



EQUILIBRIUM

Cash service



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Introduction

For many people, cash is the part of their finances that gets the least attention. It sits in a current account, or perhaps a savings account that has not been reviewed in years, quietly earning less than it should.

The scale of this is striking. Analysis by Barclays found that British savers hold more than £614bn in excess cash*, money that could potentially be earning higher returns. Around 15 million UK adults hold more than six months' income in cash, and much of it is simply not working hard enough.

Whether it's money set aside for a rainy day, funds waiting to be invested, or simply balances that have built up over time, your cash deserves care and attention. Getting the right rate matters, but so does making sure your money is properly protected, held in the right way for your tax position, and visible within your overall financial plan.

Our cash service is designed to do exactly that. We can help you get better rates on your savings, make sure your money is protected, and provide a clear view of everything you hold, so your financial plan is always built on a complete and accurate picture.

This booklet explains how the service works and what your options are.

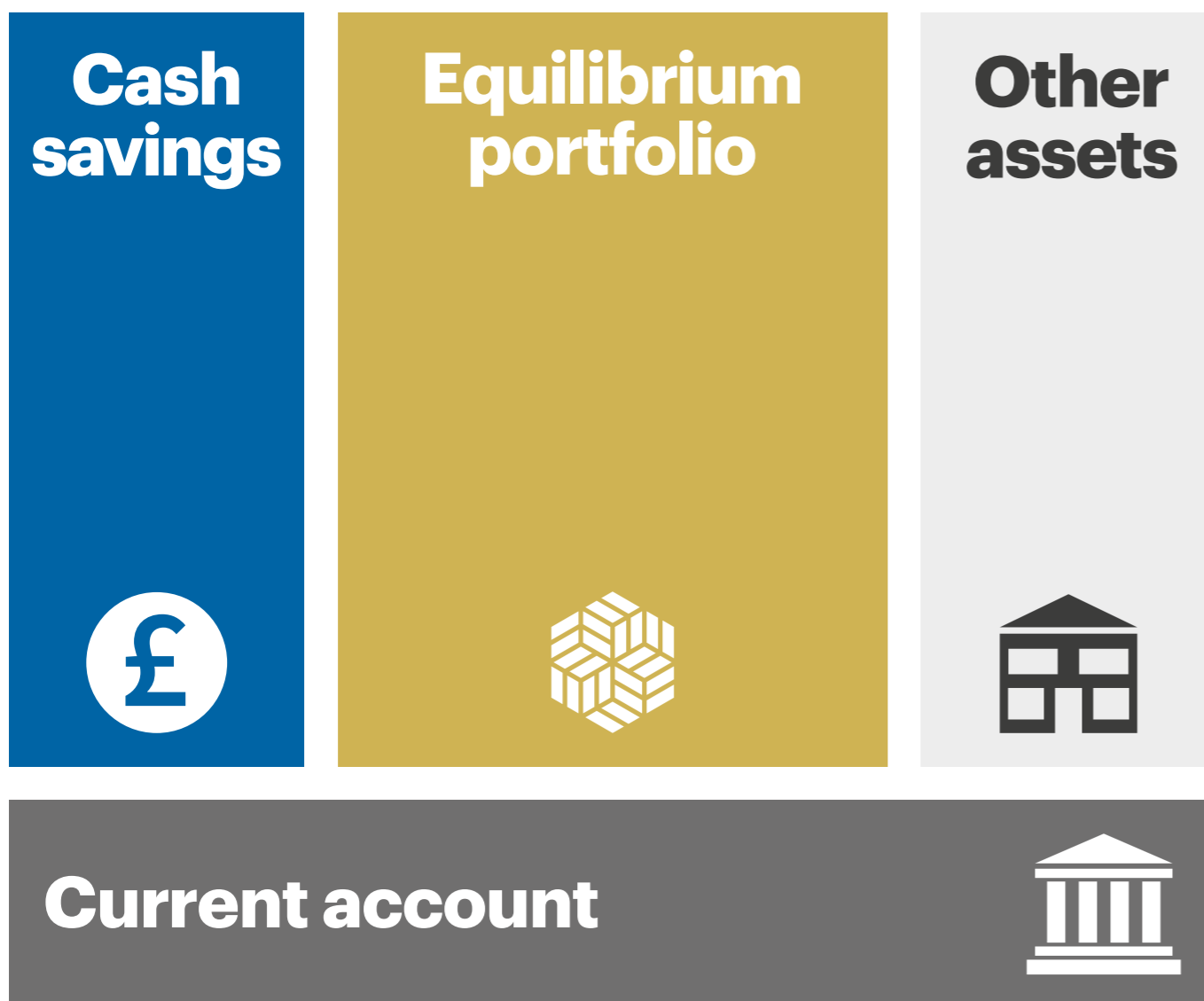
*Source: Financial Times September 2025



Your finances



Before looking at how to make the most of your cash, it helps to think about how cash fits into your overall financial picture. Most people's finances can be broken down into four broad layers.



Current account

Your current account is the engine room of your day-to-day finances. Money flows in and out constantly. The key is to hold just enough here to cover your regular outgoings comfortably, without leaving a large balance sitting idle. Current accounts typically pay little or no interest, so money that isn't needed for day to day use is better held elsewhere.

Cash savings

Beyond your current account, most people benefit from holding a readily accessible cash reserve. We tend to recommend a years' worth of expenditure as an emergency fund. This is your financial buffer; money you can get to quickly if something unexpected happens, without having to touch your investments.

On top of this, you may hold additional cash for a planned purchase, a home improvement, or simply money you know you will need within the next few years. This cash should be working hard for you, earning a competitive rate while remaining accessible when you need it.

Equilibrium portfolio

Your investment portfolio is where your longer term wealth is managed. This is money you do not expect to need in the near future, invested across a diversified range of assets with the aim of generating real returns over time.

