The Financial Planning Group

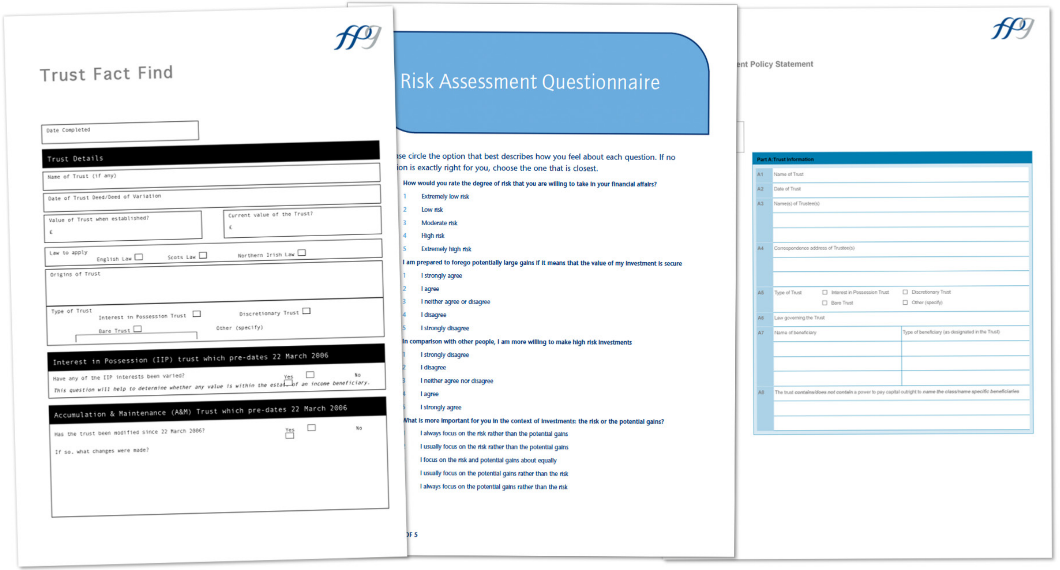
FINANCIAL PLANNERS CII CHARTERED

Trustee Financial Planning Service

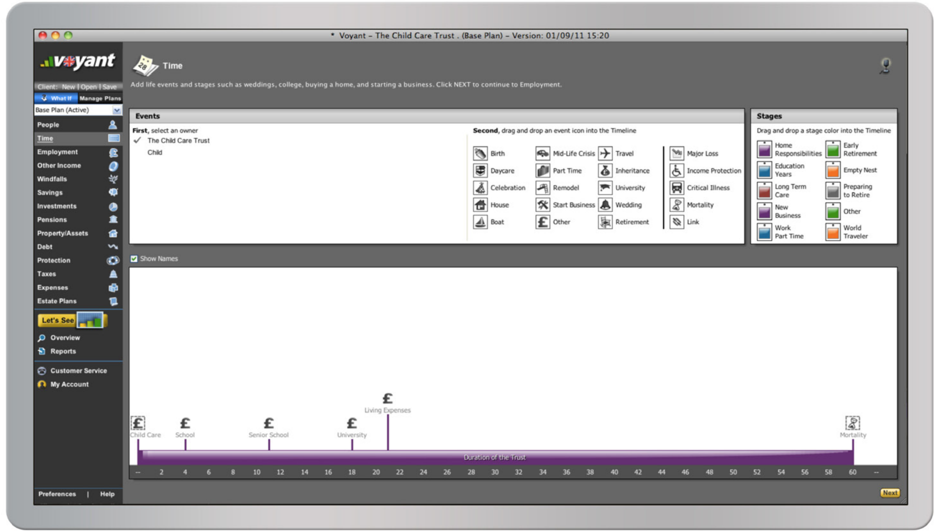
Who we are...

