

# Is it time to evaluate your financial landscape

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**As the new year approaches**, it brings a sense of renewal and opportunity – an ideal time to pause and evaluate your financial plans. This annual reflection is important to ensure your financial plans function at their peak and align with your evolving circumstances. No matter how sound, your financial plans are not immune to the impacts of life's changes or the ever-shifting landscape of legislation.

**Life is dynamic**, and changes such as getting a new job, marriage or the birth of a child all influence financial goals and needs. These significant milestones necessitate carefully reassessing financial strategies to ensure they remain relevant and practical. Moreover, legislative changes can profoundly affect taxation, investment opportunities and savings plans, necessitating adjustments to maintain financial efficiency.

## REBALANCING YOUR PORTFOLIO

Over a year, significant changes can occur. If your investment portfolio isn't closely monitored, it may require a thorough review. Certain investments might not perform as expected, while others may have flourished, suggesting a potential time to take profits. It's prudent to avoid overexposure in specific companies, sectors or regions. Ultimately, the aim is to ensure your portfolio aligns with your risk tolerance, time horizon and personal goals.

## SAFEGUARDING WHAT MATTERS MOST

Protection policies act as a financial safety net during challenging times, such as illness or death, providing vital support to you and your family. These include income protection, life insurance and critical illness cover. It is important to review these policies regularly. A pay rise might necessitate an increase in the income you're insuring, while changes in your mortgage could affect your life insurance needs. Keeping your protection up to date ensures your family remains secure without incurring unnecessary costs.

## ASSESSING YOUR RETIREMENT TRAJECTORY

A financial health check can clarify whether your retirement savings are on target for a comfortable future. If there's a potential shortfall, it might be time to increase your pension contributions. Utilising your

annual pension allowance each year maximises the tax relief you receive, while compounded returns can significantly impact your retirement fund over time.

## OPTIMISING TAX EFFICIENCY IN INVESTMENTS

There are numerous tax reliefs and allowances available to enhance your investment efficiency. For instance, investing up to £20,000 annually (tax year 2024/25) in Individual Savings Accounts (ISAs) allows for tax-efficient growth and income. Junior ISAs, with a yearly limit of £9,000 per child (tax year 2024/25), could grow into a substantial fund, aiding in future expenses like university fees or a first home deposit. Other fiscal benefits include Capital Gains Tax exemptions, dividend allowances and personal savings allowances.

## BALANCING DIVERSE FINANCIAL OBJECTIVES

Whether you're planning for school fees, assisting your children with a property deposit or securing your own retirement, these goals can strain family finances. Simultaneously, you might be responsible for elderly relatives whose health is declining. Even with a substantial income, balancing these competing priorities can be challenging. A resilient financial plan that evolves with your changing needs is essential.

## TAKING THE NEXT STEPS

Understanding how to rebalance portfolios, optimise tax efficiency and build a solid retirement fund can be daunting. We offer invaluable assistance in crafting a comprehensive plan tailored to your unique circumstances and regularly review it to ensure it aligns with your evolving needs and aspirations.

## WANT TO EXPLORE HOW EXPERT ADVICE CAN HELP YOU SECURE YOUR FINANCIAL FUTURE?

Reviewing and updating your financial plans is not merely a prudent step but an essential one. By doing so, you can confidently navigate the new year, knowing that your financial wellbeing is secure and optimised for whatever life may bring. For further guidance on achieving financial peace of mind, contact us to explore how expert advice can help you secure your financial future.

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