QUARTERLY ADVISER

QUARTER 3 2026

Rockhold Investment Update

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Welcome to this edition of The Quarterly Adviser

Against the backdrop of the ever-changing landscape of the UK economy, we believe it is more important than ever to keep our clients informed of market updates and discussion topics that keep you informed and reassured that your plans are in safe hands.

For more information on any of the topics covered in this edition of the Quarterly Adviser, please don't hesitate to get in touch with your Financial Adviser via the contact details on this page.

Scott Fyffe
WEALTH MANAGEMENT



Index	Level 31 July	Level 31 August	Change*
S&P 500	7489	7686	+2.6%
FTSE 100	10868	10824	-0.4%
Euro Stoxx 600	649	651	+0.3%
Nikkei 225	64361	66311	+3.0%
Shanghai	3831	3986	+4.0%
US 10 Yr Treasury Yield	4.69%	4.75%	+0.06
UK 10 Yr Gilt Yield	4.69%	5.14%	+0.16
Bund 10 Yr	3.11%	3.32%	+0.21

*all returns in local currency terms. Past performance is not a guide to future returns

Overview

It was a strong month for equities across the world, despite the continuing conflict in the Gulf driving oil prices upwards. After their pullback in July, technology and AI-related stocks had a better month, particularly after some strong earnings results and a positive AI spending outlook from Nvidia.

The Magnificent 7, too, after months of underperformance, had a good month, rising over 6% as a group. Unsurprisingly, energy and commodity-related stocks had another exceptional month as energy prices remained elevated. In local currency terms, the US market was a strong relative performer, but a weaker dollar dampened some of the returns for UK investors.

Given the technology-related rally, it was some of the markets in Southeast Asia that had the best month, with Taiwan rising by nearly 7%. With their lower overall exposure to the AI theme, the UK and European markets were more subdued.

It was in government bond markets that the greatest impact of the continued Middle East conflict was felt, as concerns grew about its impact on inflation. It was at the longer dated end of bond markets that this was felt, with 30-year borrowing rates hitting multi-decade highs in some cases, seemingly as investors grow concerned about the high levels of government borrowing.

In the US, the rise was significant enough to prompt intervention from the US Treasury Secretary, who indicated that the government would intervene by buying back long-dated treasuries.

The measures initially reversed the increases in yields, but these soon drifted upwards again as investors took the view that they were too limited in scale and prompted high profile responses suggesting they amounted to interfering with market pricing.

With higher interest rate payments eating into government budgets, this complicates the picture for the UK's new chancellor, John Healey, as he attempts to address funding social care and living costs in his first Budget.

Despite the disruption to longer-term interest rates, shorter-term rates remained relatively stable, so the impact on bond funds, and thus on portfolios, was limited, and all ended up with positive returns to varying degrees.

US

Despite rising energy prices, higher bond yields, and a new tariff spat with the country's nearest trade partner, US stocks had a good month, albeit led by the sectors mentioned above. Earnings growth remains particularly strong across many sectors, but it was Nvidia that stole the headlines, announcing revenue of $96bn, an increase of just over 100% year on year. A large percentage of this came from data centres, and this provided a fillip for the Mag 7 stocks, many of whom are spending large amounts on these.

On the economy front, the market shrugged off any negative impact of the tit-for-tat increases in tariffs between President Trump and Canada. However, news of a still higher than target 3.4% inflation rate caused expectations of an interest rate cut this year to dissipate.

This, combined with conflicting signals about the importance of suppressing longer-dated bond yields between Federal Reserve Governor Kevin Warsh and US Treasury Secretary, Scott Bessant, probably helped to push up longer-term borrowing rates for the government. There was also a high level of corporate debt issued by companies operating in the AI area, as well as SpaceX, which the market had to absorb, and this may well have contributed to these higher yields. However, there was room for optimism on the interest rate front, as US employment in July came in a lot lower than expected.

UK

Even though the index has high exposure to energy stocks, and despite companies such as Rolls Royce, Barclays and Unilever reporting strong earnings, the FTSE 100 barely moved over the month, as its lack of exposure to technology-related stocks meant it didn't participate in that sector's strong performance. However, the mid-cap orientated FTSE 250 index, which had lagged the broader index for most of the year, rallied strongly by over 4%, reflecting the stronger pound and perhaps some optimism over the domestic economy, to which the index is more exposed than its larger peer.

A major domestic influence was the Bank of England's decision to keep interest rates on hold while it assessed the outlook for inflation. Investors were encouraged that rates were not rising further, although policymakers remained concerned about energy-price volatility and inflation risks.

Nevertheless, UK gilt yields rose to over 5%. To be fair to the UK government, which faces political and media pressure over these higher yields, this is as much a reflection of broader global bond-market pressures, as it is over domestic fiscal policy.

Europe

Despite the seemingly flat month for European equities, the Stoxx 600 did hit an all-time high, but retreated when the conflict in the Middle East escalated, as the continent is particularly sensitive to higher energy prices. Despite this, GDP numbers were surprisingly robust and corporate earnings remain strong. Expectations for future earnings growth currently range around levels not seen since 2022. In addition to technology stocks, financial stocks performed particularly well, with strong bank earnings supported by the higher interest rate environment.

