

# Cotswold

## Financial Planning

NOVEMBER/DECEMBER 2014

# PENSION FREEDOM

Is it time to set your money free?



## EDUCATING INVESTORS

Six years after the start of the financial crisis, what lessons should we have learnt?

### CARE FEES BURDEN

It's a fact that more of us will require specialist care in our later years

### SAVING FOR A RAINY DAY

Fewer people are putting money away despite improvements to the economy

### QUESTION TIME

Why planning for your future retirement requires answers

**OFFSETTING  
THE NEGATIVE  
EFFECTS OF  
INFLATION**  
Why more people are  
retaining exposure to  
stocks and shares

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# INSIDE THIS ISSUE

As we approach the end of 2014, the news is awash with stories about pension reform, pension freedom, inflation and funding long-term care. It can be very confusing with the number of conflicting viewpoints given, so in this issue we aim to bring some clarity to them.

In Budget 2014, Chancellor George Osborne promised greater pension freedom from April next year. On page 10 we look at the reforms that will allow people to access as much or as little of their defined contribution pension as they want and pass on their hard-earned pensions to their families tax-free.

Mr Osborne has also brought forward the expected announcement on the tax charge that applies to certain individuals' pensions on their death. The new rules will simplify the existing regime and come into force from April 2015, abolishing the 55% tax. Read the full article on page 05.

Significant changes to existing intestacy rules came into force on 1 October 2014 in England and Wales. On page 04, we consider the far-reaching consequences for you and your loved ones, and how this should make things simpler and clearer.

Today, the cost of care is a major concern for many people, with the average level of pension savings unlikely to be enough to cover any long-term care requirements in addition to providing a retirement income. So why is care fee planning catching so many people off guard? Find out on page 06.

Also inside this issue, six years after the start of the financial crisis, we ask on page 08 what lessons should we have learnt from this seismic event?

A full list of the articles featured in this issue appears opposite.

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# SAVING FOR A RAINY DAY

## FEWER PEOPLE ARE PUTTING MONEY AWAY DESPITE IMPROVEMENTS TO THE ECONOMY

**T**HE GAP BETWEEN the fortunes of savers and non-savers continues to widen, and research supports these findings<sup>[1]</sup>. 'Habitual savers' continue to put away more for a rainy day, but the total number of people saving has fallen, and, despite improvements to the economy, one in five people in the UK have no savings at all.

### SAVING FACTS

- 1** The number of people in the UK with no savings at all has risen year-on-year from eight million to over nine million, or one in five of the UK adult population.
- 2** For those who are managing to save, the average amount

that people have in savings was boosted by £175 in 2013 in comparison to the previous year, from £10,033 to £10,208.

- 3** The total number of people who are managing to save something has dropped from 14.8 million to 14.4 million (31% and 30% of the adult population respectively), and more than half (54%) of those surveyed said they were saving less than they did two years ago.
- 4** Many people are still only thinking in the short term – almost half (48%) said they prefer to spend their money rather than save and invest, and 64% said they know they are not saving sufficiently for their long-term needs. ■



Source:  
 [1] Scottish Widows Savings Report, March 2014 (excludes the 12% minority that have over £50,000 in savings).

## WANT TO MAKE MORE OF YOUR MONEY IN 2015?

FOR MORE INFORMATION PLEASE TICK THE APPROPRIATE BOX OR BOXES BELOW, INCLUDE YOUR PERSONAL DETAILS AND RETURN THIS INFORMATION DIRECTLY TO US.

Name \_\_\_\_\_

Address \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Postcode \_\_\_\_\_

Tel. (home) \_\_\_\_\_

Tel. (work) \_\_\_\_\_

Mobile \_\_\_\_\_

Email \_\_\_\_\_

- Arranging a financial wealth check
- Building an investment portfolio
- Generating a bigger retirement income
- Off-shore investments
- Tax-efficient investments
- Family protection in the event of premature death
- Protection against the loss of regular income
- Providing a capital sum if I'm diagnosed with serious illness
- Provision for long-term health care
- School fees/further education funding
- Protecting my estate from inheritance tax
- Capital gains tax planning
- Corporation tax/income tax planning
- Director and employee benefit schemes
- Other (please specify)



You voluntarily choose to provide your personal details. Personal information will be treated as confidential by us and held in accordance with the Data Protection Act. You agree that such personal information may be used to provide you with details and products or services in writing or by telephone or email.



