

Enjoy Your Retirement

Our 5 step guide



CHADWICK
FINANCIAL MANAGEMENT

www.chadwickfinancial.uk.com

About Us

With offices in Dartmouth since 1983, we deal with all the things you would expect - pensions, investments, life assurance, mortgages and so on - but our priority is to get to know you and understand what makes you tick. Then we can really make a difference to your life. We use the latest independent software together with years of experience to provide local, trusted advice.

We just think of it as doing our professional utmost to exceed the standard of service you should expect, treating you in the way we'd like to be treated ourselves.



Introduction

There's plenty to think about as you get closer to retirement. The most important thing is to make sure that you can access your pension savings when you need to.

Chadwick are here to help you understand what you've got and how you can access it. This 5 step guide will outline the different options available and help you to make the most of your money.

Call us

Let's arrange an introductory meeting at our expense to fully explain how our service works, identify your primary financial needs and objectives and answer any questions.



STEP 1

Find out what you've got
Page 4

STEP 2

Plan for your future
Page 5

STEP 3

Know your options
Page 6-7

STEP 4

Take Advice
Page 8

STEP 5

Make your decision
Page 9

STEP ①

Find out what you've got

Whether you keep your pension statements safe in a folder or they're filed in the back of a cupboard, the first thing to do is check what policies you've got.

You may have collected numerous pensions over the years through changing employment, or you may have just one. If you bring any statements to Chadwick, we will request your authority to speak to the pension companies on your behalf. This will enable us to get all the information necessary for you to make an informed decision about the next steps.

If you can't remember who your pension provider is you may need to contact a previous employer to find out. You could also use the Government Pension Tracing Service www.gov.uk/find-pension-contact-details.

Remember: pensions are only one way of funding your retirement. We're here to discuss all your options including using savings, ISAs, property and investments to fund your lifestyle in retirement.

Get a State Pension Forecast

You can do this online at www.gov.uk/check-state-pension



STEP ②

Plan for your future

To ensure you have a comfortable retirement you need to make sure you'll have enough money to live on. But we can't do this until we have a rough idea of how much money you're likely to need.

You work out the expenditure, we'll do the income and together we can come up with a plan so that you'll have enough money to manage in retirement.

Have you tried the retirement calculator on our website?

Monthly estimated expenditure in retirement

Rent/Mortgage & Utilities	£
Food & Motoring expenses	£
Entertainment	£
Other monthly expenses	£
Total	£

You will find a more detailed income and expenditure spreadsheet at the back of this guide.

STEP 3

Know your options

There are lots of choices for taking your money, so we've categorised them into 5 main options.

1. Keep your pension where it is

Otherwise known as:
Stay as you are, Delaying or Deferring Retirement.

If you don't need your money just yet, you might wish to leave your pension where it is.

Did you know?

Defined Benefit Scheme Pension

If you have a 'Scheme Pension' within a Defined Benefit scheme, the 'annual pension' available from that scheme may provide you with a better outcome than most of the 'Guaranteed Income' options available on the open market.

2. Get a guaranteed income for life / 5 years

Otherwise known as:
Lifetime Annuities, Enhanced (or health based) Annuities, Fixed Term Annuities.

For many people, peace of mind and security are the most important things to consider when deciding what to do with your pension. There are a number of options that give you a guaranteed income for the rest of your life – no matter how long you live. If you're not ready to think about lifetime, consider a 5 year annuity.

Depending on the option you choose, the income may automatically increase over time or keep up with inflation. Likewise, the annuity may provide an income to your partner when you die. You may even qualify for enhanced levels of income as health conditions and lifestyle choices are taken into consideration.

You can normally take 25%* of the value of your pension as a tax-free cash lump sum straight away, with the remainder used to give you a regular taxable income.

*Depends on the type of scheme

Did you know?

As a man on average you can expect to live for another 18 years and 4 months after the UK retirement age of 65. As a woman on average you can expect to live another 20 years and 9 months.* So retirement is just the start of a whole new phase of life. *ONS 2015 (based on 2010-2012)

3. Take your pension money in one go

Otherwise known as:
Cash, Single Uncrystallised
Funds Pension Lump Sums.