Eurozone inflation has picked up on the back of higher energy prices, with the CPI at 3.4%, which remains well above the ECB's 2% target rate, and there is increasing speculation that the bank will raise rates at least once this year on the back of this. The extent to which they are able to do so remains in question, given the potential impact on economic growth, as interest rates are used to suppress demand, whereas inflation is being caused by supply issues (i.e. oil).

Japan

It was another strong month for Japanese equities, as both the rally in technology stocks and a weakening yen (good for exporters) helped to drive indices higher. The yen became a major talking point among central bankers again, following the yen's renewed weakness following the previous month's intervention by both the US and Japan. This was linked to Japan's 30-year borrowing rates hitting a new multi-decade high (4% versus less than 0.5% a decade ago), as the economy switched from one driven by deflation to inflation and investors speculated that the Bank of Japan would raise rates. There is also speculation that there will be further intervention following the comments from the US Treasury Secretary.

Meanwhile, Prime Minister Takaishi continues to muddy the waters for the finance ministry by pursuing a decision to reduce the country's consumption tax, further increasing pressure on the country's already high debt levels.

Asia and Emerging Markets

The AI spending-inspired rally drove a resumption of the rally of semiconductor manufacturer stocks in Asia, which led to some strong returns from the region. Taiwan rose over 6%, driven by gains in Taiwan Semiconductor Manufacturing Co., while semiconductor-heavy Korea also advanced by around 3%.

Resource-rich Indonesia also rose around 5%, as the government there attempted to address the issues of corporate governance that have threatened the country's index being excluded from the emerging markets indices issued by the likes of MSCI. This seemed to renew confidence in investors previously rattled by the threat of it being removed.

The AI theme also helped the Chinese market to rally, which masked the continued property-led slowdown in the domestic economy, but we also saw a decline in industrial output, although exports in July increased by 24%. The latter continues to contribute to the country's huge trade surplus and is likely to be a friction point at the forthcoming meeting of Trump and Xi Jinping in Washington.

Summary & Outlook

Despite the obvious headwinds caused by the continuation of the war between the US and Iran, the global economy remains remarkably resilient in the face of trade flow disruption and higher energy prices.

Earnings growth globally is extremely robust and not entirely reliant on the high levels of AI infrastructure spending by the so-called Hyperscalers. This provides a solid backdrop for equities, although in some sectors valuations remain at the higher end of historical levels.

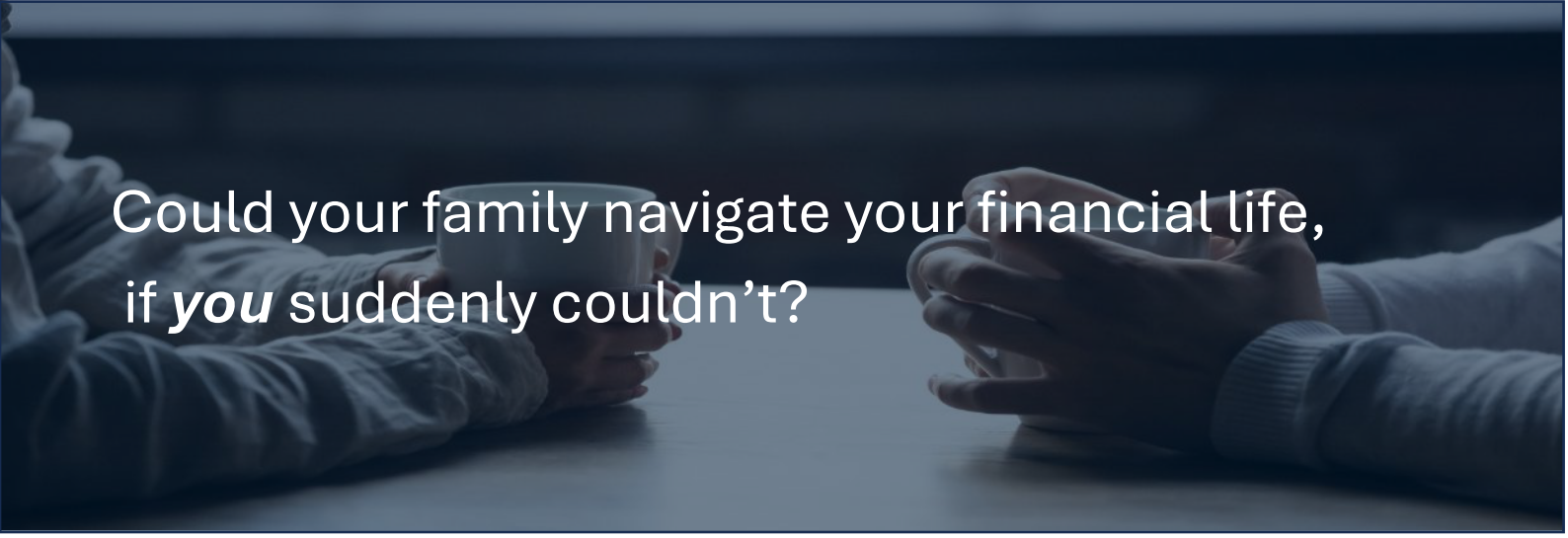
On the bond front, older readers may recall that bond yields of 4% to 5% were fairly commonplace prior to the Quantitative Easing period of the late noughties.

