

SCOTTISH WIDOWS PLATFORM

Capital Gains Reporting Tool

For Professional Advisers only

SCOTTISH WIDOWS



Introduction

Welcome to our new Capital Gains Reporting Tool.

Please note that calculations within the reports will be at Client Level (not product) and therefore:

- Calculations and reports will be based on all assets held within all taxable accounts held by the client
- Any reports run will be created at client level i.e., for each individual account holder
- Appropriate warnings are in place within the CGT Modelling Tool to confirm the calculations are based on the blended rate for the associated clients and both the Modelling Tool & the CGT report will contain appropriate warnings related to the accuracy of the historical CGT values:

The Capital Gains Report will detail a summary position, per taxable (GIA) Sub-Account displaying:

- Sub Account (Customer's sub-accounts)
- Tax Years (Summary for each period if multiple tax years are included in the report)
- Number of Disposals (Disposals in the specified period)
- Sale Proceeds £ (Sale proceeds from the disposals in the specified period)
- Purchase Cost £ (Total purchase cost of the assets sold)
- Platform Gross Gains/Losses £ (The Gross Gains/Losses on the platform)

Please note that as this is a requested report rather than a scheduled annual report, a copy does not get automatically stored in the online Document Library.

This guide is for professional advisers only. The Capital Gains reporting Tool is based on our understanding of law and taxation at November 2024. No investment or tax decision should be made on the basis of this alone, it is assumed that advisers have a professional understanding of taxation. Where appropriate, specialist legal and tax advice should be obtained.

How to access the Capital Gains tool

From the left-hand menu of the Adviser Dashboard screen, select the Tool 'spanner' icon to enter the **Tools Homepage**.

The screenshot displays the 'Tools' homepage. On the left is a vertical navigation menu with a 'spanner' icon highlighted in red. The main content area is titled 'Tools' and asks 'What tools are you looking to use?'. It features two sections: 'Capital Gains Tax Tool' and 'Research Tools'. The 'Capital Gains Tax Tool' section is enclosed in a red dashed border and contains four tool cards: 'CGT Report', 'CGT Modelling', 'CGT Update', and 'CGT Update- Ex-Advance products'. The 'Research Tools' section contains four tool cards: 'FE Fund Centre', 'Client portfolio scan', 'Model portfolio scan', and 'App store'. Each card includes an icon and a right-pointing arrow.

On the **Tools Homepage** four options will be presented in the **Capital Gains Tax Tool** section.

Search for a client

The screenshot shows the 'CGT Report' page with a search section. The search section is titled 'Search clients' and contains a sub-section 'How do you want to search?' with three radio button options: 'Account', 'Individual', and 'Organisation'. The 'Account' option is selected and highlighted with a red dashed border. Below the options is a search input field with a magnifying glass icon and the placeholder text 'Enter account ID'. A red dot is positioned at the end of the input field. Below the input field is a red 'Find' button. The page also features a dark sidebar on the left with various navigation icons and a 'Logout' button at the bottom. At the bottom of the page, there is contact information for Scottish Widows, including 'Chat now', 'Call us', 'Email us', and 'Relay UK'.

Whichever option that has been selected in the **Capital Gains Tax Tool section**, clients can be selected by searching by name or account number.

Create a CGT report

After the **CGT Report** tile is clicked from within the **Tools Homepage** and the required client has been selected, you will land on the **Report** page.

Select a customer.

The generated report list contains details of reports previously run for the client selected. You can access your report here.

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Capital gains report

Select customer: Anon Customer 668154 Report format: Excel

Set period: Tax year to date

Generate report

Generated reports

From: 18-Mar-2024 To: 18-Mar-2024 Search Back

Report	Criteria	Request time	Status
CGT Statement	CustomerId 668154, From 06/04/2023 00:00:00, To 18/03/2024 00:00:00, Format xls	18/03/2024 12:23:25	Complete

Choose a format. You can choose between Excel or PDF.

Choose a reporting period. There are various options available.

