

## Foreign Currency Transfers

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Increasing property prices and high taxes are just some of the reasons why nearly three quarters of a million Britons have swapped UK retirement for a sunnier & more affordable quality of life.

If you are buying property abroad, you will still need to buy and transfer currency, while currency is generally regarded as an afterthought, the fact remains you will need to consider how you will get your money to follow you. It is just as important to remember that when transferring or moving money abroad, conventional sources are not always the best route. Market moving economic and political factors will influence the exchange rate either making it more or less expensive to buy the currency that you need. A specialist currency provider could save you valuable time and money.

When moving money you will need to open a foreign bank account to receive your funds. As a non resident it is crucial to consider a banking facility or banking provider that will allow you easy access to your savings and investments. A number of UK high street banks have networks abroad like Halifax and HSBC which could be useful if you are planning on still keeping funds in the UK and won't leave you high and dry if you need funds transferred in a hurry.

An alternative option is to open an account with one of the growing number of online-only banks. With fewer overheads these online providers can afford to be more competitive often offering higher returns on investments as well as cheaper transfer costs. As an online facility you can access your money or check your statements via the internet, from anywhere in the world.

It is possible to keep your money sitting in an investment or savings account in the UK but as soon as you are no longer a UK resident you'll probably be restricted to how much you can contribute. You may also be liable to pay tax in the country you now live in on the income from any investments.

If you want to transfer the money to the country of your chosen residence, you can simply ask the bank or currency broker you have chosen to do it on your behalf. A specialist foreign exchange dealer will inevitably charge less, as well as providing better rates on your money. If your savings are substantial, taking this route can reduce costs significantly.

Buying property abroad, opening bank accounts, transferring savings and investments, as well as arranging your pension and understanding your tax position is a complex procedure which is exactly why more people are turning to independent financial advisors for help and support.

Remember most receiving banks make an administration charge for receiving transfers. These charges will vary from bank to bank and country to country and are often negotiable depending on the arrangement the recipient has with the bank. It is important to check with your new banking provider

especially if you anticipate moving large quantities of money for a property purchase or regular smaller payments for bills or mortgage repayments.

Foreign Currency Exchange brokers often operate using facilities provided by their principle banking providers whereby they can now send Euros to Spain without any charges or deductions being made by the receiving bank. It is commonly known that Spanish banks can charge up to 0.5% of the transaction value to receive Euros from a non resident account. This service could save around £500 on a standard sum of £100,000 in addition to the savings made by achieving commercial rates of exchange on any currency bought or sold.

Using a foreign exchange company can easily save you hundreds or even thousands of euros when compared to using your bank in your home country. It is just as important when transferring funds to ensure that you have the correct payment instruction to receive your transfer quickly and efficiently.

IBANs or International Bank Account Numbers are being introduced to standardise the identification of bank accounts. The IBAN is not a new account number. Your existing bank code and account numbers will not be replaced, but additional characters will appear in front of them. The complete identifier will be known as the IBAN. IBANs will improve the quality of information exchanged between parties involved in European cross border payments and reduce errors and delays.

An issuing bank provides IBANs to its customers who are likely to receive payments from abroad. The IBANs will be derived from the existing domestic account numbers of the customer. Ordering customers instruct their bank or broker to remit funds using the IBAN provided by the beneficiary.

The SWIFT (Society for World-wide Interbank Financial Telecommunications) system is a computer-based message switching system used by most international Banks as a method of making overseas payments or transfers. The minimum information that is required to make a SWIFT transfer is the account number, the name and address of the receiving Bank and the name of the beneficiary. In addition all Bank's have a SWIFT code and if this is known for the recipient Bank this should be quoted.

Transferring foreign currency can be a daunting task if done for the first time. Consulting a specialist could alleviate the burden of moving money as they often have the correct resources and tools to hand to provide a professional service with smooth transactions.