



Arrow Financial Services Newsround – April 2016

Only the best is good enough for our clients

We have been working on a new investment proposition which will allow our clients investments to be managed in a portfolio on a daily basis, rather than having to get permission from our clients every time an adjustment to the portfolio is needed. At Arrow FS we have been able to negotiate the services of Square Mile Investment Services Ltd. (SMIS). SMIS are recognised as being owned and run by some of the most experienced and respected individuals in the city of London. SMIS have been building portfolios for our clients and have requested access to some funds that are not usually available to private investors via one of the biggest and most up to date fund platforms, True Potential (TP).



Auto Enrolment Thresholds for 2016/2017

The 2016/17 Auto Enrolment (AE) thresholds have been approved by parliament and are effective from 6th April 2016. The lower threshold and the earning triggers have remained the same, only the upper threshold has changed (pension schemes based on banded qualifying earnings only require contributions based on earnings between the lower level and the upper level.) The table below shows the 2016/2017 thresholds:

Pay references period	Lower level qualifying earnings (£)	Earnings trigger for automatic enrolment (£)	Upper level of qualifying earnings (£)
Annual	5824	10000	43000
Bi annual	2912	4998	21500
Quarterly	1456	2499	10750
1 Month	486	833	3583
4 Weeks	448	768	3308
Fortnight	224	384	1654
1 week	112	192	827

New Lifetime ISA

We're thrilled to confirm that we will be adding a new product to our range once they come on stream. The enhanced ISA was unveiled by the Chancellor at the Budget in March and will include a 25% government top-up on consumer savings up to £4000 annually. More information on our Lifetime ISA can be found in the news section on our website.



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Football club fined over £22,000 for automatic enrolment failures

Swindon Town Football Company Ltd has been fined thousands of pounds after it repeatedly failed to comply with its automatic enrolment duties. The Pensions Regulator has fined them a total of £22,900 after it failed to put eligible workers into a pension scheme or comply with other workplace pension duties. Full details of the case, including a timeline of events, are outlined in our section 89 report at www.tpr.gov.uk/regulate-and-enforce/section-89-reports.aspx



Key lessons are:

- Employers should not ignore their duties. TPR will work with you to help you comply, but we will use our powers where appropriate.
- Deliberate non-compliance will not be tolerated.
- If you have received a fine, you will still have to pay it even if you then go on to become compliant.

'Bank of Mum and Dad' to fund 25% of mortgages

The "Bank of Mum and Dad" are to pump £5bn into mortgages to help their kids this year. Industry giant Legal & General blame weak wage growth and soaring housing prices in their report and suggested that parental aid would help finance 25% of UK mortgage transactions. L&G estimate that more than 300,000 mortgage deposits would be provided by parents, purchasing homes totalling £77bn. The report also suggests that relying on parental support could soon become unsustainable as parents may be giving away more than they can afford. Nigel Wilson, the company's chief executive, said: "The generosity being displayed by UK families doesn't make up for intergenerational unfairness - younger people today don't have the advantages the baby-boomers had, including cheap housing that delivered windfall gains".

FTSE Falls as RBS dives on £968m loss

Royal Bank of Scotland has weighed on the FTSE 100 after the bank slumped to a £968 million loss having shelled out £1.2bn to the government in dividend payments. January to March saw an operating profit of £421 million which was quickly ended with the payment to the Treasury. The payment relates to the government bailout of the banks during the financial crisis, and was meant to ensure the government received dividends on its take before they were made available to other shareholders.



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Bitcoin creator comes forward after years of speculation

Australian entrepreneur Craig Wright on Monday identified himself as the creator of Bitcoin, the pioneering digital currency, and provided ample evidence to prove he was. Wright was named by three media outlets and also made a post on his blog following the revelation. In an interview with the BBC, the 45 year old said he would have preferred his identity remained secret, adding he was not seeking money or honours for his work. Despite some early notoriety over its use on the dark web, the system has grown beyond its radical libertarian roots and is being taken increasingly seriously by the financial establishment.



British Home Stores looking to offload £571m pension deficit

British Home Stores, the department store chain sold by Sir Philip Green for £1, is seeking to offload a pension deficit worth £571m, about 10 per cent larger than it was three years ago. BHS has demanded a rescue deal from landlords that would cut rent payments as much as 75% and giving them the right to walk away from their least profitable stores. Sir Philip Green has been in talks with the government looking to offload its pension liabilities to a government-backed rescue fund, to which Sir Philip has reportedly offered to contribute £80m to the cause.

First drop in iPhone sales since release

Consumer technology giants Apple Inc. have had an amazing profitable run since the inception of the iPhone back in January 2007, sales of the device have increased every single quarter through December 2015. The quarter ending March 26 has shown the iPhone revenue tumbled 18% from the same quarter a year earlier.