Other assets

Most people also hold assets outside their portfolio, most commonly property, either as a home or as an investment. These form an important part of your overall wealth picture, even if they are not directly managed by us.

Getting this structure right matters

Too much sitting in a current account is a missed opportunity, too little in accessible savings can leave you exposed. And having a clear view of all four layers means your financial plan is built on reality rather than estimates.

Your options

We have a number of options available to help you make the most of your cash. One or more of these might be suitable depending on your personal circumstances and specific requirements.

Personal cash

We have selected two options to help with your cash savings; NS&I and Flagstone. These will allow you to simplify administration, ensure your savings are protected, earn good rates of interest and give us visibility for your financial plan.

Platform cash

For some clients it makes sense to hold cash or low risk investments directly alongside their Equilibrium portfolio. This could be while waiting for the right opportunity to invest, or with a specific purpose in mind such as an upcoming tax bill or known future expense. Fixed rate deposits, cash funds and gilts can all be held on the same platform as your main portfolio, keeping everything in one place.



Key benefits of the service

Better returns

Whether your cash is held personally or on platform, our service is designed to make sure it is earning as much as possible. By carefully selecting the right savings options and regularly reviewing the rates available, we help ensure your cash is always working hard.

Protection

We can help to ensure your cash is held securely, whether that means the absolute certainty of government backing, spreading deposits across multiple banking licences to maximise FSCS protection, or holding low risk investments within established regulated platforms. Whatever your circumstances, we can develop an approach that keeps your money safe.

Visibility

One of the most valuable aspects of the service is the complete picture it creates. By bringing your cash under our service, we can keep your financial plan up to date without your input. Your cash position will be reviewed as part of your regular annual meeting, so nothing gets overlooked.

Simplicity

We help you get your cash under control and spend less time monitoring multiple savings accounts, chasing better rates or working out how to transfer funds from one account to another. With all your cash holdings visible in one place, pulling together the information you need for your tax return becomes much more straightforward.

