MANNING & COMPANY
Independent Financial Advisers

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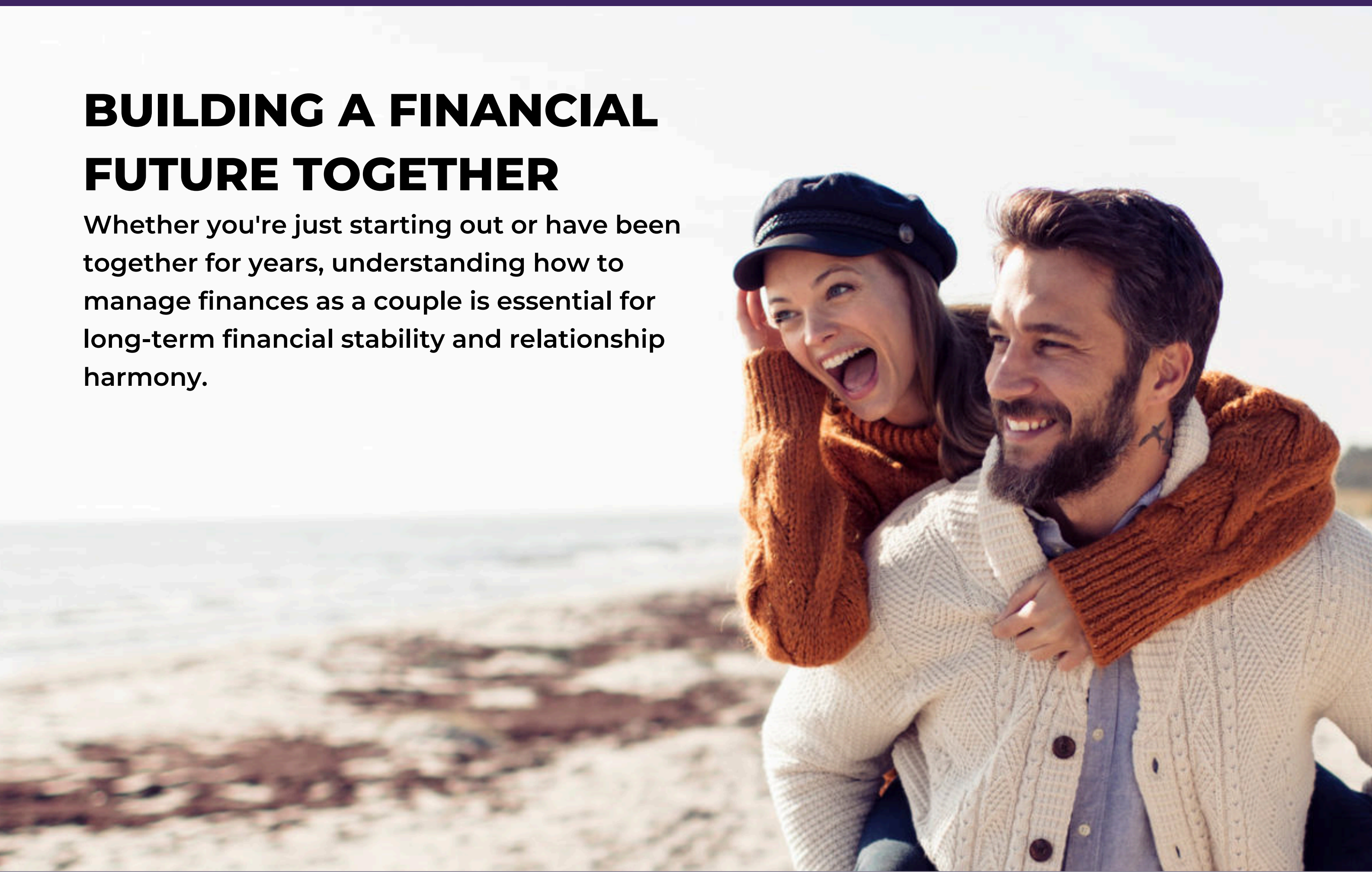
BUILDING A FINANCIAL FUTURE TOGETHER

Whether you're just starting out or have been together for years, understanding how to manage finances as a couple is essential for long-term financial stability and relationship harmony.