The generated report list contains details of reports previously run for the client selected. You can access your report here.

The CGT report

Disclaimer:											
The Capital Gains report is provided by Embark Investment Services Limited and its third-party provider. The report is designed only to give an estimate of the client's capital gains position and is based on gains/losses for transactions at the time the report is run. It must not be used by clients to complete their HMRC self-assessments. Embark Investment Services Limited cannot guarantee that the capital gain calculations are correct. We cannot accept any liability for any errors or omissions in the calculations. Values can change: for example, distributions and equalisation payments and repurchases within 30 days of sales. Please note that the Capital Gains Report only looks at the capital gains and losses position on the customer accounts (including trustees) listed within the report and therefore, may not consider a client's overall CGT position. The Report should not be used for companies liable to corporation tax. Embark Investment Services Limited is not providing financial or tax advice. Your client's overall CG liability depends on their individual circumstances. We recommend your client contacts a specialist tax consultant for any questions about the tax implications of their investments. You are responsible for validating the integrity of any information provided by the Tool. Please note that as this is a requested report rather than a scheduled report, a copy does not get stored in the online Document Library. You can manually upload this report. Calls may be recorded and monitored for regulatory and training purposes and can be kept for at least 5 years. Embark platform is a trading name of Embark Investment Services Limited, a company incorporated in England and Wales (company number 09955930). Embark Investment Services Limited is authorised and regulated by the Financial Conduct Authority (Financial Services Register number 737356). Registered office: 100 Cannon Street, London, EC4N 6EU.											
						Client name: Anon Customer 376285					
						Client reference: 376285					
						Account number(s): EM1472636-002					
						From date: 06/04/2021					
						To date: 05/04/2022					
						Report generated: 15/06/2022					
Unrealised gains and losses											
Purchase date	Instrument code	Holding	SEDOL	ISIN	Shares / units held	Unit tax book cost £	Share / unit price £	Unrealised gain / loss £	Is it a relevant security	Transaction book costs of zero exists	Notes
14/03/2022	BFB5.GB	7M AAP Balanced C Acc	B2PB379	GB00B2PB3794	2,000.00	0.0000	1.8857	3,771.4000	No	Yes	MissingAccountTransferCgtDetails
14/03/2022	RK17.GB	7M AAP Income C Acc	3395402	GB0033954024	2,000.00	0.0000	1.8376	3,675.2000	No	Yes	MissingAccountTransferCgtDetails

The report will contain the following tabs:

- Important Information & disclaimer
- Capital Gains Summary
- Unrealised Gains and Losses
- Realised Gains and Losses
- Account Holdings
- Offshore Income Gain
- Relevant Securities Transaction
- Unrealised Gains/Losses shows notes

Correcting missing transactional costs

To correct the underlying data, navigate back to the **Tools Homepage**.

Important to note:

The CGT Update function will only be available for clients who opened Investment Accounts on the Scottish Widows Platform or migrated in 2020 (ATS) & 2021 (old Sterling A/Cs) to the Scottish Widows Platform.

The CGT Update – Ex-Advance products function will only be available for those clients who migrated from the Advance Platform in 2022.

If you select the wrong Update solution based on the origin of the account being worked on, you'll be unable to access the clean up wizard.

The screenshot shows the 'Tools' homepage. On the left is a vertical navigation menu with icons for Home, Tools, Reports, and Logout. The main content area is titled 'Tools' and asks 'What tools are you looking to use?'. Under the 'Capital Gains Tax Tool' section, there are four options: 'CGT Report', 'CGT Modelling', 'CGT Update', and 'CGT Update- Ex-Advance products'. The 'CGT Update' and 'CGT Update- Ex-Advance products' options are highlighted with a red dashed box. Below this section is the 'Research Tools' section, which includes 'FE Fund Centre', 'Client portfolio scan', 'Model portfolio scan', and 'App store'.

You will be presented with two CGT Update options that will enable the clean up of any missing data.

