique Solutions

If you require inheritance tax mitigation strategies; enhanced annuities; onshore bonds; or sharia-compliant investments.

Existing Solution

Also don't forget that having reviewed your existing portfolio and investment, we may recommend no changes are required but will offer our ongoing service as your Independent Financial Adviser.



TAKING MONEY OUT OF YOUR SIPP

Since pension freedoms came into force in April 2015, you can decide how you would like to take money from your pension. With a SIPP you can normally start taking money from your pension at age 55. (57 from 2028)

Tax-Free Cash

Usually, you can receive up to 25% tax-free, everything else will be taxed as income when it's paid to you.

You can receive your tax-free cash as one single payment, or in stages - it depends on what you decide to do with the rest of your pension.

It is important to remember you don't have to access your whole pension in one go if you don't want to.

Prepare for Retirement

As you approach your retirement, your investment strategy will change depending on how you plan to access your pension.

This may mean moving into less risky investments, or it could involve switching investments to focus on income. Your SIPP will give you the flexibility to do this, and with our assistance, we will help you manage this process.

Annuities

An annuity pays you a guaranteed income for life, no matter how long you live. You can buy more than one annuity and you don't have to use all your funds.

There are lots of different options for annuity purchases and lots of people can qualify for enhanced annuities which means they will receive higher incomes due to health.

Drawdown

Drawdown is riskier than an annuity, but it lets you access your tax-free cash and leave the remainder of your fund invested to grow during your retirement, you can then take money directly from your pension as and when you need it.

We will help you choose where you invest your drawdown funds, the value will fluctuate up and down and you will pay tax on your withdrawals.

Lump sums (UFPLS)

This option is called Uncrystallised Funds Pension Lump sums (UFPLS). It lets you take money from your pension without having to choose the drawdown option. Each time you take a UFPLS, 25% of it will usually be tax-free and the rest is taken as income.

The rest of the pension remains invested or you can mix and match all these options.

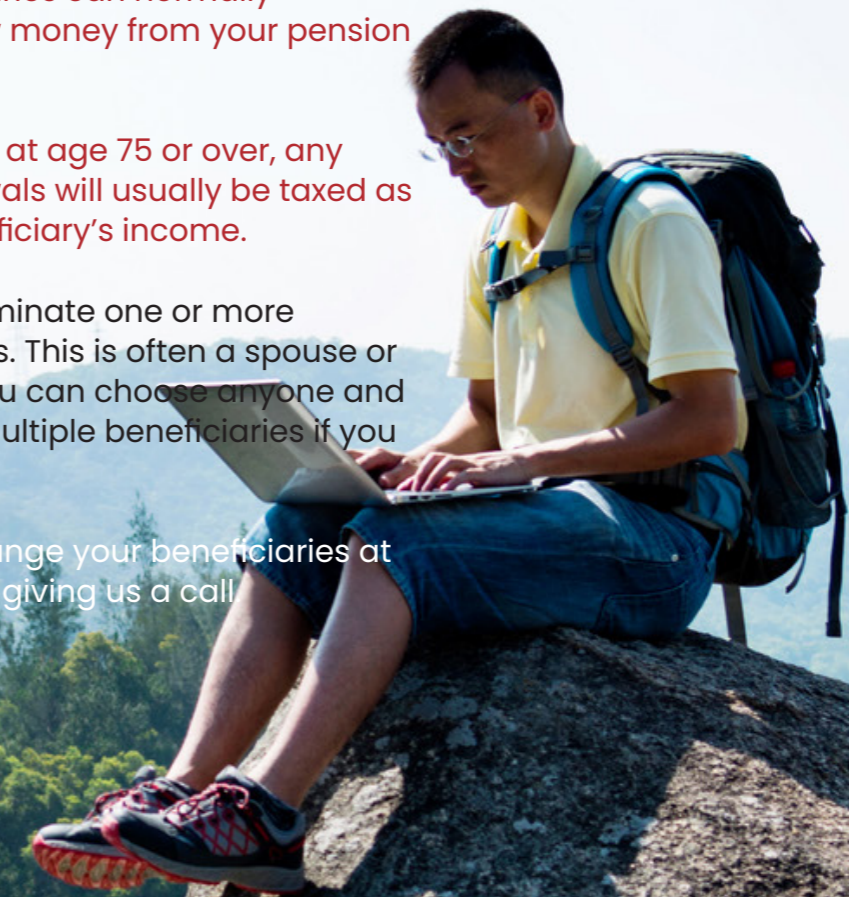
BENEFICIARIES

When you die, your SIPP can usually be passed on to your beneficiaries free from inheritance tax (IHT), however from 2027 your unused pension will be added to the value of your estate and could be subject to Inheritance tax.

- If you die before age 75, your beneficiaries can normally withdraw money from your pension tax-free.
- If you die at age 75 or over, any withdrawals will usually be taxed as the beneficiary's income.

