Investing for Growth, Security & Tax-Efficiency

This article provides some valuable hints, tips and strategies to help you make the most of your savings and investments.

Bank or building society savings accounts and cash ISAs are ideal for short-term use, including for 'emergency funds' and any planned expenditure. However, to achieve a higher rate of return, and overcome the effects of inflation, it's worth considering tax-efficient investments in order to optimise growth.

Investing for Growth & Security

Being invested in the right funds is vitally important to achieving growth and security. Many people do not receive expert investment advice, and therefore they run the risk of not being invested in the most appropriate funds.

Assessing your attitude towards investing, including your appetite for growth and security as well as your tolerance for risk, is key to helping you make the right investment decisions. This can help you to optimise the performance of your funds and maximise their value over the medium-long term.

Investing for Tax-Efficiency

Some forms of investments provide us with income tax relief on the amount we invest. Others provide us with tax free growth and/or a tax-free income. This is in contrast to savings accounts and other forms of direct investments, such as shares or property, where tax relief is not available. Clearly, the more tax-efficient your investments are, the more quickly they will grow.

Tax-Efficient Investment Solutions

Depending on your personal circumstances and needs, the following solutions can be used to help you optimise growth, security and tax-efficiency:

Solution	Tax Benefits
Stocks & Shares ISAs:	No income tax. No capital gains tax. Tax-free income.
Investment Bonds:	No income tax. No capital gains tax. Tax-efficient income planning options.
Pensions:	Income tax relief on contributions. No income tax or capital gains tax on growth.
Venture Capital Trusts:*	Income tax relief. No capital gains tax. Tax-free dividend income.
Enterprise Investment Scheme:*	Income tax relief. Capital gains tax relief. Inheritance tax relief.

*VCTs and EIS are high risk investments and are therefore not for everyone. They invest in small to medium sized, early-stage businesses that have high growth potential, but also the potential for losses to be made.

Castle Financial Planning

Reviewing Your Existing Investments

If you have existing investments, it may be worthwhile reviewing them for the following reasons:

Fund selection and performance: To ensure your funds are invested in the right funds for you in order to optimise growth and security.

Tax Efficiency: To ensure you are benefitting from all the tax breaks available, so your money can grow faster.

Contract Charges: Many older style investment contracts carry an outdated charging structure that is not competitive in the modern world of investments. (The more you pay in charges, the less your fund will grow).

Before choosing any form of investment, you should seek professional Independent Financial Advice.

The independent financial advice we provide is fully guaranteed by New Leaf Distribution Ltd. We also carry professional indemnity insurance with a maximum claims limit of £2m per claim.

OUR ADVICE IS GUARANTEED

Further Information & Support

For help with maximising the level of growth, security and tax-efficiency on your investments, please contact John Castle of Castle Financial Planning:

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