HOW TO FINANCIALLY HELP ADULT CHILDREN

In today's economic climate, many parents are stepping in to help their adult children with financial support.

THE TRUE COST OF SUBSCRIPTION SERVICES

While convenient, the growing number of subscriptions can quickly add up and damage your finances.

ARE YOU AND YOUR BUDGET COMPATIBLE?

Have you ever wondered if your spending habits align with your long-term financial goals? Find out today!

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WORKING WITH **MANNING & COMPANY**

Since 1988 Manning and Company has been giving clients trustworthy, proven and personal financial advice.

Based in Ivybridge near Plymouth, we're a respected and well-established name in Plymouth and South Devon – but we also work with clients throughout the UK.

We provide financial guidance to individuals and businesses alike. We're completely independent of any financial institutions, and we offer financial products from across the whole of the market – so our clients always get fully-informed, impartial advice. We firmly believe good financial advice should be available to everyone, not just wealthy clients – and all our clients receive the same level of attention and respect.

From a first-time mortgage to a complex investment portfolio, we have the breadth and depth of experience to help.

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BUILDING A FINANCIAL FUTURE TOGETHER

Money is one of the most important aspects of a relationship, yet it's also one of the biggest sources of conflict. Whether you're just starting out or have been together for years, understanding how to manage finances as a couple is essential for long-term financial stability and relationship harmony. Here's how to make smart financial moves at every stage of your relationship.

EARLY DAYS: DISCUSSING MONEY MINDSETS

When you're newly dating, finances might not be top of mind, but understanding each other's money mindset early on can prevent misunderstandings later. Some key topics to discuss include:

- **Spending habits:** Are you a saver or a spender? Understanding each other's approach to money can help set expectations and avoid future conflicts.
- **Debt and financial history:** While it might feel uncomfortable, being upfront about any student loans, credit card debt, or financial struggles can build trust and prevent surprises down the line.
- **Financial goals:** Do you prioritise saving for a house, travelling, or investing? Aligning on future goals can help set the foundation for financial planning together.
- **Attitudes toward money:** Discussing how money was handled in each of your families growing up can offer insight into personal spending and saving behaviours.

MOVING IN TOGETHER: MANAGING JOINT EXPENSES

When couples take the step of moving in together, combining finances in some form becomes necessary.

Consider these strategies:

- **Create a shared budget:** Outline how much each person contributes to rent, utilities, groceries, and other shared expenses. Be realistic about income differences and financial obligations.
- **Decide on joint vs. separate accounts:** Some couples prefer to keep finances separate, while others combine everything. A middle-ground option is a joint account for shared expenses, while maintaining individual accounts for personal spending.
- **Have a financial check-in:** Sit down monthly to review spending, discuss upcoming expenses, and adjust your budget as needed.
- **Consider a financial agreement:** If you're not married, drafting a cohabitation agreement can clarify how assets and debts are handled in case of a breakup.

MARRIAGE & LONG-TERM COMMITMENT

As your relationship progresses, financial planning becomes even more critical. Some key steps include:

- **Merging financial goals:** Set clear, long-term financial objectives, such as homeownership, retirement, or children's education. Create an action plan to achieve these goals together.
- **Creating an emergency fund:** Having a joint emergency fund can provide security in case of unexpected job loss, medical bills, or major life changes. Experts recommend at least three to six months' worth of living expenses.
- **Planning for retirement together:** Review pension contributions, investment accounts, and savings plans to ensure you're both on track for a comfortable future. Consider working with a financial planner to maximise savings opportunities.
- **Considering legal protections:** If you're married or in a civil partnership, discuss wills, power of attorney, and how assets will be handled in case of the unexpected. Ensuring both partners are legally protected can prevent future financial difficulties.
- **Understanding tax benefits:** Marriage and civil partnerships come with certain tax advantages, including the Marriage Allowance. Investigate how to optimise your tax situation as a couple.