You can nominate one or more beneficiaries. This is often a spouse or child, but you can choose anyone and nominate multiple beneficiaries if you wish.

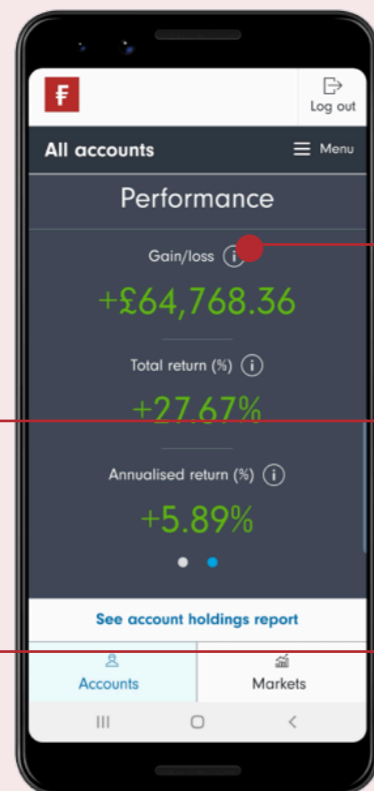
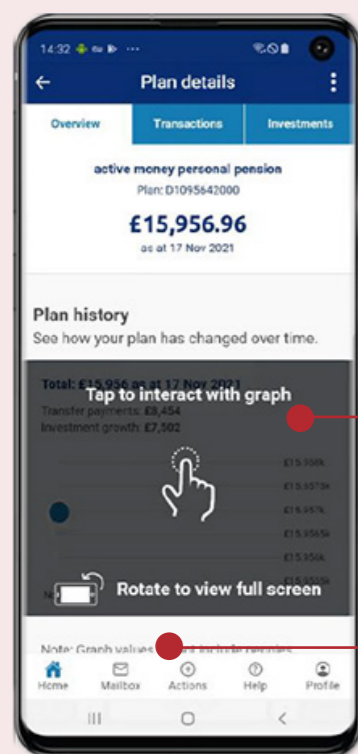
You can change your beneficiaries at any time by giving us a call.



ONLY THE BEST PROVIDERS



Choose from Best in Class Platform and Application Providers



Keep a track of your pension and investments

Link with your Financial Adviser

View your portfolio in one place



CHOOSING HIGH OR LOW RISK INVESTMENTS

One of the fundamental principles of investing is that higher-risk investments have the potential to deliver higher returns although this is never guaranteed. Investments offering greater growth opportunities also carry a higher chance of falling in value or failing to meet expectations.

At the lower end of the risk spectrum, investments designed to minimise risk such as cash savings accounts typically provide lower returns. In some cases, these returns may not even keep pace with inflation.

The level of risk you are comfortable taking is a personal choice; there is no 'one size fits all' approach. Some people prefer to take very little risk because protecting their money is their main priority. Others are willing to accept greater risk for the possibility of achieving higher returns.

We will guide you through the available options and recommend a solution that is appropriate for your circumstances and objectives.





WHY USE US ?

Be confident of your Investment Strategy

We will work closely with you and follow a proven investment methodology designed to support your long-term objectives.

Our advisers and experienced paraplanning team will ensure that fund selection and ongoing portfolio management are carried out with care and diligence. We aim to add value to your strategy over time by providing clear, impartial, and honest advice.

Diversification

Your funds are invested across a broad range of securities, providing global diversification and helping to ensure that not all your eggs are in one basket.

Annual Review

We will review your investments every year to ensure that they are suitable, we will discuss performance and can rebalance and readjust your holdings where required.

Support when you need it

We are always here to help, you can contact your adviser and discuss any part of your investments at any time.

Expertise

We provide research, and ideas and keep up to date with changes in legislation, and economic and market conditions, we are here to ensure you stay on track to achieve your goals.

Value added

We add value to your decision-making, helping you to ensure you make the right decision for yourself and your family at the right time.

CONTACT US

We can offer face-to-face meetings at our offices, at your home or Teams calls if you prefer.

To arrange a free initial call or review please contact us on 01202 916004 or email nick@fivefinancial.co.uk

OTHER SERVICES

Residential Mortgages
Commercial Finance
Bridging Finance
Equity Release
Financial Protection



www.fivemortgages.co.uk

Our services relate to certain investments whose prices are dependent on fluctuations in the financial markets beyond our control. Investments and the income from them may go down as well as up and you may get back less than the amount invested. Past performance cannot be used as a reliable prediction of future performance.

Commercial Lending is not usually regulated by the Financial Conduct Authority.

Equity release may involve a lifetime mortgage which is secured against your property or a home reversion plan which requires the sale of property for a discounted price. To understand the features and risks, ask for a personalised illustration. You only continue to own your own home with a lifetime mortgage.



FiveFinancial
WEALTH MANAGEMENT

Five Financial Wealth Management Ltd

First Floor
168 Blandford Road
Poole
Dorset
BH15 4BH

T: 01202 916 004
E: nick@fivefinancial.co.uk