- Established in 1993
- Based in Teddington, South West London
- We deliver a holistic financial planning service to Individuals, Companies and Trustees
- Authorised and Regulated by the Financial Conduct Authority
- We are Chartered Financial Advisors – the profession's gold standard status

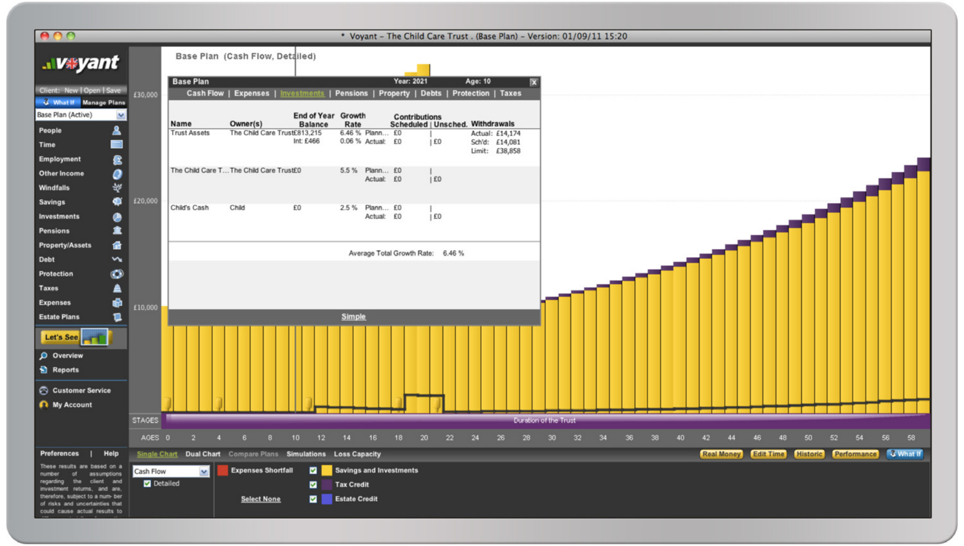
Supporting documents provide a robust audit trail