STARTING A FAMILY

If children are part of your future, financial planning will need to evolve:

- **Reviewing parental leave and childcare costs:** Plan ahead for income changes during parental leave, and consider budgeting for childcare expenses, which can be a significant monthly cost.
- **Updating insurance and wills:** Ensure that life insurance policies and wills reflect your growing family's needs. This helps provide financial protection in case of unexpected circumstances.
- **Setting up savings accounts for children:** Consider junior ISAs, trust funds, or dedicated savings accounts to support your child's education and future financial needs.
- **Adjusting your household budget:** Babies and children come with additional costs such as healthcare, schooling, and extracurricular activities. Plan how these will be incorporated into your financial plan.

APPROACHING RETIREMENT

As you near retirement, adjusting your financial strategy is essential:

- **Reviewing retirement savings:** Ensure pensions, investments, and other retirement funds align with your desired lifestyle. Consider downsizing if necessary to free up funds.
- **Downsizing or relocating:** Assess whether moving to a smaller home or a more affordable area could free up additional funds for retirement expenses and leisure activities.
- **Estate planning:** Ensure wills, inheritance plans, and tax strategies are in place to secure financial stability for your loved ones. Having these conversations early can prevent complications later.
- **Considering healthcare costs:** Medical expenses tend to increase with age. Factor in potential healthcare and long-term care costs to ensure financial security in later years.

AVOIDING COMMON FINANCIAL PITFALLS IN RELATIONSHIPS

Even the best financial plans can go awry if certain issues are not addressed. Some common financial pitfalls couples should avoid include:

- **Keeping money secrets:** Financial infidelity, such as hiding debts or secret spending, can lead to broken trust and relationship issues.
- **Not adjusting financial plans:** As careers, family dynamics, and personal goals change, so should your financial plan. Reassess regularly.
- **Avoiding money discussions:** Some couples shy away from financial conversations to avoid conflict. Regular, honest discussions can prevent bigger problems down the line.
- **Failing to plan for the unexpected:** Illness, job loss, or economic downturns can impact finances. Always have contingency plans in place.

THE IMPORTANCE OF FINANCIAL TEAMWORK

Regardless of the stage of your relationship, open and honest communication about money is key to long-term financial success. By setting shared goals, planning ahead, and regularly reviewing finances together, couples can build a strong financial future without unnecessary stress.

If needed, seeking advice from a financial adviser can provide tailored guidance to help navigate complex financial decisions together.

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.

TAX TREATMENT VARIES ACCORDING TO INDIVIDUAL CIRCUMSTANCES AND IS SUBJECT TO CHANGE.

HOW TO FINANCIALLY HELP ADULT CHILDREN WITHOUT HARMING YOUR OWN FINANCES

In today's economic climate, many parents are stepping in to help their adult children with financial support. In fact, a recent survey found that in 2024 58% of parents agree they have sacrificed their own financial security for the sake of their adult children, a significant increase from 37% in 2023. **[1]** Whether it's helping with rent shortfalls, contributing to a house deposit, or covering everyday expenses when they fall short, parental help is more common than ever. However, while the desire to support your family is understandable, it's essential to ensure that doing so doesn't put your own financial stability at risk.

WHY MORE PARENTS ARE PROVIDING FINANCIAL SUPPORT

Rising living costs, high property prices, and stagnant wage growth have made it harder for young adults to achieve financial independence. According to recent studies, 47% of parents still financially support adult children well into their 30s. **[1]**

A major driver of this trend is the affordability crisis in the UK housing market. With the average first-time buyer deposit in the UK now sitting at £53,414, exceeding £50,000 in many areas, it's no surprise that parents feel compelled to step in. **[2]** Other common financial assistance includes helping with university debt, covering household bills, or even supplementing day-to-day expenses due to the cost-of-living crisis.

While these gestures come from a place of love, they can have unintended consequences if not carefully managed.