However, levels of government debt in relation to the size of their respective economies have increased dramatically over recent years, which means that the servicing of that debt has also become a greater proportion of government spending. This reduces room for manoeuvre for governments to address that debt without significant economic growth. However, the level of returns from government bonds in relation to economic growth means that holders are rewarded for risk, and the threat of higher rates becomes less significant with the higher yields on offer. So, investors should not be overly concerned by the headlines. Where our mandates allow, we also have access to alternative funds, which are less reliant on bond markets' performance to generate similar levels of returns.

Rockhold Asset Management, with contributions from 7IM, September 2026

The information contained within this article was accurate at the date of publication and is subject to change".





Could your family navigate your financial life, if ***you*** suddenly couldn't?

Would your family know what to do if you couldn't?

A 'financial life' is built from the experiences and decisions that people make over many years. Pensions, savings and investments can end up with different providers, alongside mortgages, insurance policies and other important documents, all of these collectively create an audit of the financial decisions an individual makes throughout their life.

With so much now managed online, these details are often less accessible to those closest to us.

We may know where everything is and how it all fits together, but if we were suddenly unable to manage it ourselves, would our family know where to start?

It is a question worth considering because life does not always give us time to prepare.

An accident, serious illness or loss of mental capacity could leave someone else needing to deal with your financial affairs at very short notice.

They may need to make sure household bills are paid, find details of your pensions and investments, contact insurers or speak to your financial adviser. At an already difficult time, simply working out what you have, where it is and who to contact can become a considerable task.

There is also an important distinction between knowing about someone's finances and having the legal authority to manage them. In England and Wales, a Property and Financial Affairs Lasting Power of Attorney (LPA) allows you to appoint one or more trusted people to make financial decisions on your behalf.

Depending on the arrangements made, this can include managing bank accounts, paying bills, dealing with investments and pensions, and buying or selling property. An LPA needs to be registered with the Office of the Public Guardian before it can be used. GOV.UK provides further information about making and registering an LPA.

Planning ahead is particularly important because an LPA cannot simply be put in place on someone's behalf after they have lost the mental capacity to make one. In those circumstances, an application to the Court of Protection may be required for somebody to become a deputy.

It can also take time to put arrangements in place: GOV.UK currently advises that registering an LPA normally takes around 8 to 10 weeks, provided there are no mistakes in the application. More information on LPA registration is available from GOV.UK.

The numbers suggest that more people are thinking about this kind of forward planning. Ministry of Justice statistics show that 366,578 LPAs were registered in England and Wales between January and March 2026, an increase of 22% compared with the equivalent quarter in 2025.

Yet having the legal paperwork in place is only part of being prepared. Someone stepping in may still need to understand the financial picture you have spent years building. Source: Ministry of Justice, Family Court Statistics Quarterly, January to March 2026.

Source*: Ministry of Justice, Family Court Statistics Quarterly, January to March 2026.*

The Financial Conduct Authority does not regulate Lasting Power of Attorneys

If someone had to step in tomorrow, could they answer the following questions...

Where are your pensions?

Do they know which providers hold them and where the relevant information can be found?

Who is your financial adviser?

Would your family know who to call for help understanding your investments, pensions and wider financial arrangements?

What insurance policies exist?

Could they identify your life, protection, home or other important policies and the relevant providers?

Where are important documents kept?

Would they know where to find your Will, LPA, policy documents and other essential financial or legal information?

Who should be contacted first?

In a stressful situation, knowing which professional or trusted person to approach first can remove a great deal of uncertainty.

Creating this kind of financial 'map' does not mean writing down passwords, PINs or online banking security details, these should remain secure. Instead, it means leaving enough information for a trusted person to understand what exists and where to begin.

A simple record of providers, policies, professional contacts and the location of key documents, reviewed periodically, could make an enormous difference. It is also worth ensuring that the people you have chosen to help know that these arrangements exist rather than discovering them during a crisis.

Ultimately, good financial planning is not only about building wealth for the future; it is also about making sure that what you have built can still be managed when life does not go according to plan. You might know exactly where your pensions are held, which insurance policies you have and who looks after your investments. The important question is whether somebody else would know too.