- CGT Update
- CGT Update Ex-Advance products

Once an Update solution has been chosen you'll need to select the product sub-account you wish to work on. To ensure you are able to select the right product, the account number is detailed within the Client Dashboard.

Correcting missing transactional costs

Important to note:

If you select the wrong Update solution based on the origin of the account being worked on, you'll be unable to access the clean up wizard.

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Please note:

- Section 104 pooling was introduced in April 2008, if your client acquired the shares before 2008 you will need to calculate & insert the opening April 2008 position.
- All income paid on platform will be included in the CGT calculation and this includes income on holdings that were declared ex-dividend prior to the migration.
- If your client holds an offshore fund and has multiple purchase dates where at least one is before the HMRC reporting date displayed for the stock, then please arrange for the transaction history to be supplied to us so we can endeavour to create the multiple acquisition records required.

Select subaccount: LM16981-002

Acquisition Date	Instrument Code	Instrument name	SEDOL	ISIN	Qty	Unit Tax Book Cost	CGT total value	Tax Book Status	Download
21/11/2020 00:00:00	FR29.GB	EdenTree Res&SecGdEq E	0644907	GB0008449072	14,124.98	0.0000	-0.7200	NonVerified	<input type="checkbox"/>
21/11/2020 00:00:00	GN23.GB	Litinvest SF Managed 2 Inc	3000039	GB0030000398	27,332.70	0.0000	-0.2000	NonVerified	<input type="checkbox"/>
21/11/2020 00:00:00	GI275.GB	Stewart Investors WW Sust II AK	87993661	GB00879936613	5,730.12	0.0013	7.2800	NonVerified	<input type="checkbox"/>
21/11/2020 00:00:00	JG02.GB	EdenTree Res&SecUKEq E	0937175	GB0009371757	8,868.65	0.0000	0.0000	NonVerified	<input type="checkbox"/>
21/11/2020 00:00:00	KCDU1.GB	Litinvest SF Cash Mgmt 2 Inc	BMN9000	GB00BMN90004	22,675.33	0.0000	-1.6700	NonVerified	<input type="checkbox"/>
21/11/2020 00:00:00	QO18.GB	Stewart Investors AP Sust II GBP-AC	8017695	GB0080176950	5,522.14	0.0026	14.2900	NonVerified	<input type="checkbox"/>

Generate Impairment transaction report

Save

Select a **subaccount** and you will be presented with fund holdings with non-verified book cost details.

Important to note:

Please note that only non-verified positions identified within the Report will be editable.

Transfers In (including migration transactions), internal moves and manual transactions will be editable, and the following fields will be amendable.

- Original acquisition date
- CGT Total Value (for the transaction)
- CGT Status

Acquisition Date	Cgt Total value	Tax Book Status	ISIN	InstrumentCode	Description	Transaction Date	Transaction Type	Transaction Source	Unit Quantity	UTBC
14-Mar-2022	0.00000000	NonVerified	GB00B2PB3794	BFB5.GB	7IM AAP Balanced C Acc	14-Mar- 2022	TransferIn	LocationTransfer	2000.00000000	0.00000000
14-Mar-2022	0.00000000	NonVerified	GB0033954024	RK17.GB	7IM AAP Income C Acc	14-Mar- 2022	TransferIn	LocationTransfer	2000.00000000	0.00000000

Back to migration Cgt update.

Save

You'll then have the opportunity to manually enter the correct CGT values (in yellow).

Correcting missing transactional costs

The Tax Book Status will display the following dropdown options:

- **Unknown** – the default value when nothing is entered.
- **Verified** – to be used when a precise value is known.
- **NonVerified** – to be used when an estimated value is used.

Acquisition Date	Cgt Total value	Tax Book Status	ISIN	InstrumentCode	Description	Transaction Date	Transaction Type	Transaction Source	Unit Quantity	UTBC
14-Mar-2022	3000.00	NonVerified	GB00B2PB3794	BFB5.GB	71M AAP Balanced C Acc	14-Mar-2022	TransferIn	LocationTransfer	2000.00000000	0.00000000
14-Mar-2022	4000.00	NonVerified	GB0033954024	RK17.GB	71M AAP Income C Acc	14-Mar-2022	TransferIn	LocationTransfer	2000.00000000	0.00000000

Back to migration Cgt update.