THE RISKS OF OVEREXTENDING FINANCIAL SUPPORT

1. Impact on Your Retirement Savings

If you're drawing from your pension pot or investments to help your children, you could be putting your retirement security at risk. With increasing life expectancy, many retirees need to ensure their savings last for decades. Depleting funds now could lead to financial hardship later in life.

2. Increased Financial Strain

Many parents still have financial responsibilities of their own, such as mortgage repayments, insurance, or personal debt. Supporting children financially might lead to an increased reliance on credit or the need to delay important life plans, such as downsizing or early retirement.

3. Creating Long-Term Dependency

Offering financial support indefinitely can unintentionally prevent adult children from developing their own money management skills. In some cases, this can lead to an unhealthy financial reliance, making it harder for them to build independence.

HOW TO HELP WITHOUT JEOPARDISING YOUR OWN FINANCES

Providing financial help doesn't have to mean compromising your own security. Here are some strategies to support your children while maintaining financial stability:

1. Putting Clear Boundaries in Place

Before offering financial assistance, establish clear boundaries. Determine whether the support is a one-off contribution or an ongoing arrangement, and communicate this with your child. If it's a loan, discuss repayment expectations upfront to avoid misunderstandings.

2. Consider Alternatives

Instead of direct financial handouts, explore other ways to support your child:

- **Offer financial guidance –** Helping them create a budget, build savings, or improve credit scores can be just as valuable as monetary aid.
- **Help with homeownership in structured ways –** Instead of gifting a deposit, consider options such as joint ownership or family offset mortgages, which allow you to assist without giving money outright.
- **Encourage financial independence –** If your child is struggling with employment or financial planning, encourage them to seek professional career advice or financial coaching.

3. Ensure That You Protect Your Retirement Plans

If you're approaching retirement, avoid taking large sums from your pension or investments unless absolutely necessary. If you do decide to help financially, consider working with a financial adviser to understand the long-term implications on your retirement goals.

4. Use Legal & Tax-Efficient Methods

If you want to pass on wealth to your children, ensure you do so tax-efficiently.

For example:

- **Gifting within inheritance tax (IHT) limits –** You can gift up to £3,000 per year without it being subject to inheritance tax. If you didn't use your exemption from the previous tax year, you can carry it forward, allowing you to gift up to £6,000 tax-free in a single year.
- **Setting up a trust –** This allows you to set conditions on how money is accessed and used, preventing reckless spending.
- **Helping with ISAs or pensions –** Instead of cash gifts, you can contribute to their ISA or pension, helping them build long-term financial security.

5. Encourage Accountability
If your child needs support, consider matching their efforts. For instance, if they need help saving for a house deposit, agree to contribute only if they save a set amount themselves. This ensures they have a financial stake in the process and encourages good saving habits.

BALANCING FAMILY AND FINANCIAL STABILITY
Supporting your adult children financially can be a meaningful way to help them navigate life's challenges, but it's crucial to balance generosity with financial responsibility. Before making significant financial contributions, take the time to assess your own situation and consider alternative ways to assist.

By setting boundaries, using tax-efficient strategies, and encouraging financial independence, you can provide meaningful support without compromising your own security.

Ensure that your generosity today doesn't lead to financial difficulties tomorrow.