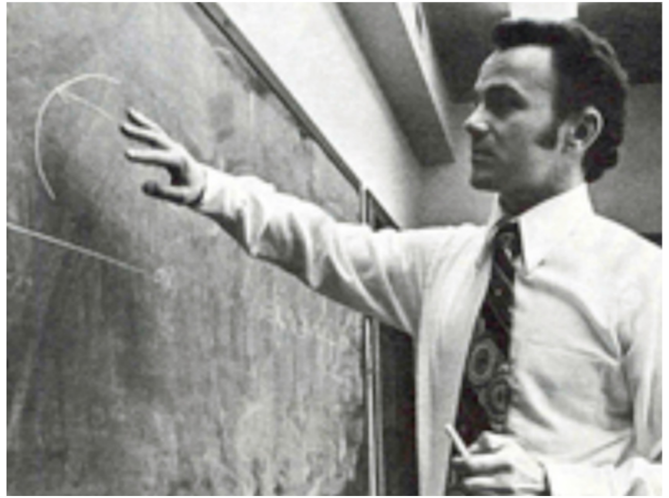
Establish the goals of the Trust



Future projection of Trust assets
including income paid to beneficiaries



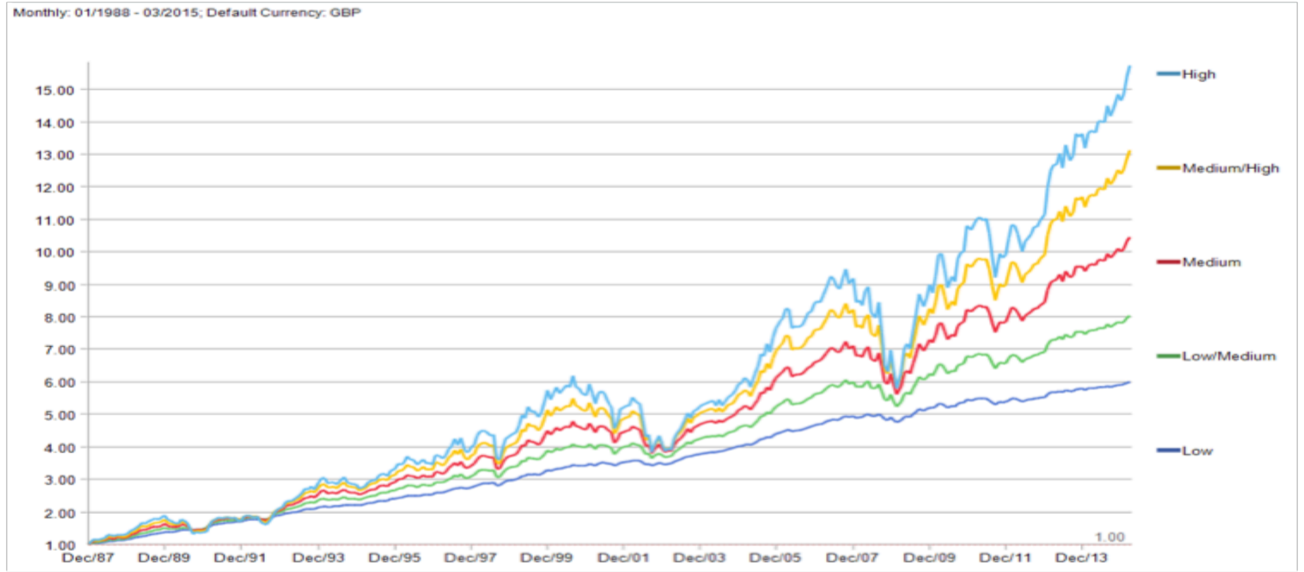
Investment philosophy



Eugene F. Fama
Efficient Markets Hypothesis, University of Chicago - 1966

- Our philosophy is based not on speculation but on the science of capital markets
- When investing for your long term future, return is the reward for the risk you take with your money
- Capital markets around the world are efficient; there is no advantage to be gained from stock selection or market timing
- Diversification reduces risk and Asset Allocation allows risk to be adjusted to fit individual need

A picture of growth



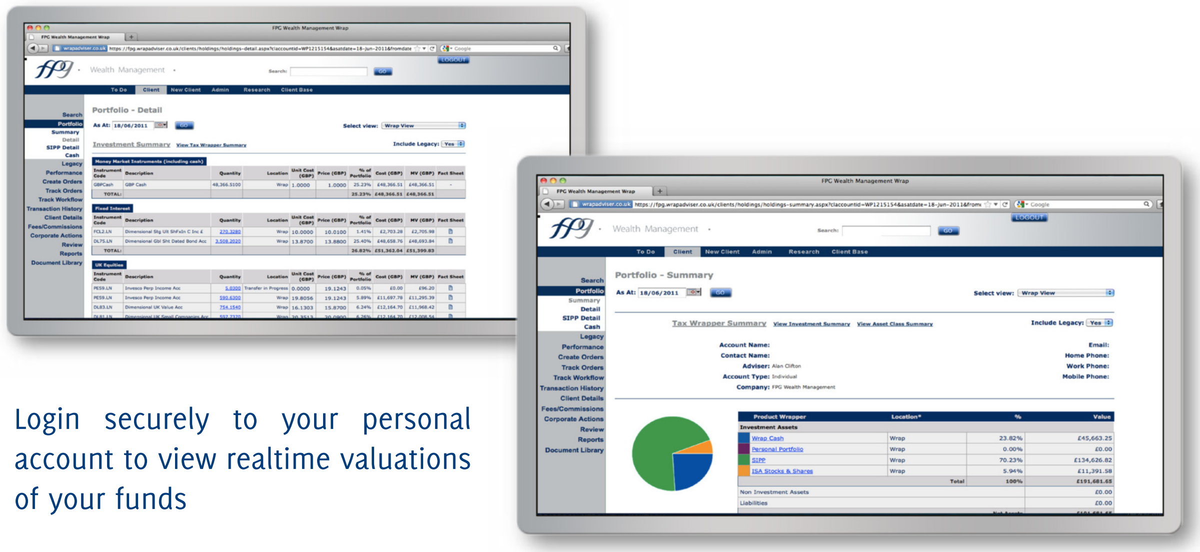
Investment process

- An independent legal technical services team will examine and provide feedback on the investment powers of each Trust
- Individual Trustees will be assessed for risk tolerance using a psychometric risk profiling questionnaire
- A decision on investment suitability will then be made relative to the aims and objectives of the Trust and the beneficiaries involved
- A suitable investment for the Trust will then be chosen from risk rated model portfolios
- Each year the investments within the Trust will be reviewed to confirm continued suitability