Start with a conversation

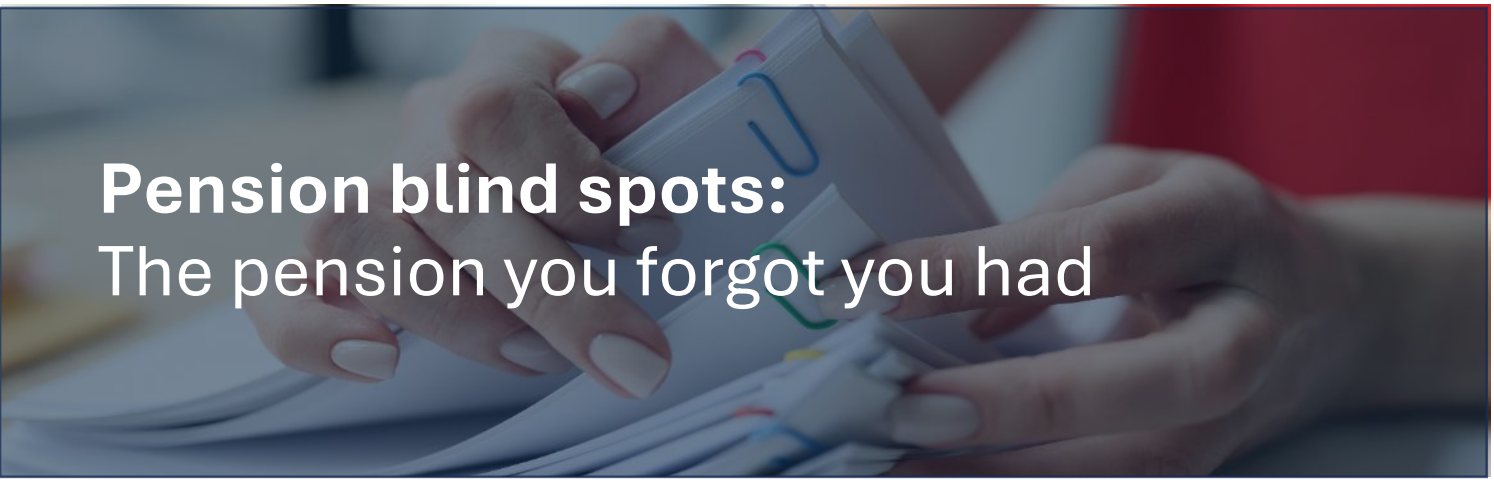
Consider using the five questions above as a simple financial preparedness check. If any of them are difficult to answer, now could be a good time to put the missing information together and talk it through with the people you trust.

Your financial adviser can also help you take stock of your existing arrangements, identify the important information your family may need and consider whether anything should be reviewed. A relatively simple conversation today could make an enormous difference if somebody ever has to step into your shoes tomorrow.



Start the conversation today.

A little preparation now can make a big difference later.



Pension blind spots:
The pension you forgot you had

Changing jobs can be good for your career, but it can leave your retirement savings scattered behind you. Each move may bring a new workplace pension, while the pension from your previous employer simply stays invested in the background. Years later, it is surprisingly easy to remember the jobs but forget the pensions that came with them.

The scale of genuinely lost pension savings is striking. Research from the Pensions Policy Institute, cited by the Government in June 2026, estimated that in 2024 there were around 3.3 million lost pension pots worth £31.1 billion, with an average value of approximately £9,500. In this context, a "lost" pot is one where the pension provider has lost contact with its owner, rather than money that has disappeared. That distinction matters: when you leave a job, the pension you built up does not normally vanish. It remains yours and, if contributions stop, the money will generally remain invested until you take your benefits.

For anyone who has changed employer several times, a useful starting point is to reconstruct their working history. Old payslips, pension statements and emails can help identify previous schemes, but a lack of paperwork does not necessarily mean the trail has gone cold. The Government's free Pension Tracing Service can provide contact details for workplace and personal pension schemes using the name of a former employer or pension provider. It is important to understand what the service does not do: it will not confirm whether you have a pension with that scheme or tell you what it is worth. Instead, it gives you the information needed to contact the provider and investigate further.

Finding an old pension, however, is only half the job. The next question is: what do you actually hold? Two pensions with identical-looking balances can provide very different benefits.

A modern defined contribution pension is essentially an invested pot whose eventual value depends on contributions, investment performance and charges. A defined benefit pension also known as a final salary or career average scheme, instead promises an income calculated under the scheme's rules. Older pensions can also contain valuable features such as guaranteed annuity rates, bonuses or a protected minimum pension age. Before making changes, it is worth understanding the scheme type, current value or projected benefits, investment approach, charges, retirement options and any guarantees that could be lost.

This is where the 'apparently' tidy solution of pension consolidation needs some care. Bringing several defined contribution pensions together can certainly be attractive.

Fewer pots can mean less paperwork, a clearer view of your overall retirement savings and, depending on the schemes involved, potentially lower charges or a wider choice of investments and retirement options. For somebody in their thirties or forties with pensions accumulating across a succession of employers, having a clearer picture can also make retirement planning considerably easier.

But "simpler" and "better" are not necessarily the same thing.

Moving a pension can mean surrendering benefits that cannot subsequently be recovered. MoneyHelper warns that transfers can result in the loss of guarantees, bonuses or protected pension ages, and there may also be exit charges to consider.

** Workplace pensions are regulated by The Pensions Regulator*

Pension blind spots:
The pension you forgot you had

Defined benefit pensions deserve particular attention: the Financial Conduct Authority and The Pensions Regulator consider that 'most' people are better off keeping a defined benefit pension, because transferring typically means giving up a guaranteed lifetime income and associated protections in exchange for an invested pot whose value can rise or fall.

Where certain safeguarded benefits are worth more than £30,000, regulated financial advice is normally required before a transfer can proceed.

The real pension blind spot, then, is not simply forgetting that an old pension exists. It is forgetting to understand what role each pension plays in your wider financial future.

A forgotten £5,000 pot may seem insignificant next to a larger workplace scheme, but decades of investment growth could make it more meaningful. Equally, a relatively modest older pension could contain guarantees that make it disproportionately valuable.