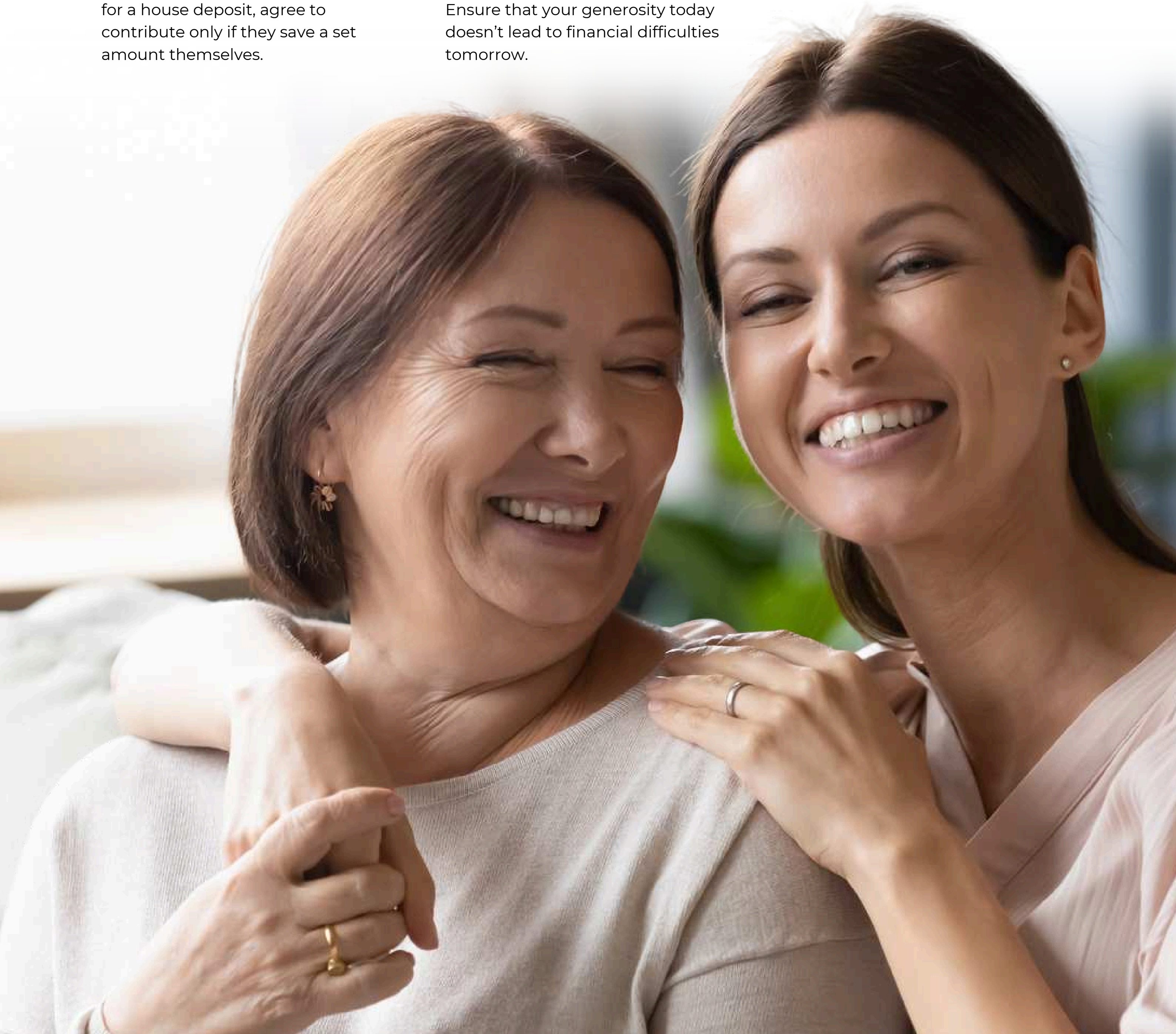
THE VALUE OF INVESTMENTS AND ANY INCOME FROM THEM CAN FALL AS WELL AS RISE AND YOU MAY NOT GET BACK THE ORIGINAL AMOUNT INVESTED.

THE FINANCIAL CONDUCT AUTHORITY DOES NOT REGULATE TAX PLANNING, INHERITANCE TAX PLANNING, TRUSTS AND CASH IN DEPOSITS.

TAX TREATMENT VARIES ACCORDING TO INDIVIDUAL CIRCUMSTANCES AND IS SUBJECT TO CHANGE.

[1] Savings.com - 47% of Parents Cover Costs for Their Adult Children

[2] Which - How much deposit do you need for a mortgage?



THE TRUE COST OF SUBSCRIPTION SERVICES

In today's digital world, subscription services are everywhere; streaming platforms, software, meal kits, gyms, and even clothing rental programs. While they offer convenience, the growing number of subscriptions can quickly add up and take a toll on your finances. Many people underestimate how much they're spending on subscriptions, often paying for services they barely use. Here's how to assess your subscriptions, cut unnecessary costs, and reclaim your hard-earned money.