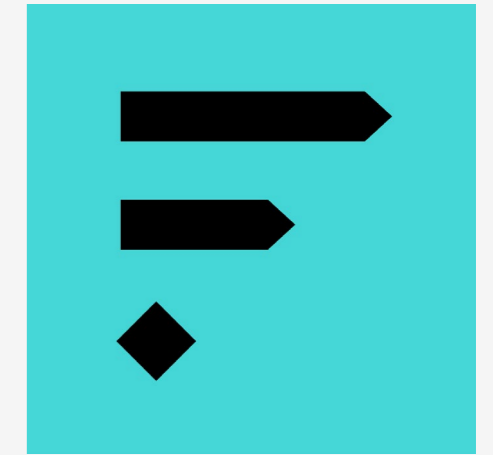
Probate

When someone passes away, executors need a clear and consolidated view of all cash holdings to value the estate accurately and account for all assets. Our service makes this straightforward, giving executors full visibility in one place at what is often a difficult time.

National Savings & Investments



Flagstone



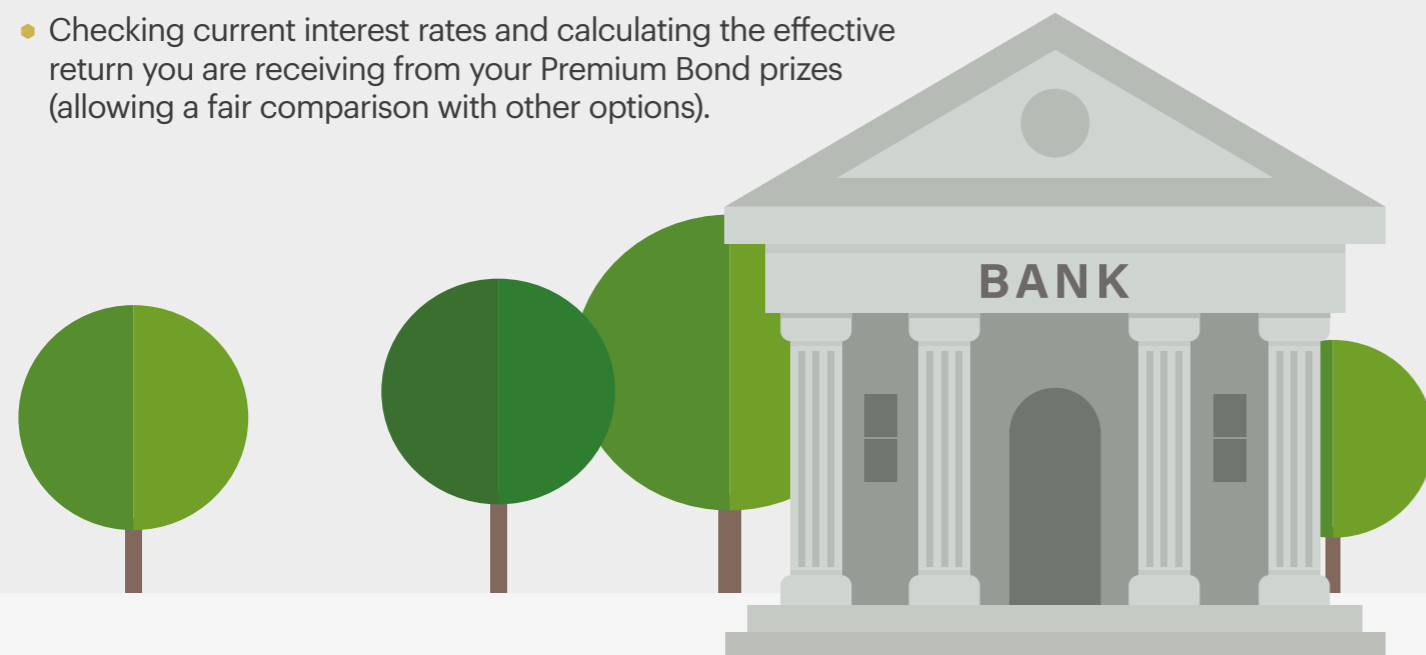
National Savings & Investments (NS&I) has been part of British life for over 160 years. It was established in 1861 as the Post Office Savings Bank, an initiative championed by Chancellor William Gladstone, who wanted to give ordinary working people a safe and accessible place to save. His vision was a savings bank within reach of everyone, wherever they lived.