Save

When you confirm the selections and save any changes, the data is then stored in the CGT Transaction records and is used within the CGT engine to calculate costs.

Important to note:

- Once **Verified** has been selected it cannot be undone. Only select where you are 100% confident the details are accurate.
- Leaving **NonVerified** selected will allow the Tool to run.

Correcting missing transactional costs

In the example here, a gain has been created on the **Balanced Fund** and a loss created on the **Income Fund**.

Both have been left at **NonVerified** as in this scenario, we are simply estimating.

Acquisition Date	Cgt Total value	Tax Book Status	ISIN	InstrumentCode	Description	Transaction Date	Transaction Type	Transaction Source	Unit Quantity	UTBC
14-Mar-2022	3000.00	NonVerified	GB00B2PB3794	BFBS.GB	7IM AAP Balanced C Acc	14-Mar-2022	TransferIn	LocationTransfer	2000.00000000	0.00000000
14-Mar-2022	4000.00	NonVerified	GB0033954024	RK17.GB	7IM AAP Income C Acc	14-Mar-2022	TransferIn	LocationTransfer	2000.00000000	0.00000000

Back to migration Cgt update.
Save

Important to note:

Whether you are updating the book cost details via the CGT Impairment Screen or the CGT Migration Update, the process is the same.

Disclaimer:
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Client name: Anon Customer 376285
Client reference: 376285
Account number(s): EM1472636-002
From date: 05/04/2021
To date: 05/04/2022
Report generated: 15/06/2022

Unrealised gains and losses

Purchase date	Instrument code	Holding	SEDOL	ISIN	Shares / units held	Unit tax book cost £	Share / unit price £	Unrealised gain / loss £	Is it a relevant security	Transaction book costs of zero exists	Notes
14/03/2022	BFBS.GB	7IM AAP Balanced C Acc	B2PB379	GB00B2PB3794	2,000.00	1,500	1.8857	771.4000	No	No	
14/03/2022	RK17.GB	7IM AAP Income C Acc	3395402	GB0033954024	2,000.00	2,000	1.8376	-324.8000	No	No	

You'll then have the opportunity to move back to the **Tool Homepage** and go back into the **CGT Report**.

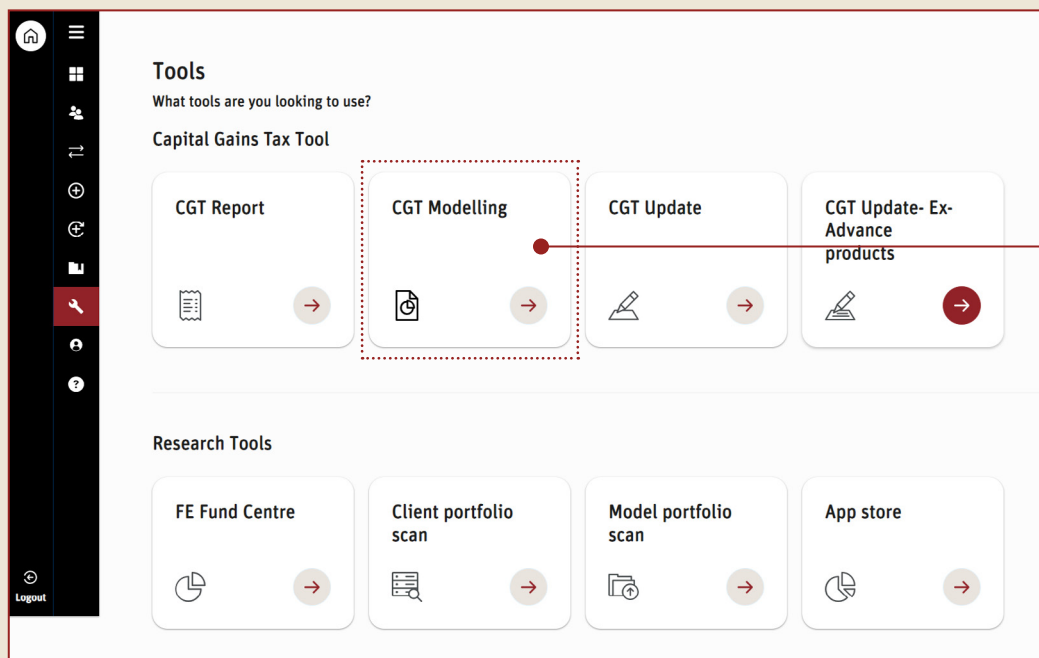
When the report is run again, you'll see that the Notes relating to the missing data have disappeared, and confirmation that the book costs of this asset is no longer zero.

