

# RETIREMENT PLANNING REPORT



**CLIENT NAME: Lucy Smith**

**Client Ref: LS000811**

**ADVISER NAME: Claire Banner**

REPORT PRINT DATE: 07/09/2011

CALCULATION DATE: 02/08/2011

Client Name: Lucy Smith  
Adviser Name: Claire Banner  
Case Reference: 217618

## Retirement Planning Report

### Introduction

The purpose of this report is to provide a summary of your overall retirement provision. The information within the report is based solely on the data input by your adviser.

The report will provide a detailed summary of any pension benefits and investment entitlements that you have accrued to date, depending on the types of plans you have.

The report will in effect calculate the value of your entitlement at your selected retirement age and calculate any shortfall between your current provision and your estimated final earnings or targeted provision. As the analysis is 'In Today's Terms' your estimated final salary is assumed not to have increased.

### Personal Information

<b>Name</b>	Mrs Lucy Smith
<b>Date of Birth</b>	28/07/1966
<b>Sex</b>	Female
<b>Marital Status</b>	Married
<b>Spouse's Date of Birth</b>	14/04/1963
<b>Employment</b>	Employed
<b>Current Earnings</b>	£30,000
<b>Target Income (At Age 65)</b>	£18,000 In Today's Terms (equates to 60% of Final Estimated Earnings)

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## Existing Pension Benefit(s)

### Personal Pension(s)

Provider	Pension Type	Fund	Valuation Date	Regular Contributions
<b>ABC Pension Plan</b>	Personal Pension	£86,359.24	02/08/2011	Personal £286 Monthly Indexation 0%
Assumed Annual Management Charge 0.8%		Plan Retirement Age is 65		
<b>123 One Pension Plan</b>	Personal Pension	£26,548.00	02/08/2011	None
Assumed Annual Management Charge 0.55%		Plan Retirement Age is 65		

### Occupational Pension(s)

Provider	Pension Type	Fund/ Pension	Valuation Date	Regular Contributions
<b>Group UK Retirement Plan</b>	Defined Benefit (Excess)	£690.04 per annum	30/12/2001	Early/Late Retirement Factor: N/A
Revaluation in Deferment: S.148		Increase in Payment: RPI		
<b>Group UK Retirement Plan</b>	Defined Benefit (Excess)	£1,965.32 per annum	30/12/2001	Early/Late Retirement Factor: N/A
Revaluation in Deferment: RPI		Increase in Payment: RPI		
<b>Group UK Retirement Plan</b>	Defined Benefit (Excess)	£1,792.47 per annum	30/12/2001	Early/Late Retirement Factor: N/A
Revaluation in Deferment: RPI		Increase in Payment: RPI		

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## Current Investments vs Personal Pension

Type		Current Value	Assumed Growth
Saving Plan	£	9,949	2%
<b>Total</b>	<b>£</b>	<b>9,949</b>	
Estimated Value at Age 65	£	14,784	

Example: £100,000 from your current investments with the assumed growth would be £148,594 at age 65.

£100,000 invested in a personal pension assuming an AMC of 1% & 7%pa growth with tax relief at 20% would be £395,995.

It must be remembered that the resulting income from a personal pension having taken the 25% Pension Commencement Lump Sum would be subject to income tax. Income from the investment however may be largely tax free.

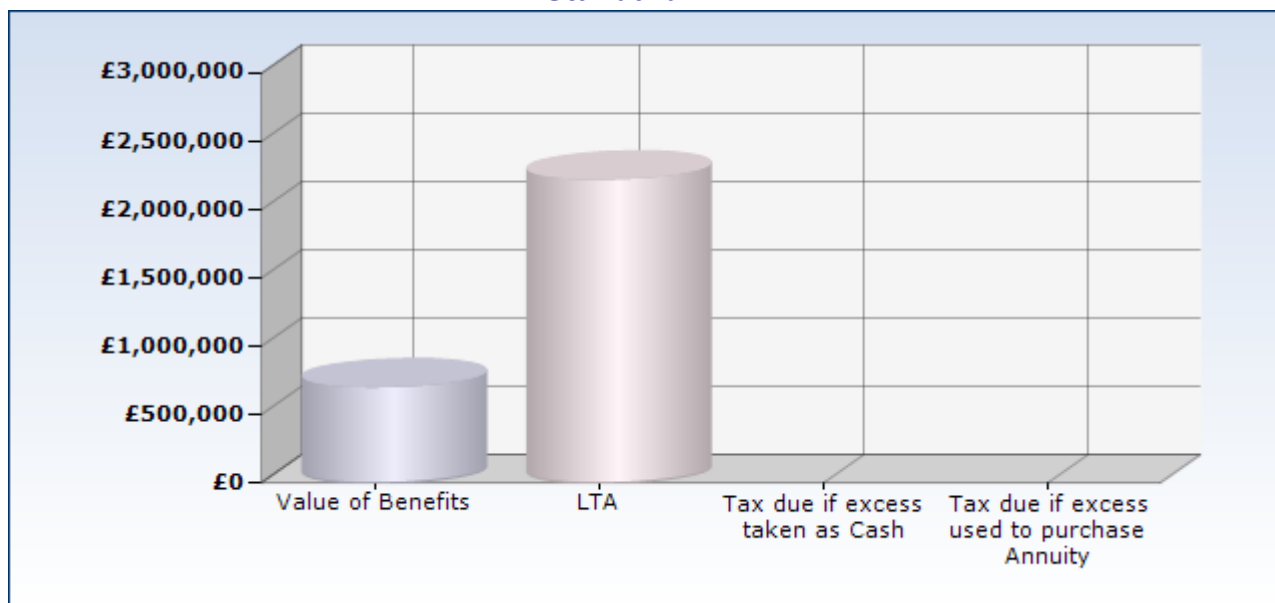
Investment in a personal pension in any one year is limited to the lesser of your total gross earnings or £255,000 (2010/11).

