JM FINN
Investment | Wealth

Junior ISA

Introduction to JISAs

As a parent or grandparent, it is a natural instinct to want to give a child the best start in life and to create a nest egg that will enable them to thrive into early adulthood and beyond.

Junior ISAs (JISAs) are a tax-efficient financial product specifically designed to allow parents to save from birth and ultimately hand over control of the account to the child once they turn 18.

What are the benefits of the JM Finn JISA?

Our stocks and shares Junior Individual Savings Account (JISA) offers numerous compelling benefits for a child's financial future:

A product that grows with your child:
You can set up a JISA for a child as soon as they are born and save regularly into the account throughout their childhood. Once the child turns 18, they will become the registered contact and take control of the account themselves, teaching them financial responsibility from an early age and embedding good financial habits for life.

£9k

The tax-free Junior ISA allowance for parents or guardians to save or invest annually for a child under 18.[1]

Tax advantages:
Any gains from investments in a stocks and shares JISA are free from income tax and capital gains tax. This allows for tax-efficient growth of the child's savings.

Compounding growth:
Starting early allows for significant compound growth over the years, potentially building a substantial fund by the time the child turns 18 and can often result in a higher sum being reached by 18 compared to saving in a bank account.

Long-term saving into early adulthood and beyond:
Neither the child nor parents can withdraw funds from a JISA account until the child turns 18, giving the investment time to reap the benefits of long-term growth.

Anyone can contribute to a JISA:
Parents, grandparents, and friends can contribute to a child's JISA up to the annual allowance. This makes it a great vehicle for family members to contribute to the child's financial future.

Diversification of investment:
The JISA is invested in a fund with a wide range of different stocks and assets across different regions and sectors. This approach helps the investment to benefit from growth in different markets at different times and also helps to cushion it against underperformance in any one sector, region or asset class.

[1] Information correct as of 2025. www.gov.uk

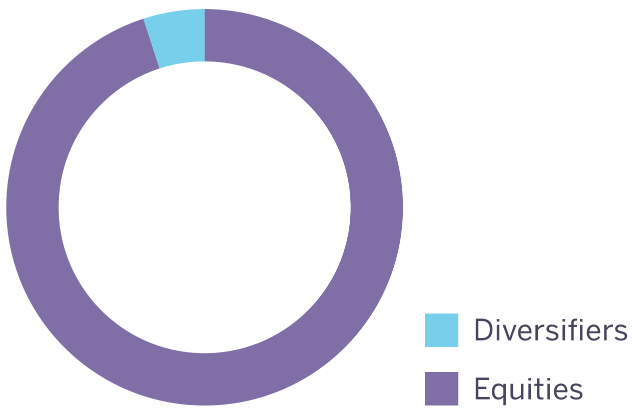
What does the JM Finn JISA invest in?

All investments made in JISA accounts will be invested into the YFS JM Finn Adventurous Portfolio. The vast majority (around 95%) of this portfolio is invested in equities (company shares).

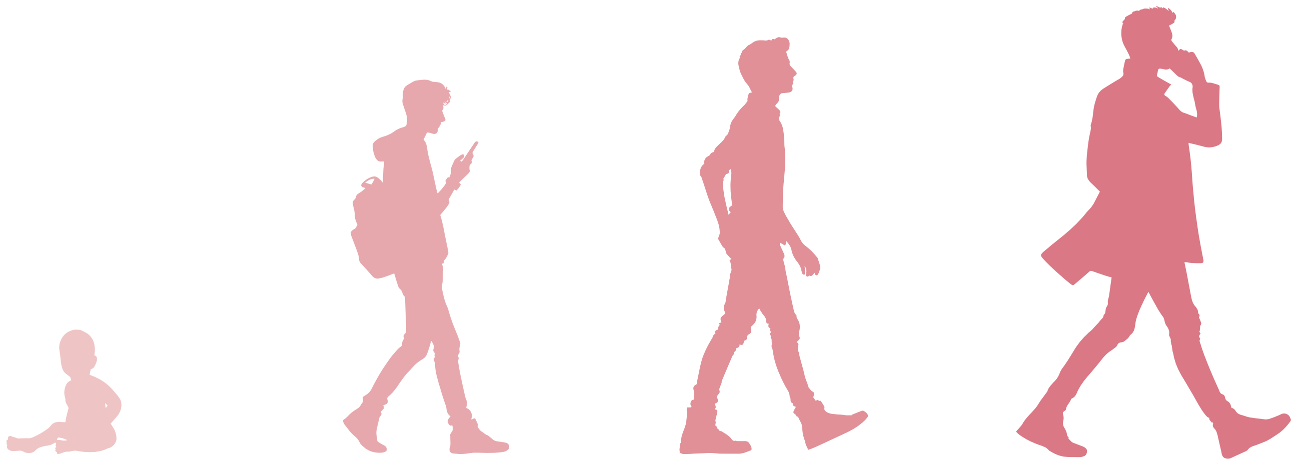
The Adventurous portfolio is our highest risk strategy – and is most suitable for long-term investors who may be able to withstand a higher level of volatility in their portfolio in return for potentially greater returns in the long run.