CGT Tool – ‘What if’ scenario modelling

Important to note:

The Modelling Tool contains a warning/declaration that users will have to accept in order to proceed.

The Modelling tool is designed to be used to calculate what effect future action on an account may have on a customer’s CGT liability. It utilises the CGT Engine and gives the user the ability to input conditions and the tool will recommend the action to take to achieve the goal.



Via the **Tools Homepage**, clicking the new **CGT Modelling** tile will take you to the page from which the ‘What If’ modelling Tool can be launched.

'What if' scenarios available

SELL ASSETS **MANUALLY**

£ value or number of units

Can exclude an asset

SELL ASSETS **TO REACH A CGT TARGET**

Enter £ target

SELL:
Proportionately, or assets with
highest/lowest % gains first

SELL ASSETS **TO REACH A SPECIFIC VALUE**

Enter £ target

SELL:
Proportionately, or assets with
highest/lowest % gains first

Ability to include/exclude model portfolios as required

CGT tool – ‘What if’ scenario modelling – example

You may look to raise a specific value of cash with the lowest CGT liability, the tool uses the Engine to recommend which assets to sell to achieve that.

There are three strategies from which an adviser/platform administrator can choose:

- Disinvest manually
- Disinvest to reach a capital gains target
- Disinvest to reach a specific proceeds value

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Capital Gains Tax tool : Anon Client 720453 EM1681787

Print options Back

Current tax year 2023/2024

Annual exemption	<input type="text" value="£6,000.00"/>	Current year allowance remaining	<input type="text" value="£6,000.00"/>
Realised gain / loss	<input type="text" value="£0.00"/>	Allowable losses remaining	<input type="text" value="£0.00"/>
Unrealised gain / loss	<input type="text" value="£0.00"/>	Amount liable to Capital Gains Tax	<input type="text" value="£0.00"/>

Show/Collapse Subaccounts

External realised losses	<input type="text" value="£0.00"/>
External realised gain	<input type="text" value="£0.00"/>
Net realised gain/loss	<input type="text" value="£0.00"/>
Allowable losses brought forward	<input type="text" value="£0.00"/>

For this Personal portfolio:

I would like to...

Include Model Portfolios in scenario

Disinvest funds manually

Disinvest to reach Capital Gains Target

Disinvest to reach Specific Proceeds Value

By...

Selling assets proportionally

Selling assets with maximum % gain first

Selling assets with least % gain first

When you select ‘Disinvest to reach Capital Gains target’ or ‘Disinvest to reach Specific Proceeds Value’, you will need to enter the cash quantity in Sterling as a whole number and up to two decimal places.

CGT tool – ‘What if’ scenario modelling – example

Important to note:

Where the client holds a model portfolio, the tool will stay within the model parameters as a priority.