HOW SUBSCRIPTION COSTS ADD UP
A single subscription may seem inexpensive, but multiple services together can become a significant expense. Consider the following common subscriptions and their typical monthly costs:

- Streaming services (Netflix, Disney+, Amazon Prime, etc.): £10-£15 per service
- Music apps (Spotify, Apple Music, YouTube): £10-£12
- Cloud storage (Google Drive, Dropbox, iCloud): £2-£10
- Fitness apps & memberships: £10-£50
- Meal kit services: £30-£60 per week
- Subscription boxes (beauty, clothing, snacks): £10-£50
- Software subscriptions (Microsoft Office, Adobe, productivity tools): £5-£50

When combined, these small charges can easily total £100+ per month, or over £1,200 per year—a significant amount that could be used for savings, investments, or paying off debt.

SIGNS YOU'RE OVERSPENDING ON SUBSCRIPTIONS
Not sure if you're overspending on subscriptions?

Here are some warning signs:

- You have multiple streaming services, but mainly use only one.
- You forget to cancel free trials and get charged for services you don't need.
- You're paying for software or memberships that you rarely use.
- You can't recall exactly how many subscriptions you have or their total cost.
- Your bank statements show multiple recurring charges each month.

HOW TO AUDIT AND REDUCE YOUR SUBSCRIPTION COSTS
Cutting back on subscriptions doesn't mean sacrificing all conveniences, it's about being intentional with what you truly need and use.

Follow these steps to audit and reduce your costs:

1. List All Your Active Subscriptions
Start by reviewing your bank statements and credit card transactions for recurring charges. Make a complete list of every subscription and its monthly or yearly cost.

2. Identify Unused or Underused Services
Ask yourself:

- When was the last time I used this service?
- Is there a cheaper or free alternative?
- Can I share this subscription with family or friends?

Cancel any subscriptions you rarely use or can live without.

3. Free or Cheaper Alternatives

- **Use free versions:** Many apps and streaming platforms offer free plans with ads.
- **Rotate subscriptions:** Subscribe to one streaming service per month instead of keeping multiple active at once.
- **Look for bundled discounts:** Some services offer bundled plans, such as Spotify + Hulu or Amazon Prime + Prime Video.

4. Cancel Before Free Trials End
If you sign up for a free trial, set a reminder to cancel before the renewal date. Many companies make it difficult to cancel, so act early.

5. Negotiate or Find Discounts

- Contact customer support and ask for a loyalty discount or cancellation offer.
- Check if your employer, school, or credit card offers discounted rates.
- Use cashback apps and discount sites to find subscription deals.

REALLOCATING YOUR SAVINGS
By cutting unnecessary subscriptions, you can redirect that money toward more important financial goals, such as:

- Building an emergency fund
- Paying off debt faster
- Investing for retirement
- Saving for a holiday or major purchase

TAKE CONTROL OF YOUR SUBSCRIPTION SPENDING
Subscription services are convenient, but they can also be silent budget drainers. Regularly auditing your subscriptions and being mindful of your spending can help you regain control of your finances.

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Jesse's Secret
Artificial Intelligence
SISTERS
DISCOVERY
Connect
CYBERSPACE
TOWN
Diversity

ARE YOU AND YOUR BUDGET COMPATIBLE?

Just like in romantic relationships, your relationship with money requires attention, commitment, and regular check-ins. Have you ever wondered if your spending habits align with your long-term financial goals? Take this financial relationship check-up to see if you and your budget are truly compatible or if it's time to make some adjustments.

STEP 1: UNDERSTANDING YOUR SPENDING PERSONALITY

Before you can strengthen your financial relationship, you need to understand your spending habits.

Which best describes you?

- **The Carefree Spender:** You love treating yourself and find it hard to say no to spontaneous purchases.
- **The Budgeting Guru:** You track every penny, set financial goals, and have a solid saving plan.
- **The Occasional Overspender:** You try to budget but sometimes give in to impulse shopping.
- **The Saver but Not an Investor:** You save well but haven't taken the leap into growing your money through investments.

