

# Build a Financial Plan that Works for You

BY [The Sagicor Advisor](#) | Posted [January 08, 2019](#) | In [money management](#)

Every household is different so you need to design a savings strategy that works with your cash-flow patterns and investment style.

## Contribute Early And Often

The best time to begin your savings plan is in your child's first year but it is never too late to start. Make a plan of monthly, quarterly or annual contributions, starting with as little as US\$50 per month. Consider setting up an automatic withdrawal from your bank account for transfer into our education fund. You might also find that grand-parents, family and friends would like to contribute to the fund over time. Consider this as a birthday gift alternative.

### TIP:

What happens if your child does not go to college or university? While this might be a disappointment, you might find that you have a young entrepreneur in the family that wants to start a business or take a stake in an existing one. Think of their education fund as an opportunity fund that can support your children's plans for their future – however they define it.

## Focus On Preservation Of Capital And Steady Income

Even if you are comfortable taking risks with your investments, the funds you put aside for your child's education should not be exposed to significant risk, for example in a volatile stock portfolio. Rather, the emphasis should be on stable, long term investments that preserve the capital you put in, and return steady income or modest growth over the duration of your holding. Deferred annuities, endowments, bonds, bond funds, balanced stock-bond mutual funds and even money market instruments can be ideal for education savings.

### TIP:

Take advantage of any tax deduction opportunities available that reward educational savings. In some countries, you can deduct your contributions to educational savings from your income up to a defined maximum. Ask your Sagicor Advisor about your tax-savings opportunities.

## Your Sagicor Advisor Can Help

Your Sagicor Advisor can work with you to determine how much money you will need and when, how to structure your savings programme and how best to invest the funds that you save. You can also get help figuring out your tax deduction opportunities and the most tax-effective way to manage and pay out the funds once they mature.

## Decrease Your Expenses in 5 Easy Steps

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## Guide to Saving for Your Child's Education

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