For the last two strategies, the disinvestment strategy for can then be selected:

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Capital Gains Tax tool : Anon Client 720453 EM1681787

Print options Back

Current tax year 2023/2024

Annual exemption	<input type="text" value="£6,000.00"/>	Current year allowance remaining	<input type="text" value="£6,000.00"/>
Realised gain / loss	<input type="text" value="£0.00"/>	Allowable losses remaining	<input type="text" value="£0.00"/>
Unrealised gain / loss	<input type="text" value="£0.00"/>	Amount liable to Capital Gains Tax	<input type="text" value="£0.00"/>

⊕ Show/Collapse Subaccounts

External realised losses	<input type="text" value="£0.00"/>
External realised gain	<input type="text" value="£0.00"/>
Net realised gain/loss	<input type="text" value="£0.00"/>
Allowable losses brought forward	<input type="text" value="£0.00"/>

For this Personal portfolio:

I would like to...

Include Model Portfolios in scenario

Disinvest funds manually

Disinvest to reach Capital Gains Target

Disinvest to reach Specific Proceeds Value

By...

Selling assets proportionally

Selling assets with maximum % gain first

Selling assets with least % gain first

You will also have the option to either include or exclude model holdings where the client holds both model and non-model positions.

You will then elect to sell

- Selling Assets proportionally
- Selling Assets with the highest % gain first
- Selling Assets with the lowest % gain first

Important information

- Please note that as this is a requested report rather than a scheduled report, a copy does not get stored in the online Document Library. You can manually upload this report.
- Values can change. For example, distributions and equalisation payments and repurchases within 30 days of sales.
- Where we show the purchase date, this is the date that the asset holding was first acquired.
- Where we show the purchase cost, the tool has allowed for dealing costs, stamp duty incurred, and equalisation received. It also includes any income accumulated/reinvested. The disposal method will indicate if we have applied same day, 30 day or if the sale is from Section 104 pool or a combination of all three. For relevant security assets we will also indicate if we have applied LIFO or Section 104/Same Day/30 Day or a combination of these.
- Where we show sale proceeds, the tool allows for dealing costs incurred.
- In the following cases, you will need to update the system manually:
 - Re-registration: when assets have been re-registered, you will need to enter the book price of each asset manually. Bonus issues, rights issues, takeovers, demergers etc.
 - Gain/no loss transactions, such as in-specie transfers between spouses or civil partners.
 - Disposal of certain exempt assets, such as EIS or VCT shares.

Glossary

Section 104 holding – since 6 April 2008 all shares of the same class, in the same company, are called a Section 104 Holding. By adding together the costs of the shares in this holding, each share is then treated as if acquired at the same average cost.

The 30 day rule – investors must wait 30 days before acquiring the exact same share or same class of a specific fund. Introduced in 1998 to prevent ‘bed and breakfasting’.

Offshore income gains – gains from funds that do not comply with HMRC regulations. Gains liable to Income Tax – losses can be used to offset Capital Gains (sometimes a UK fund takes will not comply at launch).

Relevant Securities – not subject to the pooling arrangements and do not form part of a Section 104 holding.

Verified – acquisition costs are known and verified.

Unverified – acquisition costs not (yet) verified.

Unknown – original purchase price not known/unavailable – may be an estimate.

Book cost – the sum of any purchases made, including reinvestment of income.

Realised gains – a capital gain following the sale of an asset.

Unrealised gains – capital gains in your portfolio and the resulting taxable income that would arise if these assets were sold.

CGT rates tax year 2024/25

- Individuals don't pay any CGT on total gains in a tax year up to £3,000.
- Any unused annual CGT exemption cannot be carried forward to future years.
- Total gains over the £3,000 exempt amount are added on top of all other income to determine the rate of tax which will apply.
- Effective 31/10/24, any part of the gain which is below the higher rate threshold is taxed at 18% (previously 10%) and everything above it is taxed at 24% (previously 20%).

2024/25 Tax year (from 31/10/24)		
Asset disposed of	Below higher rate	Above higher rate
Shares	18%	24%
OEICs/Unit trusts	18%	24%
Second properties	18%	28%

2024/25 Tax year (6/4/24-30/10/24)		
Asset disposed of	Below higher rate	Above higher rate
Shares	10%	20%
OEICs/Unit trusts	10%	20%
Second properties	18%	28%



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