

# Pension review

Prepared for:

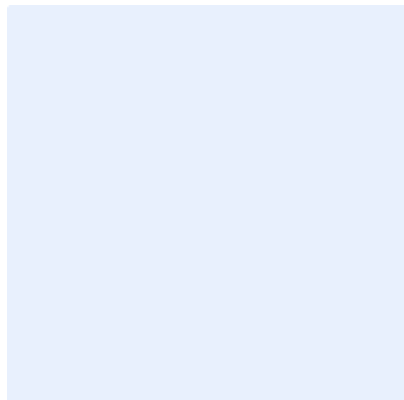
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Prepared by:

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# Contents

Contents.....	3
Introduction .....	4
Executive Summary.....	5
Background & objectives .....	6
1. Pension Scheme Rules .....	8

# Introduction

This report has been prepared following our meeting and correspondence to confirm our advice and recommendations regarding your existing pension funds.



This report will provide you with a permanent record of our advice including the main features and the factors we have taken into account in our recommendations. Please read this carefully to make sure that we have interpreted your requirements correctly and retain your copy safely for future reference.

We discussed looking at your wider financial circumstances and arrangements but you requested that this report focuses solely on this issue. If, in the future, you would like my advice on any other matter please do not hesitate to contact me.

## What we know about you



The comments provided in this document are based on information provided by you. You should check carefully that the information shown is correct and advise us of any revisions that need to be made, either because of errors, misunderstandings or recent changes to your circumstances.



### Please note

This report, together with the assumptions about the tax position of any plans and recommendations made in the report, are based on my understanding of current law and HM Revenue & Customs practice which may be subject to alteration in the future. In particular, what assets, gains or income are taxed and the levels of taxation on them are all subject to change. Tax reliefs may also change and their value to you will depend on your individual circumstances. Please refer to the appendices for a summary of the current HM Revenue & Customs rules for pension schemes.



I have already provided you with my business card and Client Agreement that you have signed and returned to me.

## Executive Summary

Based on your current circumstances and objectives, I have made the following recommendations:

• Recommendation	Why this is suitable
<p>Transfer your Aviva and Standard Life policies to a new SIPP from DP pensions.</p> <p>The total transfer value is currently £461,288 although this will change on a daily basis.</p>	<ul style="list-style-type: none"><li>• This will bring your funds into a single plan simplifying the reviews and administration.</li><li>• You will have full access to the pension freedoms when you start to draw benefits.</li><li>• You will have access to more investment options.</li><li>• The ongoing costs are lower.</li></ul> <p>You will continue to benefit from tax relief of up to 40%.</p> <p>This will help boost your retirement fund.</p> <p>Pensions remain a very tax efficient investment.</p> <p>You will benefit from institutional quality management at very competitive costs.</p> <p>The fund's objectives are compatible with your attitude to risk and objectives.</p>

# Background & objectives

Before giving advice and recommendations, it is important to understand and record your current financial situation.

## Current position

You are 62 and married to with two adult children. You run your own accountancy business with an income of £xx,000 pa. Barbara also works on a part time basis with an income of £xx,000 pa.

In addition to your pension funds, your main asset is your home worth £xxx,000. has £xx,000 in a Halifax savings account that is your 'emergency fund.' Your income is sufficient to cover your regular expenditure.

You each have a Will and these should be reviewed on a regular basis to make sure they remain up to date with any change in your circumstances and wishes.

## Objectives

You have built up substantial funds within two personal pensions with Aviva and Standard Life totalling approximately £xxx,000. You do not plan to retire immediately although are

starting to focus on this. You have not reviewed your policies on a regular basis and now wish to put a suitable strategy in place that will:

- Bring your funds together in a single arrangement to make things simpler to review and cut down on administration.
- Make sure the investment strategy matches your views on risk and objectives.

We discussed how our preferred investment strategy with Seven Investment Management (7IM) is based on the level of risk you wish to take and you are attracted to this idea. We therefore agreed that I would review your current policies with a view to transferring them to a new arrangement to achieve your objectives.

## Your attitude to investment risk

Based on our knowledge of your current position and financial objectives, we determined that you are a Moderate risk investor.

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# Appendices

# 1. Pension Scheme Rules

Radical changes in pension legislation over the last decade have significantly altered how we save for - and take our benefits in - retirement. Pensions are much more flexible and accessible now than they have ever been, making them very attractive long-term savings vehicles for most people.

## Tax Relief

To incentivise people to make private provision for their own retirement, the Government will give you tax relief on the value of personal contributions that you pay into a pension, subject to certain annual and lifetime limits.

Basic rate (20%) tax relief is granted 'at source' on contributions into a registered pension scheme. For example, if you pay £80 net into a pension arrangement, the Government will top this up by 20% (£20) and a total gross contribution of £100 will be credited to your pension fund. The provider of your pension (also known as the 'pension administrator') will claim this tax relief on your behalf.