

November 2007

NEWSLETTER



Thomas May Financial Services directors David Radford, Brian Carruthers and Kaushik Bathia with Judith Rowley and Tracey Henson

Tracey Henson, Financial Services Manager of Thomas May Financial Services Ltd, is now based at our offices at Allen House together with her assistant Judith Rowley.

Tracey has over 20 years experience in the Financial Services sector, whilst Judith has also been working in the sector for many years. Many of our existing clients will have already had business dealings with Tracey and with her now being based at our offices we are confident that this will enable our clients to benefit from prompt and efficient "in house" advice on all financial matters.

Should you feel that you could benefit from independent financial advice covering such subjects as: -

- Personal Investment Planning
- Business Investment and Tax Advice
- Corporate and Personal Pensions
- Retirement Planning
- Personal and Business Protection matters

please do not hesitate to give Tracey a call or contact her through your existing contact at Thomas May & Co who will arrange an introduction for you.

Please use the contact details below:-

Email:

traceyhenson@thomasmay.co.uk
judithrowley@thomasmay.co.uk

Tel:

0116 2335959

Product News

In our Newsletters there will be an overview of any new products which in our opinion offer a different and often unique approach in Financial Planning.

In this issue we feature a new type of Retirement Contract.

If you are contemplating retirement shortly and are attracted to the certainty of annuity income but also to the idea of keeping your future income options open, then a plan called LIVING TIME could be ideal for you.

This plan has many of the characteristics of an annuity (guaranteed income, no investment risk, no additional charges) but it is written under Unsecured Pension scheme rules. Key Features are:-

- It enables the annuitant to secure a guaranteed income of up to 120% of the Government Actuary Dept. Limit and a guaranteed maturity amount
- It enables the annuitant to postpone making that 'once only' annuity decision
- It offers value protection so that on death the annuitants' beneficiaries can receive a lump sum or a guaranteed income.

Retirement income planning needs careful thought and discussions on this topic should also include conventional annuity purchase, unsecured income arrangements and alternatively secured pensions.

Please telephone your usual Thomas May and Co contact or telephone the Financial Services department directly for more details.

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Multi - Asset Investing - The Way Forward to Successful Investment Planning

Over the past few months we have experienced turbulence within the stock markets. So the question is – where should you invest your money now? If we examine just one asset class – let us say equities (shares) – we can see the potential pitfalls that investors have to face when looking to invest.

Equities

Historically, equities have generally provided the best returns of any asset class over the long term; but it is important not to forget that to achieve higher returns more risks need to be taken. As such, 100% investment into equities is a high risk strategy because equity prices are affected by several factors, such as company performance, merger and acquisition activity, political activity, national and international economy performance and market sentiment.

With over 1500 onshore unit trust and OEIC funds available how do you identify the key funds to invest in?

Put simply if equity markets fall then your investment value will fall too.

Diversification

We believe that diversification is fundamental to successful investment.

We have identified that the investor's portfolio should have exposure to a variety of asset classes. However, the next problem we have to resolve is – how much of your portfolio should be invested in each asset class?

What is Multi Asset Investing?

Multi Asset Funds take away all the dilemmas mentioned previously by taking care of all the crucial decisions for you. Because this is their daily business, the fund managers are able to draw upon the latest research and economic data, which enables them to make informed asset allocation decisions on a daily basis, on your behalf. Furthermore, not only will they decide which assets they should be investing your money into, they will also decide how much should be allocated to each separate asset class and/or geographical region.

For investors who recognise the growth potential of the stockmarket but are concerned about the potential risk involved when investing in equities, then Multi Asset Funds offer a possible solution.

Should you require any further information about this type of strategy please do not hesitate to call Tracey Henson on 0116 2335959.



Is it time for a review?

When did you last sit down and review your finances?

By taking a good hard look at where you are at financially at least once a year, you can make sure that your plans are still on track.

There are many things that have happened since the publication of our last Thomas May Financial Services Ltd Newsletter. Examples of the changes that have occurred over the last year or so are: -

- A new tax regime for pensions which affects virtually everyone saving for their retirement.
- The revision of tax laws on Trusts, which means that a review of any Trusts already in existence needs to take place.
- The announcement by the Government of new plans for Individual Savings Accounts (ISAs).
- The launch of Real Estate Investment Trusts (REITS), offering a new route into commercial property investment.
- The announcement by the government of wide ranging proposals for reform of state pensions and the introduction of quasi-compulsory private schemes for employees.

Most recently: -

- The UK financial markets suffered a blip following the problems encountered by the US sub-prime mortgage market, which led to the financial crisis at Northern Rock.
- The Pre-Budget Report which will affect Inheritance Tax planning and which plans to abolish Capital Gains Tax taper relief.

Have your circumstances changed?

- Have you moved home and increased your mortgage?

- Have you added to your family?
- Have you moved jobs?
- Have you set up business on your own?
- Have you considered looking at the finances of your business more closely?

Thomas May Financial Services works very closely with your contact at Thomas May and Co to provide you with a coherent financial plan.

An annual financial review gives you a chance to reassess the impact of the last 12 months and to enable you to redefine any objectives and put any new plans and goals into place.

Example Review Areas

- One of the areas where adjustment is often needed, particularly with young families, is **Family and Health Protection**. Unless this is reviewed regularly, your cover tends to get left behind by the increase in earnings and the cost of living.
- Are you already or are you considering contributing to a **Pension Plan**? These arrangements have significant tax advantages.
- Given the recent volatility of global stock-markets, the performance of your **Investments** may be a cause for concern. An overview of your portfolio would assist you in considering whether any switches need to be effected.

If you are an existing client of Thomas May Financial Services we are excited at the prospect of continuing to work with you and if you are not an existing client and feel a service that is effective, professional and unbiased would help you, please contact **Tracey Henson, Financial Services Manager at Thomas May Financial Services 0116 2335959.**

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