STEP 2: ASSESSING YOUR BUDGET'S STRENGTH

A strong financial relationship is built on stability and planning.
Ask yourself:

- Do you track your income and expenses every month?
- Do you have a realistic budget that allows for savings and emergencies?
- Are you saving at least 20% of your income (or as much as possible within your means)?
- Do you have a clear plan for big expenses, such as holidays or home purchases?

If you answered "no" to multiple questions, it may be time to rethink how you approach budgeting.

STEP 3: COMMON BUDGETING PITFALLS AND HOW TO FIX THEM

Even the best financial relationships have challenges. Here are some common budgeting mistakes and how to overcome them:

- **Impulse Buying:** If spontaneous shopping derails your budget, try the 24-hour rule, wait a day before making a purchase.
- **Not Accounting for Unexpected Expenses:** Set up an emergency fund covering 3-6 months of expenses to avoid financial stress.
- **Forgetting to Adjust Your Budget:** Life changes, and so should your budget! Revisit your financial plan every 6 months.
- **Relying Too Much on Credit:** If credit card balances are growing, focus on repaying debt before taking on new financial commitments.

STEP 4: STRENGTHENING YOUR FINANCIAL RELATIONSHIP

A good financial partnership is about balance and long-term planning. Consider these strategies:

- **Set Clear Financial Goals Together:** Whether single or in a relationship, set clear savings and investment goals.
- **Automate Your Savings:** Pay yourself first by setting up automatic transfers to a savings or investment account.
- **Review Your Spending Regularly:** A weekly or monthly financial check-in can help keep you on track.
- **Celebrate Small Wins:** Sticking to your budget shouldn't feel restrictive, reward yourself for progress!

STEP 5: THE IMPACT OF BUDGETING ON LONG-TERM GOALS

A well-maintained budget isn't just about managing day-to-day expenses; it's a roadmap for achieving major life goals. By keeping your spending in check and prioritising savings, you can:

- **Buy a home sooner:** Having a disciplined budget can help you build the necessary deposit for a mortgage faster.
- **Travel more:** A well-planned budget makes it easier to set aside funds for vacations without incurring debt.
- **Retire comfortably:** Consistent saving and investing can ensure a financially stable future.
- **Achieve financial independence**: Careful planning can reduce reliance on traditional employment sooner than expected.

Short-term sacrifices can lead to long-term financial freedom, if you're consistent. Every small financial decision today contributes to a larger picture of security and independence.

Step 6: Creating a 'Money Date' Habit

Scheduling regular financial check-ins, much like date nights, can make budgeting a more positive experience. Whether you're budgeting alone or with a partner, consider setting aside time to:

- Review your spending and savings progress
- Adjust financial goals based on life changes
- Identify new ways to cut costs or increase savings
- Celebrate financial milestones

Making money conversations a regular habit ensures accountability and keeps you motivated towards your goals.

STEP 7: BUILDING A FINANCIAL VISION FOR THE FUTURE

Beyond just budgeting for monthly expenses, creating a financial vision ensures you're planning for a fulfilling future. Consider:

- **Mapping out your financial future:** Write down your 1-year, 5-year, and 10-year goals.
- **Aligning your values with your spending:** Ensure your money goes toward things that truly matter to you.
- **Preparing for unexpected life events:** From job changes to family planning, having financial flexibility is key.

Your budget should be a tool that empowers you, not a source of stress. If you've discovered areas that need improvement, now is the time to take action. Small changes today can lead to long-term financial success.

Whether you need help refining your budget, exploring investment options, or planning for major financial goals, speaking with a financial adviser can provide clarity and confidence in your next steps. Reach out to your adviser today to discuss your goals and create a plan that works for you!

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HOW TO STOP LIVING PAYCHECK TO PAYCHECK

For many people, living paycheck to paycheck can seem like an endless cycle, one where money comes in and goes out almost instantly, leaving little room for savings or unexpected expenses. Financial independence may seem out of reach, but with the right strategies, you can take control of your finances and build a more secure future. Here's how to break the cycle and move towards lasting financial stability.

