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# THE NEST EGG

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Finance Made Simple



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# Take Charge of Your Finances

## Four Financial Habits

### 1. Review Review Review

Always review your insurance! It's astonishing the amount of money you can save if you review your insurances regularly. I have seen a lot of cases where individuals and families in the last 6 months have saved over 30% on their Health Insurance costs. People's circumstances consistently change. Maybe you have given up smoking in the past several months or might be over-insured? Mortgage Protection is an area where people should review due to the expensive policies enforced, especially by the banks.



Welcome to the Nest Egg News!

We at Alpha Wealth wish to provide you with simple free advice. It is time that you take charge of your finances and gain financial independence.

Free advice can be valuable. It is our hope that we can give you a comprehensive guide to apply to your life and your needs. If you find yourself wanting more, feel free to contact us:  
[info@alphawealth.ie](mailto:info@alphawealth.ie)

### 2. Get the Best Rate

We're perilously close to a negative interest rate environment. Great for mortgage holders, but bad for savings! If you're trying to save money, it's time to look beyond the banks. For example, one of the 14 life companies on the market offer an easy access savings plan with a minimum deposit of €75 a month. It can potentially have a very high return, depending on your risk level.

*Zurich Easy Access Savings*

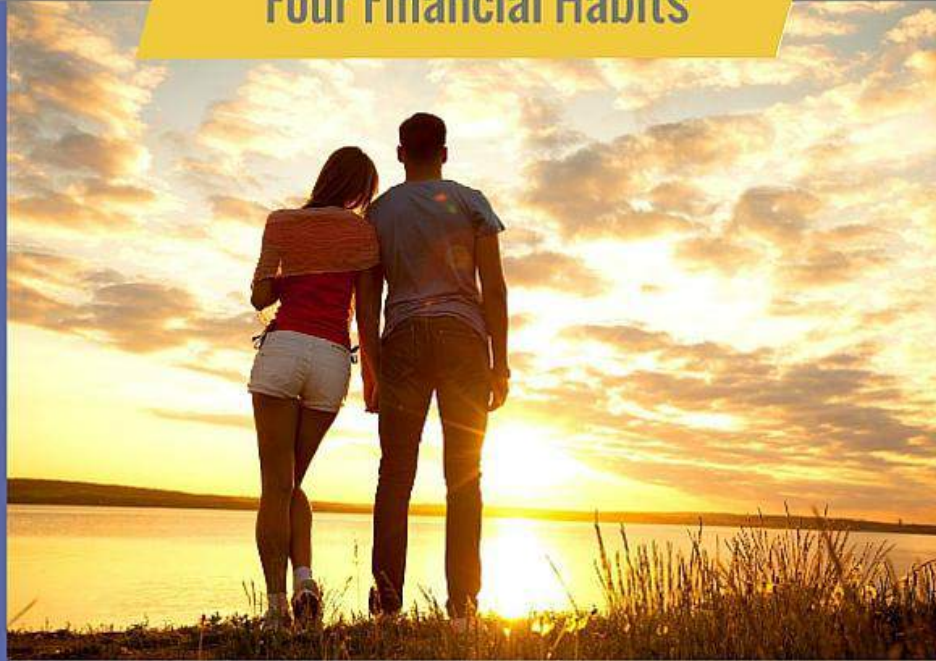


# Take Charge of Your Finances

## Four Financial Habits

### 3. Reduce the Number of Bank Accounts/Credit Cards

Seems obvious for the latter, but as you no doubt have experienced, a Bank Account could cost you €100 per annum. People who are married or in a serious relationship may still have 3 or 4 accounts between them. This is leading to a lot of money being spent, when it's really not necessary. I know we love our independence, but it's time for a joint account. Also, for those addicted to Credit Cards; we advise constantly moving to different providers to avail of an "interest free" period and help people to get rid of them altogether.