Use of an investment platform

- The Financial Planning Group use a WRAP platform to manage the Trust's Investment Portfolio
- The WRAP is a web-based facility that allows us to construct cost-efficient and consolidated investment portfolios
- The WRAP allows the Trust to invest in the most suitable tax wrapper
- Keeping track of the Trust's entire portfolio becomes a simple task, with both historic and instant current portfolio valuations
- Vastly reduced paperwork and increased efficiency mean that we can focus on ensuring the correct investment strategy is in place to achieve the Trust's objectives

Online access



Login securely to your personal account to view realtime valuations of your funds

Taxation of Trusts

Topic / Trust	IHT position on creation	Income Tax on who and at what rates	Capital Gains Tax on gains made within the trust who pays at what Rates	Who files Tax Return?
Bare Trust	Potentially exempt transfer (PET) – no immediate IHT charge, even if above the nil rate band (NRB) If death within 7 years, IHT charge payable Also will fall into estate of beneficiary if they die	Falls on beneficiary at their own rates Can use Personal Allowance If trust set up by parent and >£100 income generated, then taxed on parent	Falls on beneficiary at their own personal rates Can use Annual Exemptions Any gain over and above taxed as basic rate tax payer or higher rate tax payer depending on individual status	Beneficiary
Interest in Possession Trust	Chargeable Lifetime transfer (CLT) on creation of the amount over the NRB Entry charge at half the death rate of 20% Need to be mindful of exit charge and periodic charge (10 years) If death within 7 years further 20% to pay (like PET) Need to be aware of other CLT's created in last 7 years	Trustees are liable to basic rate tax (BRT): 10% dividends (credit covers liability) 20% on all other income Trustees then pass statement of trust income (R185) to beneficiary who then pays further tax or claims if nil rate tax payer. Trustees do not get Personal Allowance Trustee's can arrange to mandate income directly to beneficiary to reduce the need for reporting to HMRC	Falls on trustees to pay on any gains over Trustees Annual Exemption (50% of Personal Exemption Rates) Annual Exemption can be split between up to 5 trusts All CGT then taxed at higher rate	Trustees and beneficiary
Disc. Trust	CLT on creation on the amount over the nil rate band Entry charge at half the death rate of 20% Need to be mindful of exit charge and periodic charge (10 years) If death within 7 years further 20% to pay (like PET) Need to be aware of other CLT's created in last 7 years	Trustees have standard rate bands on first £1000 of income where income received is taxed at: 10% dividends, 20% other income All income above £1000 is taxed at 45%, dividends at 37.5% Paid out to beneficiary net of 45% tax Beneficiary can then reclaim using self assessment	Falls on trustees to pay on any gains over Trustees Annual Exemption (as above) Annual Exemption can be split between up to 5 trusts All CGT then taxed at higher rate	Trustees and beneficiary

Trustee Financial Planning Service

- A process driven service for Trustees
- A well documented audit trail to support recommendations
- Compliance supports the Trustee Act 2000
- Awareness of the changes to income tax on existing Trusts
- Cash flow modelling allows for informed decisions in the future
- Suitable investment recommendations avoid future conflict

Chartered Financial Planners

The Financial Planning Group are proud to announce that the company have attained Chartered Financial Planner status – recognition that we adhere to a strict code of conduct and a commitment to ongoing professional development. The object of the ethical code is to ensure that all our members act in the best interests of clients, of the society and the profession.
All Chartered Financial Advisors have completed degree level professional qualifications and have at least five years experience – Chartered status is the profession's gold standard for financial planners.

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