The sensible sequence is therefore to find, understand and only then decide. Consolidation may ultimately be appropriate, but it should be the result of understanding the pensions you have rather than an automatic response to having several of them.

**A pension is a long-term investment not normally accessible until 55 (57 from April 2028). Your capital is at risk. The fund value may fluctuate and can go down, which would have an impact on the level of pension benefits available.*



Too Young to Retire, Too Old to Be Starting Out: The Financial Middle

There is a stage of life that doesn't get talked about enough. You're no longer starting out, but you don't necessarily feel established either.

Your twenties may be behind you, retirement still feels a long way off, and somewhere in between you've arrived at what might be called the financial "middle" of life. It can be a strange place and you may earn more than you did ten years ago and have more experience and confidence, yet somehow feel as though there is less money and time to go around.

That is partly because life can get very busy in the middle years. As children get older, they can cost more, while ageing parents may start to need more help. Work can get busier too, and you still need to find time for your relationships, health, and life at home.

One week you might be paying for a school trip, and the next helping a parent deal with a problem. There are also birthdays, holidays, car repairs, bills, and all the usual costs of running a home.

Most of these things are manageable on their own. But when several happen at the same time, life can quickly feel very busy.

For some, that squeeze becomes even more pronounced when caring responsibilities enter the picture. Those caring for dependent children while also supporting an older, sick or disabled relative can find themselves under pressure from several directions at once. Balancing work, family life and caring responsibilities can place additional strain on household finances, particularly where caring commitments limit the amount of paid work someone is able to undertake.

However, you don't have to be a carer to recognise the feeling of being squeezed in the middle. The FCA's latest Financial Lives research found that 24% of UK adults (around 13.1 million people) had low financial resilience in 2024, rising to 30% among those aged 35 to 54. That matters because financial wellbeing isn't simply about what you earn. It is also about how much room you have to deal with the unexpected.

A decent income can feel very different when almost every pound already has somewhere to go.

Perhaps one of the hardest parts of the financial middle is the feeling that you should have everything sorted by now. By your forties or fifties, there can be an unspoken expectation that you should know exactly what you are doing with money, but life rarely follows the tidy path we imagined when we were younger.

And that may be the opportunity hidden inside this stage of life. The middle doesn't have to be somewhere you simply push through on the way to what comes next. It can be the point at which you start asking better questions. Not just, "Am I doing enough?" but, "What actually matters to me now?" Perhaps success no longer means earning the biggest salary possible or maybe it means having more time with your family, working four days instead of five, travelling while you are healthy enough to enjoy it, helping your children without sacrificing your own security, or simply having enough breathing room that an unexpected bill doesn't ruin the month.

That shift matters because money works best when it supports a life rather than becomes the measure of one. There will always be another target to chase and somebody who appears to be further ahead, but the financial middle of life offers something your younger self didn't have: perspective. You know more about what makes you happy, what you can live without and which people deserve your time. The challenge is making sure the way you use your money reflects those lessons.

So perhaps reaching the middle is not a sign that time is running out. Perhaps it is the opposite. It is a chance to look at the years ahead with more intention than the years behind. You may not be able to control every demand that arrives at your door, but you can decide which ones deserve your energy, what you want your money to make possible and what a good life actually looks like from here. Sometimes the most useful financial decision isn't about having more. It is deciding what you want more of.

The Autumn Reset

Autumn is the new January.

January gets all the attention when it comes to fresh starts, but the Autumn period often feels like the real reset. The summer holidays are over, schools are back, diaries start filling up again and everyday routines return. As life settles back into a more familiar rhythm, it can be a good opportunity to get a few things organised, including your finances.

So, how organised are yours?

For a lot of people, the answer is probably “they could be better”, that doesn’t mean anything has gone wrong. Life changes, priorities change and plans made a few years ago might not fit quite as well today. It’s also very easy to put financial decisions off and there always seems to be something else that feels more urgent.

A conversation can be a good place to start

Financial advice isn’t just about pensions, investments or choosing products. A big part of it is taking a look at the bigger picture.

Where are you now? What’s changed? What do you want the next few years to look like? And is your money set up to support those plans?

For advisers, these conversations are an opportunity to understand what’s really going on in a client’s life. For clients, they are a chance to take stock, ask questions and make sure their financial plans still make sense. Sometimes you might find everything is already on track, however sometimes a conversation highlights something that has been overlooked or could be done differently. Either way, having that conversation can bring some useful clarity.

Research from the Financial Conduct Authority (FCA) suggests people who receive financial advice value the experience. Its latest research found that 87% of consumers who had received advice said it was clear and understandable, while 85% said they were confident in the advice they received. Almost two-thirds said they would be very likely to use the same adviser again. At the same time, only around 9% of UK consumers take financial advice. That means plenty of people are making important decisions about their financial future without professional advice.

An Autumn financial reset doesn’t mean changing everything.

It could simply mean putting an hour in the diary to look at what has changed since your last review. Maybe your income is different. Perhaps retirement feels a little closer. Your family circumstances may have changed, or you might have new plans for the next few years. Even if nothing major has happened, it can still be useful to check that the plan you have is still the right one.