### 4. Do a Tax Return

It is quite straightforward to do this. In some years you might not have overpaid Tax, in others you may have overpaid significantly. The student contribution fee that students face annually now stands between €2,500 and €3,000. Tax relief is available on fees paid for qualifying third-level courses, with the relief applied at a rate of 20%. This amounts to €500-€600 per annum. Tax relief is also available for refuse and medical expenses. Talk to us for more information on other reliefs, whether it is personal or corporate.

### Fun Facts

In 1986, Apple launched a clothing line.

A baby can cost new parents 750 hours of sleep in the first year.

Until the U.S. Federal Reserve was created in 1908, individual banks could create their own money.

*A single Euro can have incredible value.*



# FINANCIAL LIFE CYCLE

Let us help you!

## SIMPLE GUIDANCE

Financial planning ...hmmm. We don't do it or we believe that we do it. Either way the results are usually the same. It is summed up by the simple questions that we all ask; How did I spend that much? Where did my money go? Admit it, we've all done it. There are very few of us who have a comprehensive financial plan in place. The following paragraphs won't solve all your problems, but will enable you to gage where you are in the financial life cycle and what type of plan you should have in place, so as to meet your priorities with ease.

## DEAR FAMILY & FRIENDS,

The passage of time alters the nature of the risks, and requires you to reconsider how you are managing them and whether you should reprioritize them at different times of your life. Life-cycle financial planning helps you understand the dynamic nature of the financial risks presented and develop a plan that evolves over time to meet those changing needs.



## ALL THE WONDERFUL STAGES OF LIFE

Grow your Wealth - 21-45

Time for a Family - 30-55

Enjoy your Retirement - 60+



# FINANCIAL LIFE CYCLE

Grow your Wealth 21-45

## EARLY RETIREMENT?

Essentially you are rolling the dice if you think that working longer will be your answer to not saving for retirement now. Don't wait to save for retirement. The earlier you start, the better and less painful the process will be – and the more money you'll end up having. If you put off saving for retirement in the hope of working longer, you may find out that plan won't work for you when it's too late to build a significant nest egg.

## BECOME FINANCIALLY INDEPENDENT

The notion of “being rich or wealthy” means having financial independence and savings to depend on. Calling your own shots, financially speaking, means having the freedom to make choices in your life separate from earning a pay cheque. Balancing living for today versus meeting tomorrow's needs is one of the greatest challenges of this phase. If your looking to save money, stay away from the banks. We are in a zero interest rate environment and they don't want to give money away. Instead look further afield. Instead look to easy access savings bonds and for those with a little more money, investment options.

## EDUCATE YOURSELF

No matter how you feel about it; you are never too young to seek financial advice. Now is the time to be educating yourself about everything. Whether you are single, have a family or are planning to have one, you should know everything. You are entitled to the knowledge, which is relevant to you and your circumstances. Quite often we don't know where to begin. Well trust me. You just have. Reading blogs or newsletters by individuals who dedicate their lives to advising people like you, is a step in the right direction. I know that having a face to face meeting with a financial advisor may seem daunting, but it is an experience which we should never miss out on.





