

# Financial Services Members Guide



**Infinite**  
Wealth Management Ltd.

Prepared By

**Infinite Wealth Management Ltd**

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Infinite Wealth Management Ltd is authorised and regulated by the Financial Services Authority (FSA)

## Wealth Management Services for Contractors

Infinite Wealth Management are committed to providing employees of Contractor Umbrella with a comprehensive financial services proposition that delivers contractor focused solutions to your needs with the required flexibility to adapt to your changing lifestyle.

### Available services

The following table sets out the range of services we can assist you with. Further details on each area are set out over the remainder of this document for your information.

#### Options for Retirement

- Individual Pensions
- Group Personal Pensions
- SIPPs • Drawdown Pensions

#### Investment Planning

- ISAs
- Unit Trusts & OEICS
- Investment Bonds
- Venture Capital Trusts

#### Protection Planning

- Life Cover
- Critical Illness Cover
- Income Protection

#### Options at Retirement

- Annuities
- Variable/Short Term Annuities
- Drawdown Pensions

#### Inheritance Tax Planning

- Absolute Trusts
- Discretionary Trusts
- Investments in Trust
- Wills

#### General Insurance

- Professional Indemnity Insurance
- Buildings & Contents Cover
- Private Medical Insurance
- Mortgage Payment Protection

If you have any questions regarding the service we can provide to you or wish to discuss any of the above areas, please do not hesitate to contact either Adrian Watts or Stuart Brown on 0333 800 8640 or email your enquiry to [cu@infinitewm.co.uk](mailto:cu@infinitewm.co.uk).

## Options for retirement

Planning for your retirement is fast becoming one of the most debated subjects with clients. Statistics have shown that we are facing an aging population combined with increased life expectancy that is placing an incredible burden on the State Pension system.

Reliance on the State to provide for your old age is no longer a safe or reliable retirement strategy. Many people leave it too late to think about how they want to live in retirement and end up just existing. Planning early for your vision in retirement can make it a reality and we can assist you with those plans.

### What options are open to you?

1. Personal Pensions
2. Group Personal Pensions
3. Self Invested Personal Pensions (SIPPs)

As an employee of Contractor Umbrella you are fortunate to have access to an excellent Group Personal Pension (GPP) Scheme. This plan has been carefully negotiated on your behalf with Aegon Scottish Equitable to secure a low basic annual management charge of just 0.7% per annum combined with the flexibility to start, stop, increase or decrease your contributions as and when you require. This flexibility is essential for a Contractor to enable you to adapt your contributions to match your working patterns.

The scheme also provides for 100% of the money you contribute to be allocated to your plan and there is never any penalty for moving the funds away from Aegon, should the need arise. Your contributions are paid by Contractor Umbrella under a salary sacrifice arrangement which ensures that you not only receive the tax relief on the contributions but also save the employer and employee national insurance contributions as well. This makes the scheme extremely tax efficient.

For further details on Personal Pensions, Group Pensions, SIPPs or if you would like to join the Contractor Umbrella pension scheme or increase your contributions to the scheme then please do not hesitate to contact us.

## Options at retirement

Given the increase in life expectancy being experienced now, it is important to ensure that when you come to take the benefits from your retirement plans you obtain the most appropriate solution to meet your needs both now and in the longer term. Many people simply opt to take an Annuity with the existing pension provider and this could result in them receiving a significantly lower income in retirement, especially if their circumstances would enable them to qualify for an enhanced or impaired life annuity.

We assist our clients at retirement to identify what they wish to achieve and how this can best be met from the available solutions from the whole of the market. Seeking advice in this area has never been more important and we would be happy to help you with any questions you might have.

### What options are open to you?

- 1.** Annuity – this option provides a fixed or escalating income in return for a lump sum payment to a provider. The income is guaranteed for the remainder of your life and it is possible to build in spouses benefits as well.
- 2.** Variable/Short Term Annuities – these operate in a similar manner to Annuities but provide for greater flexibility such as guaranteed minimum income or fund value assumptions and the ability to utilise these break periods to review your benefits.
- 3.** Drawdown Pensions – this option offers a high degree of flexibility with regards to your income but carries significantly more risk than a standard Annuity. If you require flexibility over the level of income you wish to take year on year or require no income but wish to access the Tax Free Cash element of your pension only, then this plan might be a suitable option for you.