There’s also an advantage to having these conversations before you need to make a decision. When you have time on your side, you can ask questions, consider the options and make decisions without unnecessary pressure. You might come away knowing everything is heading in the right direction. Or you might spot a few areas that need some attention.

Both are useful outcomes.

So, January can keep the gym memberships and big resolutions. The Autumn period can be about something a little more practical: taking stock, getting organised and making sure your financial plans still match the life you’re building.



Friends with Different Incomes: When Their Lifestyle Doesn't Fit Your Budget

A weekend away gets mentioned in the group chat. Then there's a wedding abroad, dinner somewhere new, concert tickets and somebody suggesting next year's big holiday.

None of these things sounds unreasonable on its own. But when your friends earn more than you do, keeping up with the social life around you can quietly become one of the biggest pressures on your money. The difficult part is that nobody necessarily talks about it. You see the holiday photographs and the new car; you don't see the salary, savings, inheritance, credit card balance or financial help sitting behind them.

Ordinary life can already feel expensive before the fun even starts. A weekly food shop, fuel, energy, rent or a mortgage and all your direct debits can swallow a surprising amount of a monthly wage. Even with the National Living Wage for those aged 21 and over rising to £12.71 an hour from April 2026, there can still be a sizeable gap between covering everyday costs and having enough left for the luxuries we deserve. The Low Pay Commission itself notes that household circumstances, tax and benefits all affect how much of a pay increase ultimately reaches someone's household finances.

That can make comparison particularly dangerous. When someone on £25,000 tries to maintain the same lifestyle as a friend earning £50,000, the difference has to come from somewhere.

Sometimes it means saving less or plans such as buying a home or paying down a mortgage get pushed further away and a lot of the time spending finds its way onto a credit card or overdraft. Yet saying *"I can't really afford that"* can feel difficult. Money is still personal, and turning down a weekend away because it is £300 you would rather keep in savings can feel less exciting than simply saying yes.

However, being good with money isn't about being able to afford everything.

It is about knowing what you want your money to do for you. There is a big difference between spending £500 on a weekend away because you genuinely value it and spending £500 because everyone else is going and you don't want to be the one who says no. One is a choice; the other can become a habit. Learning to recognise the difference can change your relationship with money without requiring you to stop enjoying it.

It is also worth remembering that financial security is not always visible. The FCA's latest Financial Lives survey, based on responses from 17,950 people, looks beyond what people earn to understand their savings, debts, financial products and attitudes towards money.

That broader picture matters because two people with exactly the same salary can be in completely different financial positions.

Financial planning does not have to start with a large amount of money or retirement just around the corner.

It can simply begin with looking at what matters to you, what money you have coming in and going out, and what you want for the future.

One might have high housing costs and a young family; another may live with a partner who earns considerably more. One may have family support; another may be supporting family themselves. Comparing lifestyles without knowing the finances behind them is rarely a fair comparison.

Perhaps the more useful question, then, isn't *"Can I afford what my friends can afford?"* but:

"What do I want to be able to afford?"

That small change of perspective puts you back in control.

Maybe your priority really is travelling while you're young or it could be clearing the mortgage earlier, buying a home, changing your car without taking on uncomfortable debt, building an emergency fund or simply reaching the end of the month with money left over.

There is no universally correct answer. What matters is that the decision reflects your life rather than somebody else's.

This is where financial planning can help. It does not have to start with a large amount of money or retirement just around the corner. It can simply begin with looking at what matters to you, what money you have coming in and going out, and what you want for the future.

Everyone earns different amounts and has different costs and priorities. Instead of trying to keep up with others, focus on what works for you. You do not have to say yes to every meal out, holiday or new purchase to enjoy life.

Giving your money a purpose can help you decide what is worth spending on and when to say *"not this time"*.

With a clear plan, you can feel more confident about enjoying your money today while still working towards the future you want.

Sources: GOV.UK – National Minimum Wage and National Living Wage rates · FCA – Financial Lives 2024 survey · FCA – Understanding the advice market







Debt after death:

What actually happens to the money you owe?

We spend years thinking about what we might leave behind; a home, savings, investments or something for the family. But there is another side to the picture that is just as important: what happens to the money we still owe?

From mortgages and loans to credit cards and unpaid bills, debt forms part of our financial life, so it makes sense to understand what happens to it when we die. It is also something worth including in conversations with your financial adviser, particularly as your circumstances and commitments change.

A common worry is that your debts will simply be passed on to your family.

Thankfully, that is not usually how it works. If a debt is in your name only, it will normally be paid from your estate. Your estate is made up of the money, property and possessions you leave behind. The person dealing with the estate, usually the executor named in the will, or an administrator if there is no will, is responsible for identifying what is owed and arranging for those debts to be paid.

Only after debts and taxes have been dealt with can what remains be passed on to the people who are due to inherit.

What if there is not enough money? If the estate cannot cover everything that is owed, it is known as an insolvent estate.

There are rules around the order in which debts should be dealt with, and surviving family members will not normally have to use their own money to pay an individual debt belonging to the person who died.

In many cases, any debt that cannot be recovered from the estate will eventually be written off.