## Lifetime Limit Analysis

Benefits at 'A Day'		
Standard Lifetime Limit	£	1,500,000.00
Crystallised Benefits	£	N/A
<b>Balance of Lifetime Limit</b>	<b>£</b>	<b>1,500,000.00</b>
Defined Benefit Pensions	£	N/A
Defined Contribution Pension Funds	£	N/A
<b>Total Benefit Value</b>	<b>£</b>	<b>N/A</b>
Benefit Value in Excess of IR Maximum [To qualify for Enhanced Protection the excess would have to be returned to the scheme]	£	N/A
Value of Benefits Qualifying for Primary Protection	£	N/A
Value of Benefits Qualifying for Enhanced Protection	£	N/A

Benefits at age 65		
Standard Lifetime Limit	£	2,226,758.43
Crystallised Benefits	£	N/A
<b>Balance of Lifetime Limit</b>	<b>£</b>	<b>2,226,758.43</b>
Defined Benefit Pensions	£	200,553.07
Defined Contribution Pension Funds	£	506,450.13
<b>Total Benefit Value</b>	<b>£</b>	<b>707,003.21</b>
Benefit Value Above / Below Lifetime Limit	£	(1,519,755.22)
Tax Due if Excess Taken as Cash	£	N/A
Tax Due if Excess Taken as Annuity	£	N/A

### Standard LTA



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## Lifetime Limit Analysis

This analysis is based on the following assumptions:

Values are expressed in Monetary Terms i.e. no allowance made for inflation

Earnings will increase in line with National Average Earnings (NAE)

Money Purchase pension funds will grow at 7%pa

When contributions are expressed as a percentage of earnings the National Average Earnings index (NAE) will be applied. It is assumed that this will be 3% below the illustrative growth rate i.e. when growth is shown as 7% the indexation will be 4%.

Retail Price Index (RPI) is assumed to be 4.5% below the illustrative growth rate i.e. when growth is shown as 7% the indexation will be 2.5%.

The Lifetime Limit & Annual Allowance will increase in line with RPI from 2015/16.

The projected fund values are based on an assumed 1% annual management charge unless otherwise stated.

Notes on the Lifetime Limit and Annual Allowance:

Pension Simplification legislation created new limits for the maximum benefits that may be accrued and contributions that may be subject to income tax relief.

The new rules came into effect on 06/04/2006 known as 'A Day'

Benefits in excess of the limit may be subject to a tax charge of 25% if taken as income or 55% when taken as a Lump Sum.

The Lifetime Limit in 2010/11 is £1.8m however this is being reduced to £1.5m for 2012/13 onwards, future increases if any are yet to be announced. It is not yet clear what effect this will have on Primary or Enhanced Protection, any indication of the limit being exceeded may be incorrect subject to clarification yet to be published.

The Annual Allowance for contributions in 2010/11 is £255,000 which to be reduced to £50,000 for 2011/12. The future increase if any is yet to be announced. The maximum is further restricted to 100% of annual earnings or £3,600 if lower.

For the purpose of accessing the value of Defined Benefit schemes the pension is multiplied by 20, for annuities in payment the factor is 25, Income withdrawal plans are deemed to be 25 times the maximum allowed at last review.

The maximum Pension Commencement Lump Sum from all schemes is now based on the 25% rule although not all schemes have changed their rules to allow this, a higher value may be available where the PCLS available under the old rules is greater on pre 'A Day' accrual.