RT Financial Planners Ltd

*News*letter

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RT Financial Planners is an Appointed Representative of Sesame Limited.

The information in this Newsletter is to be viewed as general information and does not constitute advice. It is based on our understanding of the current legislation and market conditions, all of which are subject to change. If specific, individual advice is required, we urge you to contact your IFA.

Jackie Greenwood, Chartered Financial Planner
T:01285 886122

New ISA Limits

You may well be aware that in the April 2009 budget, the Chancellor announced that the annual allowance available for investment into an investment ISA will increase from £7,200 to £10,200. Up to half of this can be used in a Cash ISA and the remainder in an Investment ISA.

This increased allowance is available from 6 October 2009, for those aged 50 years or over in the 2009/2010 tax year, but will be available to all investors for the 2010/2011 tax year.

So, anyone who is 50 now, or will be 50 years of age or older by 5 April 2010 can invest £10,200 into their ISA as part of their 2009/2010 allowance. This means that investors do not have to wait until their 50th birthday to invest this additional £3,000 – it can be done any time between 6 October 2009 and 5 April 2010 as part of the current year's ISA allowance.

For example, if an individual's 50th birthday falls on 15 March 2010 they can invest the full £10,200 at any time after the 6th October 2009.

If you are not age over 50 in this tax year, while you will not be eligible for the increased ISA allowance this year you will be entitled to the new, higher limits in the next tax year beginning on 6th April 2010. During the new tax year the £10,200 ISA limit will be available for all investors.

Please speak to your adviser about whether you would like to take advantage of the new, increased ISA allowance.

Our Service Proposition

Since 1 September 2009 we have been using a new Guide to Our Services, which sets out more clearly than ever before what you can you can expect from us as your financial advisers.

We have also commenced using the new Service & Payment Agreement from that date, which outlines what you will pay for a particular piece of work and what you can expect from us within that scope.

We will be giving you our updated Guide to Our Services as we meet with you, whether you are a new client or someone with whom we have been working for many years.

Indeed, although you may have been dealing with us for a number of years we felt we would like to reiterate in writing what you can expect from us as your IFAs:

- **Professional, confidential support to ensure progress towards your financial goals.**
- **Individually-tailored guidance and personalised recommendations, unique to your circumstances and your family.**
- **Regular, ongoing reviews at least annually (and more frequently than this if indicated) as well as interim contact by correspondence, telephone and e-mail as and when appropriate.**
- **Clear and fair payment promise – having agreed how you will pay for our services, we will provide you with a written agreement which we will each sign.**

We always welcome feedback about our services. Please do contact us with any comments you may have.

Gold Investments

By Jackie Greenwood

We are always delighted to have suggestions for articles for our newsletter and in response to a recent request from a client I am pleased to provide some information about investing in gold, as this has been something that many investors have considered in these more volatile times.

As with any other investment, the value can go down as well as up so gold should not be considered a risk-free investment, although it can be ideal to have some exposure to gold in a diversified portfolio. There are a number of ways to gain exposure to gold and some brief information of the more common ways is given below:

Investing in physical gold - This can prove a little inconvenient, because you have physical possession of the gold, which must be stored and insured. Of course you are not limited to buying large quantities of gold bullion! For example you can buy coins, which would prove a little easier for many people to store – and could be purchased in smaller quantities. Krugerrands tend to be the most popular choice for individual investors.

Gold Exchange Traded Funds – These are investments which are derivatives that track the price of gold (and silver). There is stamp duty on the purchase of these and there is also an annual management fee (perhaps, say, 0.5%) so the return will always be this much lower then the actual return on gold. They are however easy to trade and convenient to hold.

Gold Stocks – This is not actually an investment in gold but rather in the shares of gold mining companies. The theory is that if gold prices increase then the profits of the mining company increase and hence the share price should also rise. There are, of course, many other considerations to take into account, such as the company management and market sentiment, so this would be a higher-risk approach.

Precious Metal Investment Funds - Instead of having to select individual gold mining company shares, I would usually suggest that it is preferable to spread the risk by investing in funds that specialise in investment in the shares of various gold mining companies. An excellent example of this is the Black Rock Gold & General Fund. Of course, this is not risk free as you are holding specialist shares, but it can offer some attractive diversification to a portfolio.

The above is by no means an exhaustive list, so you can see that there are a number of ways to buy Gold.

RT Financial Planners Limited can advise on precious metal investment funds, but is unable to advise on the investment in physical gold, gold stocks, or gold exchange-traded funds. As with any investment, gold could be a good addition to a portfolio – depending on your requirements for risk – and you should therefore speak to your own adviser before making any decisions.

If you would prefer to receive our Newsletter in e-mail format in future, please let us know. Write, phone or email Valerie Kiertzner (v.kiertzner@rtfp.co.uk) and she will ensure you receive soft copies in future. Similarly, if you know anyone who would be interested in receiving a copy of our Newsletter, do please ask them to get in touch.

We are still sending client questionnaires with policy documents and they have provided extremely helpful and useful feedback, so our thanks go to all those who have spent time completing them. If you would like to complete a questionnaire do please ask your adviser to let you have a copy, they are not restricted to people who have recently completed business.