Where things can change is when borrowing involves somebody else. A joint mortgage, for example, does not simply disappear when one borrower dies. With many joint debts, the surviving borrower remains responsible for the outstanding amount.

The same can apply to a joint loan or overdraft. This is where planning ahead can make a real difference. Your adviser can help you understand which financial commitments could continue if one person died and whether the household would still be able to comfortably meet them.

Mortgages are often the biggest consideration. A mortgage is secured against a property, so what happens next will depend on how the property and mortgage are held, whether there is another borrower and what money or protection is available. For a surviving partner, taking on mortgage payments with one income instead of two could have a significant effect on their finances.

A regular review with your adviser can help highlight this kind of gap before it becomes a problem. Protection such as life insurance may form part of the solution, providing money that could help repay a mortgage or other commitments, depending on the policy and how it has been arranged. MoneyHelper recommends checking whether insurance is in place when dealing with debts after a death.

Guarantees are another area that can easily be overlooked. If someone has agreed to act as a guarantor for a debt, they may remain responsible for the amount covered by that guarantee if the estate cannot pay it.

Life Assurance plans typically have no cash in value at any time and cover will cease at the end of term. If premiums stop, then cover will lapse.

GOV.UK – Settling debts and taxes after someone dies

It is a useful reminder that understanding your finances is about more than knowing your bank balance. Knowing what you owe, whose name each agreement is in and what protection sits alongside it can give you a much clearer picture.

These are exactly the sorts of details that can be picked up during a wider financial review.

There is also a practical point for anyone asked to act as an executor. It is important not to hand out an inheritance too quickly.

Debts and taxes need to be dealt with before the remaining estate is distributed, and executors need to take care to identify creditors before passing assets to beneficiaries. For more complicated estates, professional legal or probate advice may also be appropriate.

Find out more about distributing an estate here:
GOV.UK – Distributing an estate

None of this means debt should be something to worry about for the rest of your life. It is simply another part of good financial housekeeping.

Keeping a clear record of what you owe, checking whether debts are individual or joint, making sure important paperwork can be found and regularly reviewing your protection can make things much easier for everyone involved. Your financial adviser can help keep this bigger picture under review, especially after changes such as moving home, taking on a larger mortgage, getting married or starting a family.

Financial planning is often associated with building savings, investing and preparing for retirement. But a good plan should also consider the things you would rather did not happen.

Having the right arrangements in place can help make sure that debts, protection and the needs of the people who depend on you have all been considered. It is not about expecting the worst. It is about knowing that, whatever happens, you have thought ahead – and having an adviser alongside you can make those conversations and decisions considerably easier.

**The Financial Conduct Authority does not regulate Estate Planning*



£50,000 in the bank can feel safe... but is all that cash really helping you?

There is something comforting about having money in the bank. You can see it, you know where it is and, if something unexpected happens, you can get to it quickly.

Whether you are saving for your first home, putting money aside for your family or enjoying retirement, having cash available can bring real peace of mind. It also gives you **liquidity**, which simply means having money that you can access easily, without needing to sell an investment or wait for funds to become available.

But as your savings build over the years, there may come a point when keeping everything in cash is no longer the best fit for what you want your money to achieve.

Cash has an important job to do. It can cover an unexpected bill, pay for a new car, fund home improvements or simply provide a safety net if life takes an unexpected turn.

How much you need to keep readily available will be different for everyone. This is where financial planning can help. By looking at your regular spending, upcoming plans and wider finances, an adviser can help you decide what feels like a comfortable amount to keep within easy reach.

The other consideration is **inflation**.

Inflation is simply the gradual increase in the cost of everyday goods and services over time. A healthy bank balance may still look reassuring in five or ten years, but if prices have risen during that time, the same amount of money may not buy as much as it does today. This is sometimes referred to as a loss of **purchasing power**.

That becomes particularly important when money is being kept for something many years into the future.

Money set aside for a holiday next summer has a very different job from money intended to support your retirement, help children or grandchildren in the future, or simply give you more choices later in life.

The longer the timeframe, the more important it can become to think about what you want that money to achieve.

That does not mean moving all of your savings into investments.

Cash and investments have different roles. Cash provides accessibility and certainty over the amount you hold, while investing gives your money the opportunity to grow over the longer term. Investing does, however, involve risk. Values can fall as well as rise, and you may get back less than you originally invested.

Good financial planning is about finding the right balance between the two.

An adviser can help bring some structure to your savings, keeping enough money accessible for everyday needs, planned spending and the unexpected, while considering whether money that you are unlikely to need for some time could have a different role.

Having £50,000 in the bank is not a problem that needs fixing.

For some people, keeping that amount in cash may be exactly right. For others, once their short-term needs and emergency savings are taken care of, some of that money may have a bigger role to play.

Good financial planning is ultimately about giving your money a purpose.

It means keeping enough close at hand to feel secure, while making sure the money you have worked hard to build is doing more than simply sitting there.

It should be there to support the life you want to live today, prepare you for what may come next and help give you greater choice and confidence in the years ahead.



Income protection insurance:

The safety net you hope that you'll never need

You insure your car, your home and your possessions without a second thought. However, one of the most valuable assets many people have is often overlooked: their ability to earn an income.