# FINANCIAL LIFE CYCLE

Time for a Family 25-55

## PEACE OF MIND

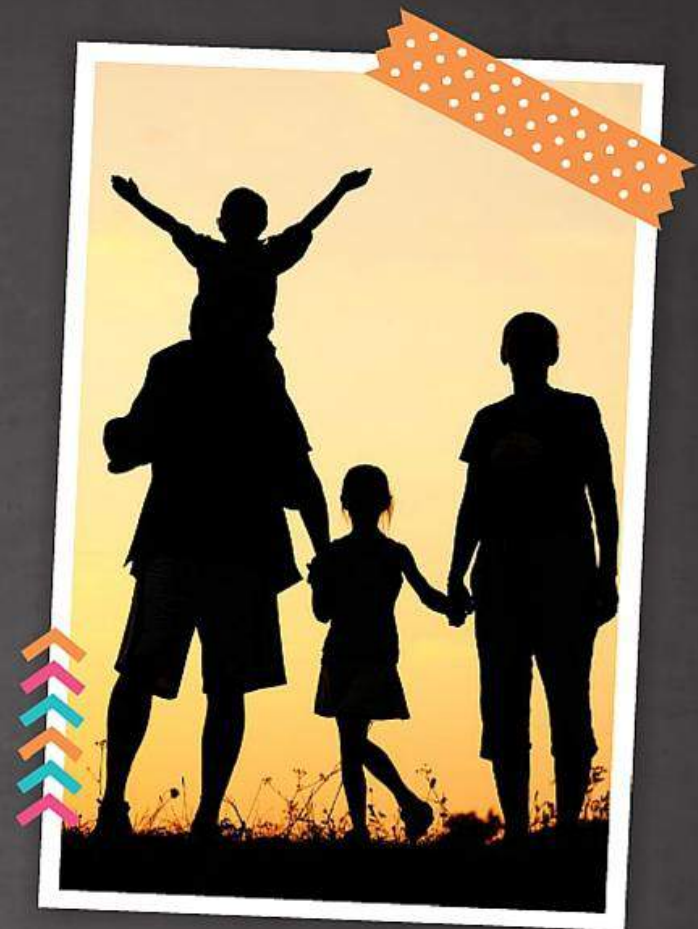
As you accumulate savings, your financial worries should diminish, as long as you're living within your means and not always looking for new things to worry about. If you already have next month's mortgage payment taken care of by the first week of the current month, if you know you can get by without work for three to six months, if you have savings accounts for your children's education and your own retirement that you're regularly funding, you'll sleep better at night. The reduced stress from having money in the bank frees up your energy for more enjoyable thoughts and activities.

## SAVINGS

**Save for a Down Payment for a House:** Your negotiating power goes a lot farther when you have a significant down payment towards your home. You will receive better interest rates, and be able to afford a bigger home. You can determine how much you save towards this each month depending on your circumstances.

**Save for a Holiday and Other Luxury Items:** You can save up for your tour of Europe or that Caribbean cruise. Your negotiating power is stronger if you have cash in hand on bigger purchases. Even if you save up for your holiday, you should try save on your holiday expenses.

**Save for a New Car:** You will be amazed at how much money you can free up in your budget if you do not always have a car payment. You can also negotiate the price of the car much lower if you are willing to pay cash at the dealership.



## STOP PROCRASTINATING! ENROLL IN A COLLEGE SAVINGS PLAN

If you envision sending your child to university, you had better start saving. The cost of third level education is insane and it is not being reduced anytime soon. While there are various support mechanisms to help you and your children financially, they are a disaster to deal with. Not knowing whether you will get that financial support is worse. You'll be faced with the decision to make a calculated risk and there have been occasions where parents could not afford the cost of tuition. You won't regret saving for your children's future. There is no monetary value on seeing your child grow and achieve their goals.



# FINANCIAL LIFE CYCLE

Enjoy your Retirement 60+

## A HELPING HAND

Congratulations. Hopfully you've now cast away all your worries and are reading this in the Bahamas. When you retire, you may be wondering what to do next. You want to have an enjoyable life after working all those years. You deserve to spend your savings. However, it is now that you begin to reflect on your life. If you have children or grandchildren, perhaps you've noticed that your protective instincts are only increasing. There are options to help them financially and whether you want to or not; start planning for the day that we all must face. Much like saving for a house or your children's education, you can easily set up a savings account in the name of your now large child or their children.

## THE FUN FUND

Two of the most important factors you should consider are the way in which you wish to use your pension fund to provide an income in retirement and whether you wish to pass the balance of your fund to your dependants after your death. Most people will choose to take the very attractive tax-free retirement lump sum option of up to €200,000 from their pension fund and then use the balance to meet their financial needs in retirement through one of three further retirement options: Purchasing a pension income for life (also known as an Annuity); Investing in an Approved Retirement Fund (ARF); or Taking a taxable lump sum.



