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# Black

A MAGAZINE FOR MONEY SAVVY BLACK WOMEN

# Girl

# Finance

## TAX FREE ALLOWANCES

With the new tax year approaching what are the ISA and Pension allowances available?

## GENDER INVESTMENT GAP

What is causing the gender investment gap, and how can we combat this issue?

## 95% MORTGAGES

With 95% Mortgages on offer once again, what are the pro's and con's for a first time buyer?

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# editor's note

As the new financial year begins it is often an opportunity to look at all of our previous financial commitments. We usually have a chance to change our employee pension/ investment contributions, to max out pensions and ISA allowances.

This issue is to get our financially savvy readers to look forward hence the picture of the women looking off into the distance we are taking a forward looking approach to the new financial year.

One of the most obvious changes we can make it to ensure as much as possible we are maxing out the available tax free allowances, and employer contributions we have available to us, this issue will guide you through how to do this.

Selina Flavius  
**EDITOR IN CHIEF**



**Time  
to max  
out**



# Tax free Allowances

  
SELINA FLAVIUS

Many people do not know the numerous tax free allowances that exist each year. The end of the financial year is the time when those in the know are maxing out these government sanctioned tax free allowances. The principle behind why you should max them out is to benefit from the tax breaks, the less money you are contributing to tax, is the more money you can have in your pocket, that can be reinvested and working for you over the long term.

A reminder of the allowances are shown below:

Pension Allowance - £40,000 - tax free

Lifetime Isa - £4000 - tax free plus 25% bonus

Isa - £20,000 - tax free

Lets not forget the kids

Junior Isa - £9000 - tax free


Knowing about and being strategic about how much you are contributing into each pot is key to reaching financial freedom. There are people who are ISA millionaires who have continued to max out their ISA's continually since ISA's have been in existence.

# Gender Investment gap

The investment app Freetrade released some research at the end of March about the Gender investment gap.

There research asked the question If both men and women were to invest the recommended 10% of their average salaries every year, how much more money would male investors have by 2030 compared to female investors? Due to the Gender pay gap it was found that women by 2030 would end up with over £15,000 less from their investments, due to the difference in contributions made being less, which is a direct result of the gender pay gap.

Black Girl Finance is committed to helping women close the gender pay gap and as part of our annual membership we will be hosting coaching and training about career progression and salary negotiation.



SELINA FLAVIUS

# 95% Mortgages

95% Mortgages whats the big deal?

You may have noticed in the news talk about government backed 95% mortgages. Whilst these mortgages arent new, in 2020 once covid hit, banks who previously offered 95% mortgages started to pull these products from their offering.

The government has now announced a mortgage guarantee scheme for first time buyers.

A 95% mortgage is a loan for 95% of a property's price, where you put down a 5% deposit to cover the rest. For example, if you wanted to buy a house worth £100,000 with a 95% mortgage, you would put down £5000 of your own money and borrow the remaining £95,000.

What are the Pro's and con's for first time buyers?

Pro's:

- You need a smaller deposit to qualify.

Con's:

- Likely to pay a higher interest rate and have higher monthly mortgage repayments.
- May be difficult to find a good remortgage deal after the initial period, due to not enough equity being built up in the property.
- If property prices decrease, there is an increased chance of negative equity.

If you are considering a 95% mortgage speak to a mortgage adviser they will be able to discuss all available options.



SELINA FLAVIUS

# “Black” “Girl” Finance Membership

Money is not an easy subject to open up about, so creating a space for women to talk about their financial goals and dreams has always been a priority at Black Girl Finance, that's why we have launched the membership. Providing you with regular conversations about important financial topics that will get you confident about investing and asking for what you are worth. The membership price is discounted until April, share this first magazine edition which is also included as part of the membership with the money savvy women in your life.

**SELINA FLAVIUS**  
EDITOR

Visit: [www.blackgirlfinance.co.uk](http://www.blackgirlfinance.co.uk) to sign up for the membership.

Please note the information in this magazine is for educational purposes only and is not financial advice.