

Newsletter

Issue 1



Message from the Directors

We would like to start by welcoming our clients, existing and new to the first addition of our new quarterly newsletter. The team at Kirby & Knott Financial Planning hit the ground running on their return at the beginning of January and have plenty to update you on.

This quarter has seen the team supporting more fantastic events for the Hollie Gazzard Trust, completing more professional examinations, supporting young people in their career aspirations as well as welcoming new clients to the Practice.

As a result of the global spread of the coronavirus, the first quarter of 2020 has been an exceptionally unprecedented one and this looks set to continue into the second quarter. In uncertain times, we feel that keeping in regular contact is important. We remain contactable by phone, email and are supporting clients with video call meetings where required.

We value the relationships with each and everyone of our clients and offer an ear to anyone who would like to talk.

Alex & Rich



Coronavirus

The spread of the coronavirus has intensified in Europe in recent days and, for many, there are deep concerns about the impact it may have on our loved ones and our day-to-day lives in the coming weeks.

Aside from the human cost, there is of course an economic one. The global scale of the virus has led to some bruising weeks for global markets and, in recent days, we saw the worst trading day on the FTSE100 index since 'Black Monday' in October 1987. Clearly, this has an impact on market sentiment and there will, inevitably, be heightened volatility as the threat of a recession grows.

It is also worth emphasising that, despite these shocks, evidence shows that the worst days are often followed by some of the best days. Therefore, rather than selling low and trying to time the markets, time in the markets and weathering the storm generally reaps rewards as valuations recover. Uncertainty is likely to be the only certainty in the short-term and staying the course with a diversified portfolio of investments, positioned for the long-term, is typically the best route to achieving your goals.

We are in unprecedented times and as your trusted Financial Planners we want all our clients to know that we are on hand to listen, support you and guide you through the uncertainty. Please don't hesitate to pick up the phone or call the office.

Chartered Financial Planners!

We are extremely proud to announce that both Rich & Alex have been awarded the status of Chartered Financial Planner by the CII – the Chartered Institute who are a professional body dedicated to building trust in the insurance and financial planning profession. Chartered status is described by the CII as a 'symbol of technical competence. It demonstrates that you are at the forefront of your profession and serves as a mark of trust with consumers, employers and business connections'.

We feel that having both our Directors achieve this level of qualification reflects our commitment to achieve the very best outcomes for our clients.





Budget 2020

"...get it done" was a recurrent phrase in the Budget speech of the new Chancellor, Rishi Sunak. It could equally have been "get it spent" or "get it borrowed" as Mr Sunak announced a raft of spending initiatives with few supporting tax increases. His performance did not follow the standard playbook for the first Budget after a general election. Such set pieces have generally been when a Chancellor takes advantage of his distance from the *next* visit to the polls to deliver the bitter medicine of tax rises.



However, with the threat to the global economy caused by the coronavirus pandemic these were not normal times. The Office for Budget Responsibility (OBR) was expected to cut projected UK economic growth even before the virus emerged. Its pre-measures forecasts were all closed by 25 February, meaning that the coronavirus effect was "largely confined to a modestly weaker outlook for growth in world trade and the UK's export markets". Mr Sunak had the benefit of seeing what happened since that date and clearly decided that the medicine required

was a large dose of tonic, rather than tax. He announced a total package of fresh spending for 2020/21 of £30 billion, of which £12 billion was directly attributed to countering the impact of coronavirus on the UK economy and NHS. Total government borrowing was increased for the next five years by over £110 billion as a result of decisions taken in this Budget. But this is not the end of the story, as another Budget is due in the autumn. By then the consequences of coronavirus should be clearer and we may see other topics addressed, such as inheritance tax reform, which were understandably put on hold this time around.

The Chancellor announced a £12 billion "temporary, timely and targeted" coronavirus stimulus on top of an £18 billion increase in general public spending, but tax measures were relatively few. Significant announcements included the following:

- The pension annual allowance thresholds will each be increased by £90,000 from 2020/21, removing taper as an issue for most people with incomes under £200,000.
- The lifetime limit on capital gains eligible for entrepreneurs' relief has been cut from £10 million to £1 million with immediate effect.
- The annual investment limit for junior ISAs and child trust funds will be increased to £9,000 from 2020/21.
- The national insurance contributions employment allowance will increase from £3,000 to £4,000 from April 2020.
- There will be a review of the taxation of funds to make the UK more attractive for fund management. It will also consider the VAT treatment of management fees.

Where any of these changes impact our clients, we will be in contact or will address at your next review.

The value of an investment with St. James's Place will be directly linked to the performance of the funds selected and may fall as well as rise. You may get back less than the amount invested.

The levels and bases of taxation and reliefs from taxation can change at any time and are dependent on individual circumstances.



Supporting the Hollie Gazzard Trust

The 26 January saw the Kirby and Knott team sponsoring the Gloucestershire Sporting Quiz in aid of the Hollie Gazzard Trust. A great evening was had by all and a total of £1,088 was raised which will go towards the maintenance of Hollie Guard, their safety app.

Congratulations to the winning team on the night, the 1887 Red Army!

We would like to thank Cheltenham Town FC for letting us use the Robins Nest as a venue and everyone who supported the event – it was very much appreciated!

In other exciting news, Cheltenham Town FC wore a unique Hollie Gazzard Trust inspired kit for their home match against Leyton Orient FC on 15 February. The Kirby & Knott team were extremely proud to be the shirt sponsors for the game!

It was an absolute privilege for our branding to be shown alongside the Hollie Gazzard Trust on an English Football League shirt! A huge thank you to all who supported the event and donated over £8,000 for a very worthy cause

#and congratulations to Cheltenham Town FC who won the match 2-1.



We were delighted to have Nick Gazzard drop in last week to gift us a signed, special edition Cheltenham Town FC football shirt! It has now taken pride of place in our office!

If you are a business that is looking to develop community relationships and give something back, we would highly recommend meeting with Klara Sudbury from the Hollie Gazzard Trust.

Supporting the next generation!

On 24 January, Alex and Rich spent the day at Sir Thomas Rich's School participating in their annual Careers Fair. They spoke to students about their thoughts on future career options and discussed their time in the Financial Services sector and why they believe Financial Planning can be a great career choice. The future of the Financial Planning profession relies upon young people being engaged and interested in how high-quality advice benefits individuals, families and society.

Barnwood Point Business Park
Corinium Avenue
Gloucester
GL4 3HX

01452 348690
kirbyknottfp@sjpp.co.uk