



MURRAY JOHN  
& Associates Ltd

# FINANCIAL VIEWPOINT

MURRAY JOHN & ASSOCIATES LTD

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# 5 steps to create a budget

The average British family used to be 2.4 children, these days it's 1.7 children (and half a dog). Whether your idea of a family is two adults and two children, or just you and a dog, creating a family budget is an essential step towards managing your finances effectively.

By gathering information about your income and expenses, categorising your expenses, setting financial goals, determining your disposable income, and creating a budget plan, you can take control of your finances and achieve your financial goal.

## 1 Top tips to avoid being scammed

Make a list of all your average monthly outgoings, then compare it to your current income and see if you spend more than you earn. If there is money left over every month, then it's easier for you to add this to savings. If you earn less than you spend, try to cut back on your expenses slightly.

## 2 Set realistic goals

Set yourself short and long-term financial goals. Short-term goals should take around one to three years to achieve and might include things like setting up an emergency savings fund or paying credit card debt. Long-term goals, such as saving for retirement or your child's education, may take decades to reach.

## 3 Follow the 50/30/20 rule

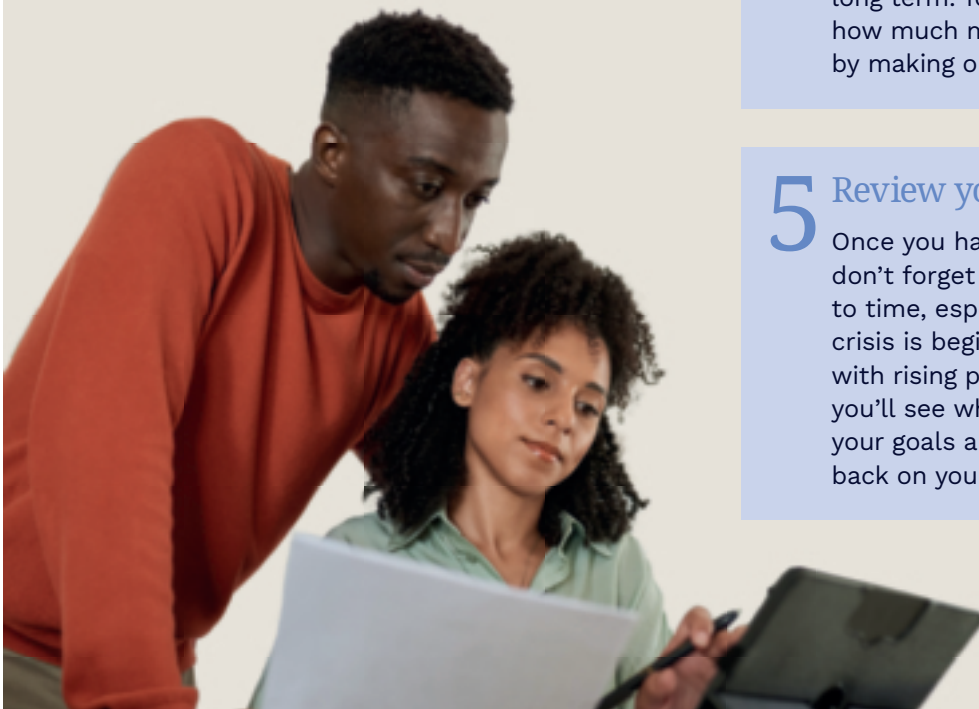
Once you've identified your monthly income and expenditures, it's worth using the 50/30/20 rule. This is a technique where you divide your income into three categories. 50% of your budget covers any essentials like rent and bills, 30% covers variable costs like eating out and shopping and 20% covers savings and paying off debts.

## 4 Cut back on nice to haves

We are all guilty of enjoying the finer things in life, but identifying what nice to have items you can cut back on can help you achieve your financial goals quicker. For example, cutting back on eating out may only save you a small amount each month, but can be a huge saving in the long term. You may be surprised by how much money you could accumulate by making one minor adjustment at a time.

## 5 Review your budget regularly

Once you have created your budget, don't forget to review it from time to time, especially as the cost-of-living crisis is beginning to catch people out with rising prices. By checking it frequently, you'll see whether you need to adjust your goals and where you could still cut back on your expenses.



# The benefits of starting a pension early

**It's never too early to start saving for retirement. In fact, the sooner you start saving, the more time for your money to grow.**

Starting a pension early is one of the best things you can do for your financial future. By taking advantage of the benefits of early retirement savings, you can ensure that you have a secure financial future and enjoy your retirement years to the fullest.

## More time to save

One of the most significant benefits of starting a pension early is the additional time you have to save money. The longer your money is invested, the more time for it to grow, which can help you accumulate a larger retirement fund. Starting early also means that you can take advantage of compound interest, which is interest earned on both the principal and the accumulated interest. Over time, compound interest can significantly increase the value of your pension fund.

## Lower monthly contributions

Starting a pension early can also help you keep your monthly contributions lower. Because you have more time to save, you can spread your contributions over a longer period. This can make it easier to budget for your retirement savings and ensure that you are putting away enough money to reach your retirement goals.