Over the decades NS&I played a central role in funding the country through both World Wars, raising hundreds of millions through savings certificates and war bonds. Premium Bonds were introduced in 1956, and on their very first day of sale the public bought £5 million worth.

Today NS&I is owned and operated by the UK government, meaning every penny saved is backed in full by HM Treasury. More than 24 million customers hold savings with NS&I.

Our service includes:

- Recommending NS&I products where they are appropriate for your circumstances.
- Bringing your existing NS&I savings into your financial plan.
- Reporting annually on the latest values as part of your review.
- Checking current interest rates and calculating the effective return you are receiving from your Premium Bond prizes (allowing a fair comparison with other options).



Flagstone was founded in 2013 to address a growing problem: rising regulatory demands on banks were making it increasingly complicated to open new savings accounts, and the result was that most savers left their cash with one or two providers, earning poor rates and taking on unnecessarily concentrated risk.

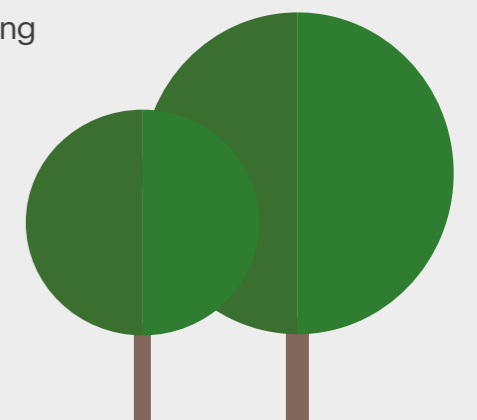
The solution was a cash platform giving access to hundreds of accounts from dozens of banks, all through one application, with one password. Flagstone has since grown to become the UK's largest cash deposit platform, with over £18 billion in assets and more than 600,000 clients.

A single Flagstone application gives you access to a wide range of accounts, including fixed term, notice and instant access options. Flagstone also offers a flexible cash ISA, which means you can withdraw and replace money within the same tax year without losing your annual allowance. The rates are competitive and the platform is easy to use and linked directly to your current account.

Flagstone receive a small share of the interest (up to 0.3%) from each savings account on the platform. This is deducted before rates are displayed, so the rate you see is always the rate you receive. Equilibrium will receive an introducer fee from Flagstone of 15% of their share of the interest (up to 0.045%). This does not affect the rate you receive.

Our service includes:

- Referral to set up a Flagstone account and support with selecting where to place the funds.
- Bringing an existing Flagstone account into your financial plan.
- Reporting annually on the latest values as part of your review.
- Keeping interest rates, banking licence limits and fixed rate maturity dates under review.



Platform options

We can establish cash investments on the platforms we use, although if cash is to be held for the long term, we would generally recommend removing it from the platform to reduce costs. There are specific situations however when retaining funds on platform makes sense, including:

- Cash in a product where withdrawing it might not be practical, such as a pension.
- Where you are waiting for the right opportunity to invest and want funds to be available with minimum delay.
- Where a platform is needed to facilitate the investment, such as with gilts.

Fixed rate deposits

Although occasionally useful, fixed rate deposits are likely to be used sparingly as platform costs will reduce returns and access is limited. The rates on offer will depend on the platform and the method by which they make such investments available; either in-house or offered by a third party.