Your income pays for your mortgage or rent, household bills, food, childcare, holidays and the lifestyle that you have worked hard to build. Yet many people have no financial plan in place for what would happen if they became unable to work due to illness or injury.

Income protection insurance is designed to provide financial support when you need it most. Whilst no one wants to think about the cause of being unable to work, having the right protection in place can provide valuable peace of mind and help to ensure financial stability during difficult times.

This guide will explore what income protection is, how it works and why it can play an important role in protecting your financial wellbeing.

What is income protection insurance?

Income protection insurance is a type of financial protection that provides a regular income if you are unable to work due to illness or injury. Unlike some other protection policies that pay out a one-off lump-sum, income protection is designed to replace a portion of your lost earnings whilst you are unable to work. This helps you to continue to meet essential financial commitments and maintain your standard of living during a period of recovery.

The policy will pay a monthly amount, usually until you return to work, reach retirement, the policy term ends or the maximum claim period is reached, depending on the type of cover selected.

Why it is important

Protecting your ability to earn an income is often one of the most important aspects of financial planning because it helps to safeguard the financial foundation on which many other goals depend. A person earning £40,000 who plans to work for another 25 years could potentially earn £1m or more over the remainder of their career. This future earning potential often exceeds the value of their home, savings or investments.

Many people assume that serious illness or injury happens to other people and not themselves. However, the reality is that most people are more likely to experience a long-term absence from work due to illness or injury than they are to die during their working lifetime.

Whilst some employers provide sick pay benefits over and above the state benefits, these arrangements are often limited and may only provide support for a relatively short period. Once employer support ends, financial commitments still continue. Without an alternative source of income, many people would be forced to rely on savings, borrow money, use credit cards or significantly reduce their standard of living.

Income protection helps to bridge this gap by providing ongoing financial support when your earnings stop. It can provide reassurance that your essential expenses can continue to be met, even when circumstances are beyond your control.

Ultimately, if losing your income would have a significant impact on your financial wellbeing, income protection is likely to be worth considering.

Income protection policies typically have no cash in value at any time and cover will cease at the end of term. If premiums stop, then cover will stop. Income protection may not cover all the definitions of an illness. If you are diagnosed with an illness not listed within the policy schedule you may not covered. Terms, exclusions and conditions apply

State and work benefits vs private income protection insurance

A lot of people assume that state benefits or their work benefits would provide sufficient financial support if they were unable to work due to illness or injury. Whilst government support may be available in certain circumstances, it is generally intended to provide a basic level of assistance rather than replace a person's earnings. For many households, state benefits alone would be unlikely to even cover the mortgage or rent payments, let alone any other essential living expenses.

Work benefits do vary from company to company. Some companies will offer the likes of 6 months full and 6 months half pay for sickness absences but the large majority are much, much less than this and often after a short period, you will move onto statutory sick pay.

Income protection insurance can help to bridge the gap by providing a regular income designed to support your lifestyle and financial obligations whilst you are unable to work.

How income protection works

When taking out an income protection policy, you choose the level of cover, waiting period and policy term that best suits your circumstances. If you become unable to work and meet the policy's claims criteria, the insurer will begin making regular monthly payments after the chosen waiting period has passed.

The waiting period, often known as the deferred period, is the length of time that you must be absent from work before the benefits will begin. Common waiting periods are between 4 and 12 weeks but can span as long as 24 weeks or longer. Generally, the longer the waiting period, the lower the premium.

Claims may arise from a wide range of medical conditions including mental health conditions, cancer, heart-related illnesses, accidents and other health issues that prevent an individual from working. It is important to review policy details carefully to understand what is and isn't covered.

**The payment of any benefits may affect any claim to means tested state benefits. Benefits may be reduced if you receive other regular income*

The importance of reviewing your cover

It is unlikely that your protection needs will stay static throughout your life. Events such as changing jobs, getting married, having children, purchasing a property or even divorce all affect the level of cover required.

Regular reviews can help to ensure that your income protection remains aligned with your financial circumstances and continues to provide the appropriate level of protection should you ever need to make a claim.

Next steps

No one expects to become unable to work but the financial consequences can be significant if it happens.

Income protection provides a valuable financial safety net by helping to replace lost earnings and maintain financial stability during periods of incapacity. It can help to protect your home, support your family and provide reassurance that your financial commitments can continue to be met whilst you focus on your recovery.

Choosing the right income protection policy requires careful consideration of your income, financial commitments and existing benefits.

If you would like to understand how income protection could fit into your financial plan, our advisers are here to help. We can assess your circumstances, explain the options available and recommend a solution tailored to your needs and budget.

Get in touch with the team today to arrange a protection review and discover how income protection could help to safeguard your financial future if life takes an unexpected turn.

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If you earn £40,000 per year and your employer provides 3 months of sick pay, what happens if you're unable to work for two years?

Income Protection can help provide ongoing income once your employer's support ends.

Scott Fyffe
WEALTH MANAGEMENT

IMPORTANT INFORMATION

The content of this newsletter is for your general information purposes only and does not constitute investment advice. It is not an offer to purchase or sell any particular asset and it does not contain all of the information which an investor may require in order to make an investment decision. Please obtain professional advice before entering into any new arrangement.

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WEALTH MANAGEMENT

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