



Brewin
Dolphin



Seven financial resolutions for 2024

The new year is a great time to review your finances and make sure everything is running smoothly. From savings and pensions to tax and protection, the changes you make today could have a big impact on the health of your finances in 2024 and beyond.

We can carry out a thorough assessment of your personal and financial circumstances but, in the meantime, here are seven financial resolutions that could help you start the new year on a stronger footing.



1. Assess your spending and saving habits

Steep price rises over the past year mean it's more important than ever to have a solid budgeting plan in place. Sticking to a budget can help you avoid splashing out on things you don't really need. You might even find you have more money to put towards your savings goals.

It's generally considered wise to have around six months' worth of essential expenditure in an easy-access savings account. If you already have a rainy-day fund and are saving for goals that are at least five years away, you might want to consider investing in the stock market. Although the stock market can be volatile, history shows that it tends to perform better than cash over long periods.

2. Revisit your financial goals

The new year is a good time to reconsider your financial goals – what you would like to achieve over the short, medium and long term. Your goals might have changed since you first created your financial plan, in which case you may need to adjust where you are saving your money and / or the level of investment risk in your portfolio.

We can explain whether you are on track to achieve your goals and, if not, the changes you might wish to consider making. We can also build an investment portfolio that suits your individual needs and works hard to preserve and grow your money over the long term.

3. Check your pension is on track

If you haven't checked the value of your pension pots recently, this is the time to do so. Understanding how much money you've saved up in pensions will help you work out whether you're on track to achieve your retirement ambitions. We can calculate the projected value of your pension at retirement and the amount of annual income this is likely to produce.

If there's a shortfall, you might want to see if you can top up your pension. Pensions are a really tax-efficient way of saving for the future because of the tax relief you receive on personal pension contributions. A £100 pension contribution costs just £80 if you're a basic-rate taxpayer, £60 if you're a higher-rate taxpayer or £55 if you're an additional-rate taxpayer.

4. Make the most of your tax allowances

There are a whole host of other tax allowances and exemptions to make use of each year. Many people wait until the end of the tax year to maximise their allowances, but the sooner you act, the better your chances are of realising your financial goals.

You can invest up to a maximum of £20,000 into ISAs each year to benefit from tax-efficient income and growth. You can withdraw money from ISAs whenever you like without paying tax, which makes ISAs a useful investment vehicle for pre-retirement goals as well as a tax-efficient source of income in retirement.

Other allowances include the capital gains tax (CGT) exemption and the dividend allowance. These allowances are due to be slashed in April 2024, so you might want to act quickly to maximise your tax-free investment gains and tax-free dividend income before the changes come into effect.

5. Review your protection

Having the right protection is crucial to ensure you and your family's finances hold up in the event of unexpected illness or death. Even if you already have protection, the new year is a good time to check it still reflects your circumstances. If the level of cover is too low, your loved ones could be at risk of financial hardship should the worst happen to you. We can make sure you have the right policies and level of cover to suit your individual needs.

6. Make or update your will

Making a will is one of the most important things you can do. It ensures your assets go to who you want after your death, and that your wishes are carried out as you intended. If you've already made a will, consider whether it needs updating – for example, if your personal circumstances have changed. Making or updating your will could make a big difference to the future of those you care about.

7. Get some financial advice

Understanding where to invest, how much you need to save for retirement and what to do to secure your family's financial future can be really difficult on your own – and that's where getting some financial advice comes in. This new year, why not ask one of our advisers to review your finances and check everything is as it should be? It could make a real difference to your financial future and give you the peace of mind that you're making the right decisions for you.

The value of investments, and any income from them, can fall and you may get back less than you invested. This does not constitute tax or legal advice. Tax treatment depends on the individual circumstances of each client and may be subject to change in the future. Information is provided only as an example and is not a recommendation to pursue a particular strategy.