Cash funds

An alternative option is to buy a cash fund. Sometimes called money market funds, these investment funds hold a range of short term, high quality assets such as government bills, short term bonds and overnight deposits with financial institutions. The aim is to generate a return close to the Bank of England base rate, while keeping your money readily accessible and the risk extremely low.

Unlike a fixed term deposit, a cash fund does not lock your money away, making it a flexible option for cash that may be needed at relatively short notice. They can sit inside an ISA or pension as well as within a general investment account.

Returns from cash funds will be in the form of income and capital gains. Income is treated as interest in the same way as bank interest. Any gain made when you sell may also be subject to capital gains tax, though in practice this is typically small given that cash funds aim to maintain a stable unit price. That said, the value of a cash fund can fluctuate and returns are not guaranteed.

Gilts

When you buy a gilt, you are lending money to the UK Government for a set period of time. In return you receive regular interest payments (known as the coupon) and your original investment back in full at the end of the term.

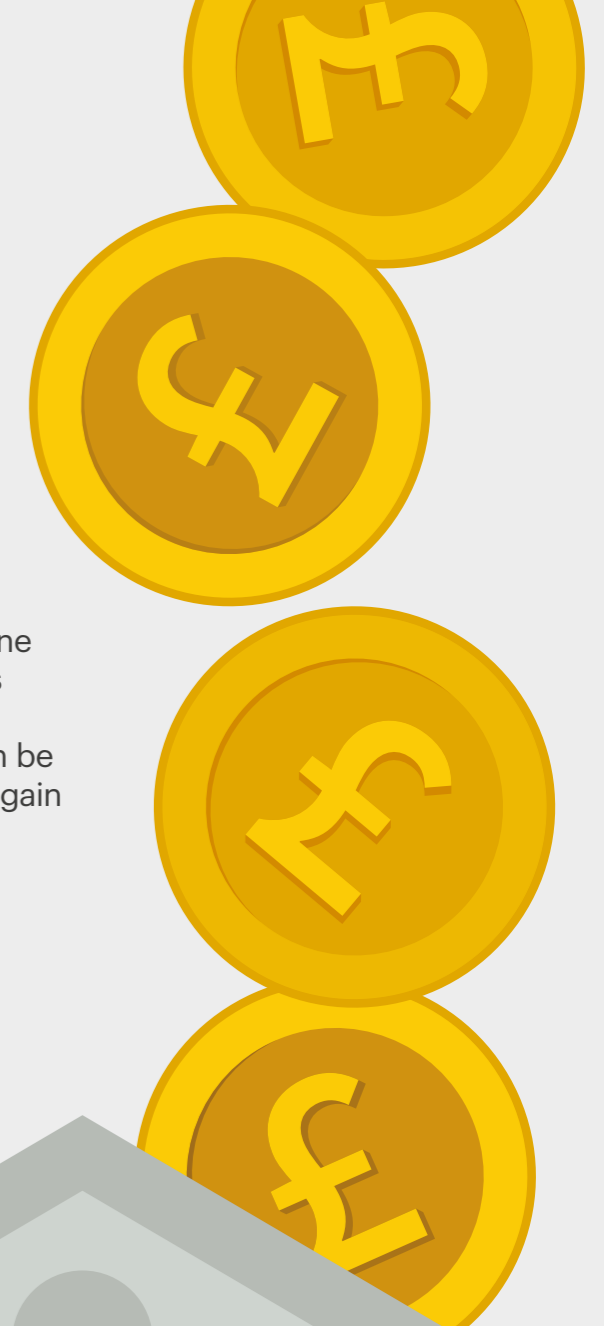
The name comes from the original certificates, which had gilded edges in a nod to their reputation as one of the safest investments available. As they are backed by the UK Government, the risk of not receiving your money back is extremely low.

Unlike a fixed rate deposit, gilts are tradeable, meaning they can be bought and sold before they mature. This gives more flexibility if your circumstances change, though the price you receive will depend on market conditions at the time of sale.