If you would like to discuss your existing arrangements or are thinking about drawing your benefits, please do not hesitate to contact us.

## Investment advice

As well as providing for your old age, Investments can provide a suitable vehicle for achieving medium to long term goals such as saving for children's education, building up additional capital to purchase a boat or car. Investment can also be an excellent way to compliment your existing retirement planning provisions and make sure you have assets you could access, if required, before age 55 unlike pensions.

There are a number of different options available to you and below is a selection of the main ones:

- 1. ISAs** – very tax efficient and generally offer the best home for the first £10,680 of your investment capital. There is no liability to personal taxation on any income taken or liability to Capital Gains Tax on any encashments.
- 2. Unit Trusts** – offer you the opportunity to utilise your Capital Gains Tax allowance each year to realise gains without a liability to tax. This can be an effective route to achieving a capital base that could be encashed in the future with minimal or no liability to Capital Gains Tax.
- 3. Investment Bonds** – onshore and offshore investment bonds offer a great environment to either generate a regular set income or invest for capital growth.
- 4. Venture Capital Trusts** – this are generally considered a high risk investment but offer an excellent way to mitigate income tax and capital gains tax in return. This type of investment is unlikely to be suitable for most people due to its high risk nature but might be of interest as part of a comprehensive and well diversified high net worth portfolio.

We have established an excellent wealth management platform with access to a range of investment types and also a range of investment portfolios aligned to your risk profiles which are managed by trusted and respectable fund managers.

It is important that you review your investments and have a sound financial plan in place to ensure that they remain appropriate for your needs and that the underlying investments do not expose you to an unacceptable risk level. We would be happy to discuss any investment ideas with you and provide you with the support and advice you require.

## Inheritance tax planning

Inheritance Tax (IHT) has often been referred to as the ‘avoidable tax’ in that it is one area that you can plan to mitigate your potential liability. How this mitigation is achieved can take many forms and it is important that the order in which you take these steps does not give rise to unnecessary tax charges.

The basis of any good estate planning is to ensure you have a valid will in place. This not only removes the costs and delays of probate but also ensures that your estate is distributed to those you want to receive it rather than under the laws of intestacy.

In addition to Wills, there are a number of investment vehicles that can be combined with trust structures to mitigate your IHT liability. The nature of some contracts can be quite complex but the benefits provided could effectively mitigate your IHT liability.

If you do not have existing capital to use to mitigate this liability, then you could look at ways of providing a lump sum on your death to achieve the same result. Which route is right for you will depend on a number of factors and we are happy to discuss these in detail with you.

## Protection planning

The need for protection varies during the stages of your life and as such any protection planning should be tailored around those needs with the flexibility to alter as your life does. The available protection comes in many forms as set out below:

- **Life Cover** – this provides a lump sum payment upon your death which is then available to your estate to provide for your beneficiaries or repay debts
- **Family Income Benefit** – this provides a monthly income upon your death to provide for your family.

- **Critical Illness Cover** – this provides a lump sum payment upon the diagnosis of a specified critical illness. Primarily this can be used to repay debts or to make alterations to your home or vehicle should this be required.
- **Income Protection** – this type of plan provides you with a replacement income in the event that you are unable to work due to injury or illness.

It is common to require a combination of the above areas to provide a comprehensive protection package. By securing yourself against injury, illness or death, you ensure that whatever happens, you or your family have the means to continue with the standard of living that you chose originally.

We would be happy to review your current situation for you or to discuss any questions you might have regarding your protection arrangements.

## General insurance

As a Contractor, one area that may be of great importance is Professional Indemnity Insurance (PII). This type of cover provides an insurance against the company you are undertaking work for bringing a negligence or financial loss case against you based on the work you have undertaken.

Whilst some contracts insist upon such cover, some do not but given that the premiums can be as low as £10 - £15 per month, this cover offers excellent value for money in protecting your business against an innocent mistake.

We have set up a dedicated website, available via the Member Services area on the Contractor Umbrella website, that can provide you with an online quote. If acceptable the policy documents can be emailed to you instantly and cover started the same day.

In addition to this service, we also offer the following services:

- Competitive Buildings & Contents Insurance quotes
- Private Medical Insurance
- Mortgage Payment Protection

If any of the above areas interest you, then please do not hesitate to contact us for a quote.