If you need to take all of your money immediately, this option allows you to take all or part of your pension savings in cash. The first 25% can be taken tax-free but the remaining 75% will be subject to income tax.

We will work with you to make sure that tax is not paid unnecessarily and that you will have adequate income for the rest of your life.

4. Pick and choose when to take money

Otherwise known as:
Flexible Access Drawdown.

With this option, your pension money is invested and you can draw it out as and when you need it – similar to a savings account. As your pension money stays invested, the value could go up and down and you would need to regularly review it.

If you don't need all of the tax-free cash lump sum at the start; the first 25%* will be tax-free, while the remaining 75% is taxed as income. Depending on your circumstances, you will need to consider the tax implications with this option carefully.

*Of each income withdrawal

5. Combining options

It may also be possible to do a combination of the options above. For example, you could use some of your pension money to provide a guaranteed income and give the rest a chance to grow.

The charges may be different on some or all of these of options, so it's important to check them out.

STEP 4

Take Advice

According to research by Old Mutual Wealth (OMW), UK savers who have sought financial advice had on average £7,000 more a year to spend in retirement*.

However, with just 14% of the 1,206 individuals surveyed by OMW taking advice, there remains a vast advice gap. Many of us happily pay for the skills of a lawyer, architect, cleaner, gardener and even someone to hang wallpaper. Why should financial affairs be any different?

The OMW research suggested that those who have seen an adviser, even just once, experienced a benefit to the tune of £7,000 per year in retirement – in comparison to those who have not taken financial advice. This has been a jump of £3,700 more per year since 2014, leading OMW to conclude the value of advice has increased in the last few years. Research by Unbiased found that over a third (34%) of those who have purchased or arranged a financial product themselves have later regretted the decision.

At Chadwick, we never charge for the initial meeting because we can't give any advice without getting to know you. Fees are explained at the outset and there are no hidden charges. What have you got to lose?

**Call 0800 833389
now to book your
appointment.**

Beware of Pension Scams

Many people have lost a lot of money to internet fraudsters or cold callers. The Pensions Regulator has some helpful information on how to protect yourself from scams.

Find out more online at www.thepensionsregulator.gov.uk

*<https://www.adviserpointsofview.com/2017/12/seeing-adviser-even-can-net-retirees-7000-year>

STEP 5

Make your decision

We will outline all your options in a retirement benefit options report, before working with you to make a decision.

When you've made your choice, we will help you with all the paperwork and follow the application through to completion. Our admin team are available to answer any questions and give progress updates any time.

If you receive any paperwork that you're not sure about, the Chadwick team will be here to help.



The Way We Work



Welcome

We will arrange an introductory meeting at our expense to fully explain how our service works, identify your primary financial needs and objectives and answer any questions

Get to know you

Your Adviser will work with you to fully understand your objectives and develop these into well-defined goals. This will involve gathering financial information on any existing plans to enable us to provide a comprehensive picture of your circumstances

Research and Preparation

Once your objectives are agreed, we will discuss any key considerations with you assess your attitude to risk. We will then conduct the required research and planning to consider potential benefits and potential solutions to your objectives including the suitability of any existing plans
Research and Report fee due at this stage = £995

Tailored proposal and present your plan

We will present our recommendations to you and take you through them stage by stage. We will set out specific and realistic recommendations aimed to achieve your stated objectives over an agreed time period

Action

Once you fully understand our recommendations and you are happy with them and the associated fees which we will explain to you, we will put these into action

Ongoing Review

You can agree to an ongoing service from us. This allows us to review your plans to make sure they are on track with your objectives. Our reviews will take account of any changes to your personal circumstances, financial market conditions and relevant legislation

Points to consider

Nobody can predict what the future will bring, and retirement planning is made harder by not knowing our 'date of dispatch'. However, you can certainly plan ahead.

Here are some points for you to consider:

- How far will my savings need to stretch?
- How might this impact my monthly costs?
- Will I need to provide financial support to my loved ones during my retirement?
- How will my health change as I age? Are there any pre-existing health or family health conditions that may provide an indication?
- How would I like to spend my time and how will my lifestyle change as I get older?
- What is my life expectancy?

Once you have a clearer picture of what your retirement might look like, you're in a much stronger position to plan ahead.