## Employer contributions

If you are enrolled in a workplace pension scheme many employers offer to match employee pension contributions, (up to a certain percentage). This 'free money' can help you save even more for retirement.

## Tax benefits

The government offers tax relief on pension contributions, which means you can put more money into your pension each month. For example, if you're a taxpayer, you can get up to 45% tax relief on your contributions.

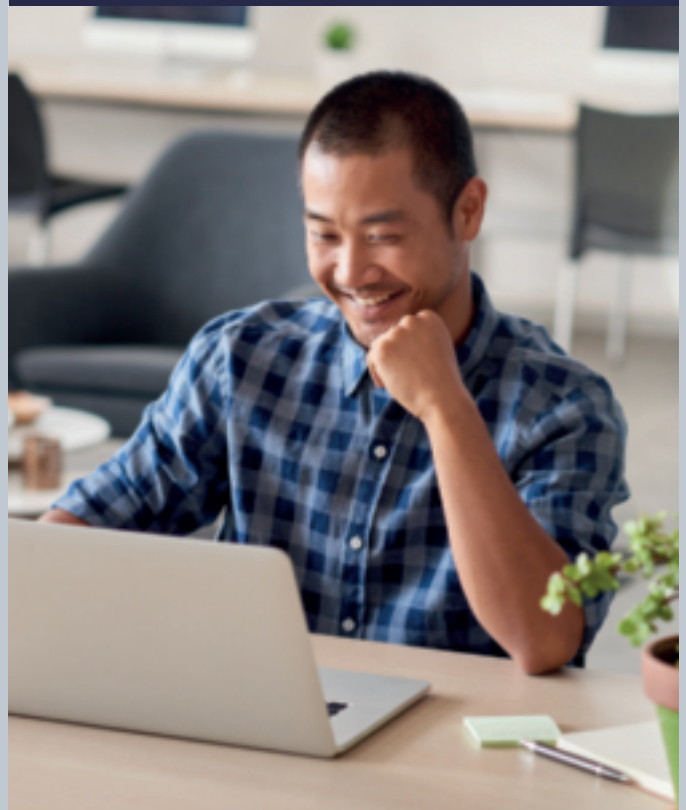
## Financial security

Starting a pension early can help provide financial security in retirement. By starting to save early, you can build a solid foundation for your retirement years and ensure that you have enough money to cover your expenses. This can help alleviate financial stress and allow you to enjoy your retirement years without worrying about running out of money. Knowing that you have a secure financial future can give you peace of mind and allow you to enjoy your retirement more.

## Tips for starting a pension early:

- **Set up a regular contribution**  
The best way to make sure you're saving for retirement is to set up a regular contribution. This could be a fixed amount each month or a percentage of your salary.
- **Increase your contributions as you earn more**  
As your income increases, you can increase your pension contributions to make sure you're on track for a comfortable retirement.
- **Take advantage of tax relief**  
The government offers tax relief on pension contributions, which means you can put more money into your pension each month.
- **Consider employer contributions**  
Many employers offer to match employee pension contributions, which is free money that can help you save even more for retirement.

By giving yourself more time to save, keeping your contributions manageable, taking advantage of tax benefits, and providing financial security in retirement, you can set yourself up for a comfortable and fulfilling retirement. So, if you haven't started saving for retirement yet, now is the time to start!



**The value of investments and any income from them can fall as well as rise and you may not get back the original amount invested.**

**HM Revenue and Customs practice and the law relating to taxation are complex and subject to individual circumstances and changes which cannot be foreseen.**



# The future of wealth is female

More women own their wealth, and their ambitions are changing too.

Industry commentators often say that 60% of UK wealth will be in the hands of women by 2025.

That figure is from a report published 20 years ago, so we can't vouch for its accuracy today. But there are other signs that the Great Wealth Transfer is pushing more wealth towards women and that the face of financial advice is changing as a result.

## Mavericks and trendsetters

Baby boomers own most of the UK's wealth and female boomers are increasingly coming into the money left behind by their partners. Research from Schroders suggests that two thirds of baby boomer wealth is found in joint households, and that the first transfer typically occurs between a husband and a wife.

But this situation is changing. A growing proportion of female wealth owners are Gen X (born between 1965 and 1980) whose needs, expectations and ambitions are different from their mothers. And the stereotype of the risk-averse female investor is rapidly eroding as the number and diversity of female wealth owners continues to grow.

Almost 70% of women want to make a positive social impact with their investments, according to analysis from The WealthiHer Network. Meanwhile, half of UK landlords are female and almost 10% of volatile cryptocurrency investments are owned by women, according to more Schroders research.

Even women who don't own exotic assets are starting to reshape the advice industry. Many women are taking control of their wealth, some for the first time in their lives. Whilst the maverick female investor is increasingly common, you don't have to be radical to make the most of your money.

## Get set for your future

Whether you want to leverage your wealth for greater independence, use your money to do good in the world, or simply provide for the people you care about, we're here to give you the confidence and advice you need to realise your ambitions.

**The value of your investment can go down as well as up and you may not get back the full amount you invested. Past performance is not a reliable indicator of future performance.**