Coupon payments are taxable as interest. Any capital gain from selling a gilt before maturity or from buying one below its redemption value is exempt from capital gains tax. For higher and additional rate taxpayers, this makes low coupon gilts particularly attractive, as the return can be structured so that most of it comes as a tax-free capital gain rather than taxable income.

Shortlist

Our investment team maintains a shortlist of cash funds and gilts from which our financial planners can recommend the most appropriate for your needs.



Summary of the options

Each option has different features, costs and application processes.



Option	Minimum investment	Advice required?	Application process	Equilibrium access	Provider costs	Product wrappers available
National Savings & Investments (NS&I) Sunderland SR43 2SB www.nsandi.com	Varies by product type	No	Apply direct online.	Access to view your accounts is granted by signing the official NS&I letter of authority. This must be sent by post.	None.	Direct holdings Cash ISA
Flagstone 1st Floor, Clareville House, 26-27 Oxendon Street, London, SW1Y 4EL www.flagstoneim.com	£10,000 for personal (£50,000 if we refer you) £100,000 for businesses £1m for charities and trusts	No	For investments of £50,000 or more, we will refer you. You will then receive an email and can apply online. Alternatively, you can apply direct online (the rates you receive will be the same).	Access is granted automatically if you apply via the referral link and we will be able to track the progress of your application. If you apply directly, you will need to authorise access once your account is in place.	Flagstone's maximum share of the interest is 0.30% (0.15% for the cash ISA). All rates quoted are after this has been deducted.	Direct holdings Cash ISA
Fixed rate deposits Various platform options	Varies by platform	No	We will arrange the transactions on your behalf.	Automatic through the platform.	Standard ongoing platform cost.	General investment accounts Pensions
Cash funds Various platform options	£50,000	Yes	We will purchase the funds once you have agreed to our advice.	Automatic through the platform.	Standard ongoing platform cost.	All product wrappers
Gilts Various platform options	£50,000	Yes	We will purchase the gilts once you have agreed to our advice.	Automatic through the platform.	Standard ongoing platform cost and share dealing charges on some platforms.	General investment accounts ISAs Pensions

How we build your portfolio

Our starting point is always your financial plan, which sets out what you need your money to do and over what timeframe. From this we can establish how much should be held as cash or invested.

Our cash service helps you to optimise your savings and make sure every part of your financial plan is working as hard as it can. There are also a number of other situations where a more active approach to cash management becomes particularly important.

Power of attorney

Where attorneys are managing a client's affairs, having a consolidated view of all cash holdings is essential. Attorneys have a legal responsibility to act in the best interests of the person they represent, and our service gives them visibility, making it straightforward to monitor balances and demonstrate that funds are being managed appropriately.

Vulnerable clients

For clients going through illness, bereavement or cognitive decline, simplicity and visibility matter more than ever. Our cash service provides a clear picture of all cash holdings, giving clients and their families confidence that everything is accounted for.

Receiving a large lump sum

Whether from an inheritance, a property sale or the proceeds of a business, receiving a significant sum of money often calls for a period of careful thought before committing to long term investments.



Equilibrium charges

There is little point in maximising your returns on cash, only to see that eaten away by additional charges. For this reason, **we do not charge any ongoing fees for our cash service**. We want the service to make a real difference to you, and keeping it free of ongoing fees is fundamental to that.

When advice is required

For most cash products, we are not required to produce a formal suitability report. Gilts and cash funds are different. These are investment products and require documented advice.

Where advice is needed, we will charge an initial fee of 0.25% of the amount invested, subject to a minimum of £125 and a maximum of £1,500. This fee covers the recommendation and the account set up.

Please note that we may also recommend a cash fund under our standard advice service. In this case, our normal ongoing advice fees will continue, meaning that no initial charge is applied. Your financial planner will confirm which approach is most appropriate for your circumstances.

Our introducer arrangement with Flagstone

We receive an introducer fee from Flagstone of 15% of their share of the interest earned on your savings (excluding cash ISAs). This does not reduce the rate you receive and the rate shown on the Flagstone platform is always the rate you will receive.