Ask yourself:

- Do I want or need guaranteed income for the remainder of my life or would I prefer to pick and choose when to take income?
- Do I feel comfortable taking investment risk?
- Do I have sufficient pension money to support the kind of lifestyle I want to lead?
- Do I want to take a cash lump sum?
- Do I want to minimise tax by managing how and when I access money?

Need more help?

Pension Wise

www.pensionwise.gov.uk
or call 0800 138 3944

The Money Advice Service

for free impartial
money advice
[www.moneyadvice
service.org.uk](http://www.moneyadvice
service.org.uk)

The Pensions Advisory Service (TPAS)

[www.pensionsa
dvisoryservice.org.uk](http://www.pensionsa
dvisoryservice.org.uk)
they will provide
telephone guidance on
0300 123 1047

Basic budgeting

Work out how much you will need in retirement

To ensure you have a comfortable retirement you need to make sure you'll have enough money to live on. Here you can work out how much income you'll have, how much your expenses are likely to be and if you'll have enough money to manage in retirement.

1. Estimate your income

Most people have more than one source of income in retirement. It's important to identify all your sources of income to see how much you'll have to live on compared to your income today.

Income Sources	Now (per month)		When you retire (per month)	
	You	Partner	You	Partner
Work This income is not guaranteed for life and will fall if you cut down on work or stop altogether.	£	£	£	£
State Pension (secure) This income is guaranteed for life and will rise and fall by at least the rate of inflation each year.	£	£	£	£
Defined benefit pensions (secure) This income is guaranteed for life and usually rises each year.	£	£	£	£
State benefits This income may be affected if your circumstances change.	£	£	£	£
Other income This could be from savings, investments and any property you own. This income can vary.	£	£	£	£
Pension pot income This can provide you with a flexible income but it may not be guaranteed for life.	£	£	£	£
Total income	£	£	£	£
A Total household income	£		£	

2. Calculate your outgoings

Your spending is likely to change when you retire. For example, you may no longer have a mortgage or work expenses but if you spend more time at home your household bills may increase.

Outgoings	Now (per month)	When you retire (per month)
Household bills For example, mortgage/rent, Council Tax, electricity, gas, water, buildings insurance and contents insurance.	£	£
TV, Internet, Phones For example, home/mobile phones, broadband, satellite/digital TV, TV licence and film/sports subscriptions.	£	£
Living costs For example, food, toiletries, takeaway, hairdressers, sports/gym memberships, cigarettes, tobacco and alcohol.	£	£
Borrowing For example, loan repayments, credit card repayment, overdraft charges and bank charges.	£	£
Family and friends For example, maintenance/child support, pet food, vet bills.	£	£
Travel For example, bus/tube/train fares, vehicle tax, vehicle insurance, loan repayments, repairs and maintenance.	£	£
B Total Outgoings	£	£

3. Compare your budgets

Calculate your current monthly budget and compare it with your retirement budget. If you'll have enough secure, regular income to cover your expenses, that's good. If not, you'll either need to increase your income or reduce your spending to make ends meet..

	Now (per month)	When you retire (per month)
A Total household income	£	£
B Total outgoings	£	£
A - B Difference	£	£

Important information

Name of your Financial Advisor	Chadwick Financial Management
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Telephone	0800 833389
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Email	discover@chadfinman.com
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Pension Provider	
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Contact Details	
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Employer/Employment Period	
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Fund Value	
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Pension Provider	
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Contact Details	
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Employer/Employment Period	
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Fund Value	
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Pension Provider	
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Contact Details	
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Employer/Employment Period	
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Fund Value	
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Pension Provider	
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Contact Details	
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Employer/Employment Period	
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Fund Value	
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Pension Provider	
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Contact Details	
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Employer/Employment Period	
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Fund Value	
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The value of investments and the income they provide can fall as well as rise and there is no guarantee that you will get back the original amount invested.

Whilst all reasonable care has been taken in the preparation of this document no liability is accepted under any circumstances by Chadwick Financial Management for any loss or damage occurring as a result of reliance on any statement, opinion, or any error or omission contained herein. Any statement or opinion, unless otherwise stated should not be construed as independent research and reflects our understanding of current or proposed legislation and regulation, which may change without notice. The content of this document should not be regarded as personal advice or a recommendation.



Local trusted advice

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