We use this portfolio for JISA investments because it is typically most suited for children with many years left to invest during their adult lives, and for whom emphasis is on growing an investment portfolio over the long term.

YFS JM Finn Adventurous Portfolio



The JM Finn JISA: saving for a lifetime



From birth

Set up JISA and pay money in regularly on behalf of child.

Save up to £9,000 per year tax-free until the age of 18, benefitting from compounding growth.

16 years

Child can apply to become registered owner of the JISA account and can also pay money in themselves.

18 years

JISA deemed to be an adult ISA: child becomes the registered account owner and can apply for an adult ISA, keeping the funds invested.

18+ years

JM Finn can continue to run the investment as an ISA. The young adult can pay in up to £20,000 a year free of tax and continue to receive the benefit of compounding growth of the underlying holdings.

The benefit of tax-free compounding growth in a JISA

Starting to invest earlier can make a huge difference to the amount a child will have built up for them by the time they reach adulthood, as this simple illustration demonstrates.

The information in the following graphic is for illustration purposes only and should not be considered a recommendation or solicitation to engage in investment activity. The eligibility of allowances, access to products and potential benefits are subject to change by HMRC. All figures quoted are accurate at the time of writing.

The value of investments and the income from them can go down as well as up and investors may not get back the amount originally invested.

1.

Scenario 1: JISA from birth

Anne starts saving for her granddaughter Beatrice in a stocks and shares JISA with a return of 6% once she is born. She saves the maximum £9,000 per year until Beatrice turns 18.

2.

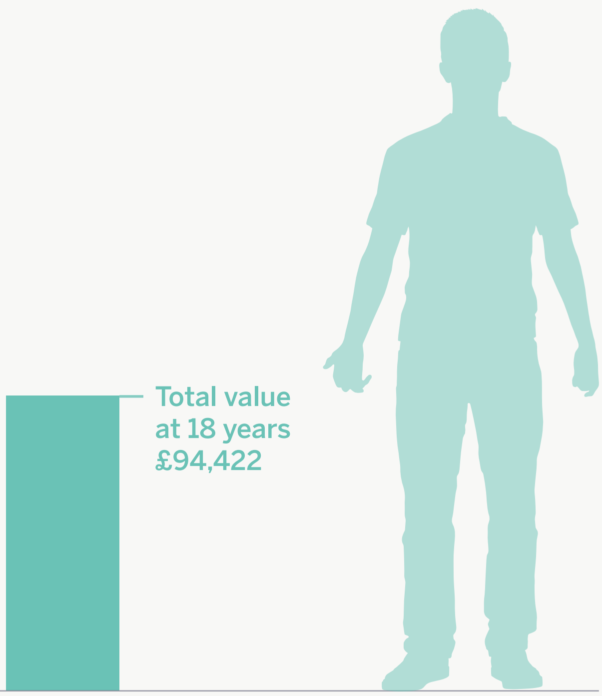
Scenario 2: JISA from age 10

George saves £9,000 per year in a stocks and shares JISA with a return of 6% for his son Henry from when he is 10 until he turns 18.

How much is in each savings pot when the children turn 18?

By starting to invest earlier, by age 18, Anne invests a total of £162,000 for Beatrice and this reaches a value of £294,840 when she reaches 18.

George has invested a total of £72,000 over time and Henry ends up with £94,422 – receiving some of the benefit of compounding for less time.



Further information about JISAs

1. **Annual allowance:**
Each tax year (from April 6 to April 5), there is a maximum contribution limit, which is currently £9,000 (as of 2025);

2. **Eligibility:**
JISAs are available to any child who is under 18 and a UK resident. Those overseas may be able to get a JISA if their parent is a UK Crown servant, a dependant of a UK Crown servant or is married to/in a civil partnership with a UK Crown servant;

3. **Number of JISAs:**
Each child can have one cash JISA and one stocks and shares JISA, but they cannot hold a child trust fund and a JISA at the same time (although child trust funds can be transferred into a JISA);

4. **Transfer to adult ISA when the child turns 18.**
At this age, the child's JISA will be deemed to be an adult ISA account; however, it will not automatically be transferred into an ISA portfolio. The investment funds will remain in an unmanaged JISA account unless they apply for an adult ISA or send us instructions to close the account. Once they give instructions and the transfer to an adult ISA is complete, they can add up to £20,000 free from tax each year to their savings pot.

Get in touch

If you have any questions about how we can help build the future you want to see, please call

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Important Notes

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JM Finn is a trading name of J.M. Finn & Co.Ltd which is registered in England with number 05772581. Authorised and regulated by the Financial Conduct Authority.

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JISA-01-0425