## ESTATE PLANNING

The first step in estate planning should be to make a will. In doing this, the testator should determine the trusted individuals whom they wish to act as their executors, trustees and guardians (where relevant) and choose the beneficiaries to whom the estate will pass. There are a number of reliefs available in respect of assets passing to the next generation. Also, for business owners; it can be beneficial to review the "exit" plan at various stages in a working life, and it is generally advisable for a taxpayer who owns their own business to start planning their exit from work 10 years before retirement.



# Health Insurance

## Why choose health insurance?

Understanding the building blocks of Health Insurance can help you avoid confusing, even misleading, lingo, which will ultimately end up saving you money. Health insurance gives peace of mind that you will receive medical treatment quickly and where you want to without having to face lengthy HSE queues or bureaucracy. While the HSE will usually provide treatment, patients may not know how long they will be on waiting lists for and therefore opt for private medical insurance to aid a swift recovery.

## Different types of cover

Health insurance can take several different forms. With most private medical insurance policies, you pay a monthly premium and the policy will then pay out, up to specified cover limits, for any treatment you might need. It is possible to reduce the cost of cover by demonstrating you lead a healthy lifestyle, for example, by going to the gym regularly.

There are also health cash plans. These will contribute towards your routine healthcare costs. They work by paying out a cash sum whenever you visit a dentist or other medical practitioner, such as a chiropodist or optician, which you can spend on what you want.

*The World Health Organisation was born on April 7, 1948.*

*It was decided this anniversary should be marked with a day educating people on an important global health issue.*

*The first World Health Day was in 1950 and, since then, it has spread awareness on everything from food safety to blood pressure.*



ALPHA  
HEALTH

April, 2016



# Health Insurance

## Increase in the price of Health Insurance

Has anyone notice that your premiums have risen recently? It's not by a small amount either. All three major providers (VHI, Laya, GloHealth) have seen an average price increase in premiums from 3% to 6%. The main factors cited in driving an average price increase are the rising costs of claims, but the price increase is also necessary providers to continue to provide our customers with access to the very latest in healthcare such as emerging technologies, new treatments and high cost drugs. Well that all sounds very fancy, but every penny counts at the end of the day. We have seen cases where people are paying outrageous prices for schemes that are cheaper elsewhere. It is worth paying out the small price to get proper healthcare advice, so as to save you money. The fantastic thing is; Alpha Health give that advice for free.

## Aviva Health Insurance Ireland Ltd sold to Irish Life

Aviva health Insurance have left the Irish market! While this action effectively reduces the number of competitors in the market, it does bring the largest Life Company firmly into the market and I'd expect that they won't be content with third position for long and will probably look to substantially increase their market share. This is good for consumers as the most effective way for a provider to increase the number of members it has is it offer lower prices and better cover.

## Diabetes

The number of adults in the world with diabetes has nearly quadrupled since 1980 to 422million adults.

It can lead to a heart attack, stroke, blindness, kidney failure and lower limb amputation, and caused 1.5million deaths globally in 2012.



April, 2016





April 2016

# Alpha Wealth News

## Finalists

As you may have heard we were nominated for the second year in a row for the Munster Broker of the Year Award. Unfortunately we did not win this year but would like to thank all of you for your generous support. We're continually doing our best to learn as much as possible. We might know a lot about finance but at the end of the day learning from you and the world around us helps gauge how we approach the future.

## New Appointment

Hello My name is Daniel Varian and am the new Marketing and Business Development Manager at Alpha Wealth. Be sure to connect or follow us on Facebook Twitter and LinkedIn.

We are currently reinnovating our social media experience and would like to connect with you as much as possible. So please talk to us and let us advise you on any queries that you may have.

## Blogging

We at Alpha wish to give you the best consumer experience both online and offline. Follow our blog which will be posted weekly on our website [www.alphawealth.ie](http://www.alphawealth.ie).

Read our blog and make informed decisions that will save you money and educate you on matters of personal finance. Follow our journey through life as financial advisors and individuals in this complicated world.