Tax



When you earn interest on your savings, that interest is treated as income by HMRC. This means it is added to your other income for the year, such as salary, pension or rental income, and taxed at your marginal rate of income tax. Understanding how this works, and how to structure your cash to minimise unnecessary tax, is an important part of getting the most from your savings.

Your Personal Allowance

Most people have a personal allowance, which is the amount of income you can receive each year before paying any income tax. For the 2026/27 tax year this is £12,570. If your total income, including interest, falls within your personal allowance, no tax is due. This can be particularly relevant for clients with modest incomes, such as those in early retirement drawing only a small pension or income. The personal allowance is frozen at this level until at least April 2031.

The Personal Savings Allowance

In addition to the personal allowance, most people also benefit from a personal savings allowance, which is an amount of interest they can receive each year without paying tax on it. The allowance depends on your income tax band:

- Basic rate taxpayers can receive up to £1,000 of interest tax free each year.
- Higher rate taxpayers have an allowance of £500.
- Additional rate taxpayers have no personal savings allowance.

With interest rates significantly higher than they were a few years ago, many clients are now finding that their savings interest exceeds these thresholds, particularly if they hold large cash balances. Any interest above your allowance is taxable and should be declared on your self assessment tax return.

The starting rate for savings

There is an additional relief available for clients whose total non-savings income, such as salary or pension, is low. If this falls below £17,570, you may be eligible for the starting rate for savings, which allows up to £5,000 of interest to be received at 0% tax. The amount available reduces by £1 for every £1 of non-savings income above the personal allowance, so the full £5,000 is only available if your other income is at or below £12,570.

Using wrappers to shelter interest from tax

The most effective way to protect savings interest from tax is to make use of tax efficient wrappers. Cash ISAs allow you to earn interest completely free of income tax, with no need to declare it on a tax return. The ISA allowance for 2026/27 is £20,000, though it is worth noting that from April 2027 the cash ISA allowance will reduce to £12,000 for those under 65.

Cash funds and gilts held inside an existing ISA or pension on an investment platform are also sheltered from income tax.

Cash fund taxation - something to watch out for!

The tax treatment of a cash fund depends on where the fund is domiciled. UK domiciled funds are straightforward. Income is taxed as it arises and any gain on sale is subject to capital gains tax in the normal way.

Ireland domiciled funds are more complex. Under HMRC's offshore fund rules, income earned within the fund must be declared on your tax return each year, even if it has never been paid out to you as cash. If this is not picked up, the liability can quietly accumulate and what appears to be a capital gain on sale can turn out to be a significant income tax bill instead.

Next steps

Managing your cash well is one of the simplest ways to improve your overall financial position. If you would like to find out more about how our cash service could work for you, the best place to start is a conversation with your financial planner.

Your planner will then review your current cash position and suggest which elements of the service are most appropriate for you. In practical terms, the next steps will depend on the options you use.

NS&I

If you have NS&I investments, the starting point will be to complete a letter of authority so that we can obtain information on your behalf. Once signed, the letter must then be sent by post. It usually takes around a month for NS&I to receive and process this so we can view your accounts.

Flagstone

If you are interested in opening a Flagstone account, we can make a referral and have an email with you in minutes including details of how to proceed. To set up an account, you will need to create a password and verify your email address.

Once verified, you will be required to nominate a UK current account. The choice of account is important as this is where money will be transferred to and from your Flagstone account.

The system will then run an identity check and once complete you will be able to deposit funds. At this point, you can also set up a cash ISA and arrange transfers in if appropriate.

Platform options

If you choose a platform-based option, the process will depend on whether advice is needed. A fixed rate deposit account can be arranged straight away without advice. For cash funds or gilt investments, we will provide advice in writing and obtain your approval before undertaking any transactions. We would set up a separate account on the platform to keep these investments distinct from other investments you may have.



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