

## Quick Guide to Income Modelling within APTA with TVC Reports.

**Income Modeller**

The **Income Modeller** can show an income withdrawal via a drawdown arrangement to match the existing scheme income or a specified amount.

Projection Basis

Growth Rate Type

Enter Own Required Income

Monetary     Inflation Adjusted

Headline (e.g. 2%, 5%, 8%)     Adjusted Rate (e.g. 0%, 2.94%, 5.88%)

The Income Modeller feature compares the client’s existing Defined Benefit income with a drawdown arrangement, taking into account the other guaranteed incomes and assets that the client may wish to use to fund their retirement. For example state pension, Annuities, ISAs, Bonds and other savings plans.

The Income Modeller feature can be found past the full analysis stage of the case. In the report, the Income Modeller information will appear just after the estimated benefits page, towards the beginning of the report.

The Income Modeller allows the user to enter the client’s target retirement income and any applicable increases at the proposed and desired retirement ages. If a desired target income is not entered, the system will assume benefits to match the clients existing Defined Benefit income.

Details of other assets that the client wishes to use in the analysis can be included. An unlimited number of assets can be added and, by clicking and dragging the relevant boxes, repositioned into the order in which they are to be used to provide income.

Other Assets

| Include in Analysis | Name             | Fund Value | Valuation Date | Growth Rates |   |
|---------------------|------------------|------------|----------------|--------------|---|
|                     | Existing Pension | £151692    | 15/01/2014     | 5/7/9        | + |

Show Results in Gross or Net?     Gross     Net

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Target Age

85

Use ONS Life Expectancy ⓘ

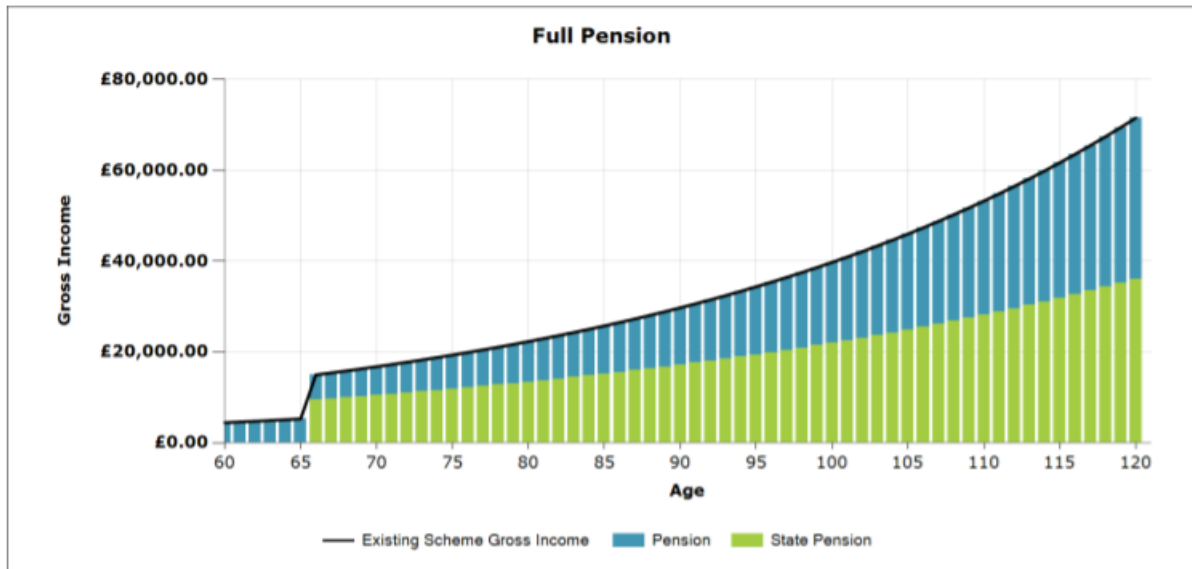
Other Guaranteed Income

| Include in Analysis | Name          | Amount | Start Age | End Age |  |
|---------------------|---------------|--------|-----------|---------|--|
| ✓                   | State Pension | £9500  | 66        | Life    | +<br><span style="font-size: 0.8em; color: #dc3545;">Edit ✕</span> |

Other guaranteed incomes can be entered to help reach the desired target income. The system calculates the level of income withdrawal required from the existing pension fund and other assets to meet the desired target income.

The report includes the full pension without PCLS and a reduced pension and PCLS result, where commutation factors have been entered in the main analysis.

A graph in the report shows how the pension, guaranteed income and other assets could be used to achieve the target income. The system will begin using the next asset once the previously listed asset has been exhausted. A table in the report shows the figures that have been used to generate the graph at five-year intervals, as well as the effect that this will have on the fund and other asset values during the period. Example Graph: Existing DB Pension vs Flexible Income Arrangement



Example Graph: Existing DB Pension vs Flexible Income Arrangement