UNDERSTANDING THE TRAP

Living paycheck to paycheck often means that your income is just enough to cover your expenses, with little to no savings. This makes it difficult to handle unexpected costs, such as car repairs or medical bills, and can create stress around finances. According to recent studies, a significant portion of working individuals struggle with this situation, regardless of their income level.

Common causes:

- High cost of living and rising expenses
- Overspending or poor budgeting habits
- Debt commitments
- Lack of financial education and planning

Breaking free from this cycle requires a combination of mindset shifts, better money management, and long-term financial planning.

CREATE A BUDGET THAT WORKS

A solid budget is the foundation of financial independence. If you don't already have one, start by tracking your income and expenses for at least a month. Categorise your spending into essentials (rent, utilities, groceries) and non-essentials (dining out, subscriptions, shopping).

To build a more effective budget:

- **Identify areas to cut back:** Small expenses add up quickly. Cancel unused subscriptions, cook at home more often, and reconsider luxury purchases.
- **Automate savings:** Set up automatic transfers to a savings account to ensure you're consistently putting money aside.

BUILD AN EMERGENCY FUND

One of the main reasons people live paycheck to paycheck is the lack of a financial cushion. Without savings, unexpected expenses can force you into debt or financial hardship. Aim to save at least three to six months' worth of living expenses in an emergency fund.

REDUCE AND ELIMINATE DEBT

High-interest debt, especially credit card debt, can make it difficult to get ahead financially. The more you pay in interest, the less you have for savings and financial growth. Strategies to tackle debt:

- **Snowball method:** Pay off the smallest debt first, while making minimum payments on others, then move to the next largest.
- **Avalanche method:** Prioritize paying off the debt with the highest interest rate first, saving more on interest in the long run
- .**Consider debt consolidation:** If you have multiple high-interest debts, consolidating them into a lower-interest loan can make repayment easier.

INCREASE YOUR INCOME

If cutting expenses isn't enough, increasing your income can accelerate your path to financial independence. Consider:

- **Negotiating a raise:** Research salaries in your field and prepare a case for why you deserve a higher wage.
- **Starting a side hustle:** Freelancing, online businesses, and gig work can supplement your primary income.

Investing in education or skills: Higher qualifications or certifications can lead to better job opportunities and higher earnings.

CHANGE YOUR SPENDING HABITS

Being mindful of your spending habits is crucial for financial stability.

To break the cycle of living paycheck to paycheck:

- **Avoid lifestyle inflation:** As income increases, resist the urge to increase spending on non-essentials.
- **Use cash or debit instead of credit:** Prevent unnecessary debt accumulation by avoiding impulse credit card purchases.
- **Set financial goals:** Whether it's buying a home, travelling, or early retirement, having clear goals can help you stay disciplined.

INVEST IN YOUR FUTURE

Once you have built a stable financial foundation, start focusing on long-term financial growth.

- **Contribute to a pension or retirement plan:** Take advantage of employer contributions or government incentives to grow your retirement fund.
- **Start to Invest:** Investing can help grow wealth over time.
- **Diversify your income sources:** Having multiple income streams (rental income, dividends, side businesses) can provide more financial security.

Achieving Financial Independence Breaking free from the paycheck-to-paycheck cycle starts with small, intentional steps. By creating a solid budget, building an emergency fund, reducing debt, and exploring ways to increase your income, you can regain control of your finances and work toward long-term stability.

A financial adviser can help you create a tailored plan to manage your money effectively and set you on the path to financial independence.

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READY TO TAKE CONTROL OF YOUR FINANCIAL FUTURE?

At Manning and Company, we excel at providing expert guidance and support to our clients in navigating their complex financial landscape, regardless of how unique their situation may be. Allow us to assist you in reviewing your portfolio and exploring a wide range of options tailored to your specific needs. Get in touch with us today, and let's embark on a journey towards financial success together.

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