# NEW INTESTACY RULES AIM TO MAKE THINGS SIMPLER AND CLEARER

## WHY THE CONSEQUENCES COULD BE FAR-REACHING FOR YOU AND YOUR LOVED ONES

**SIGNIFICANT CHANGES** to existing intestacy rules came into force on 1 October 2014 in England and Wales, with the aim of making things simpler and clearer. The consequences could be far-reaching for you and your loved ones, and while there are increasing entitlements for surviving spouses and registered civil partners, the changes highlight the importance of making a Will to ensure your wishes are carried out.

### RADICAL RULE CHANGES

From 1 October 2014, the Inheritance and Trustees Powers Act 2014 radically alters the way in which the assets of people who die intestate are shared among their relatives. The biggest change will affect married couples or registered civil partnerships where there are no children. In the past, the spouse received the first £450,000 from the estate, with the rest getting split between the deceased's blood relatives. Under the new law, the surviving spouse will receive everything, with wider family members not receiving anything.

### LIFE INTEREST CONCEPT ABOLISHED

Couples who have children will also be affected by the changes. Previously, the spouse of the deceased received the first

£250,000 and a 'life interest' in half of the remainder, with the children sharing the other half. Under the new rules, the life interest concept has been abolished, with the surviving married partner receiving the first £250,000 and also half of any remainder. The children will receive half of anything above £250,000 and will have to wait until they are 18 to access any funds.

### NO PROTECTION FOR COUPLES

These changes go some way to improving the position for married couples and registered civil partners. However, they still leave couples who are not married or in a registered civil partnership with no protection. Where an individual in an unmarried couple dies without a Will, their partner is not entitled to receive any money from their estate.

### DISTRIBUTING ASSETS TAX-EFFICIENTLY

The changes therefore highlight again how important it is to make a Will to ensure that your wishes are followed and that assets are distributed tax-efficiently. Wills are also often used to express a preference for who should act as guardians for minor children in the event that parents die.

If a person dies without leaving a Will, the chances are that the estate will be distributed in a way that the deceased would not have wanted. This can have very real and distressing consequences, as well as unanticipated inheritance tax costs. ■

### TAKING CONTROL OF YOUR FINANCIAL AFFAIRS

With these recent rule changes, now is the perfect time to take inheritance tax planning advice and to have your Will written professionally or updated. If you have any questions or would like more information on writing a Will or inheritance tax planning, please get in touch – we look forward to hearing from you.

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THE FINANCIAL CONDUCT AUTHORITY DOES NOT REGULATE WILL WRITING OR TAXATION ADVICE, INCLUDING INHERITANCE TAX PLANNING.



# PENSION TAX CHARGE ABOLISHED SOONER RATHER THAN LATER

**NEW RULES WILL SIMPLIFY THE EXISTING REGIME FROM APRIL 2015**

THE CHANCELLOR, GEORGE OSBORNE, HAS BROUGHT FORWARD THE EXPECTED ANNOUNCEMENT ON THE TAX CHARGE THAT APPLIES TO CERTAIN INDIVIDUALS' PENSIONS ON THEIR DEATH. THE NEW RULES WILL SIMPLIFY THE EXISTING REGIME AND COME INTO FORCE FROM APRIL 2015, ABOLISHING THE 55% TAX THAT APPLIES TO UNTOUCHED DEFINED CONTRIBUTION PENSION POTS OF PEOPLE AGED 75 OR OVER, AND TO PENSIONS FROM WHICH MONEY HAS ALREADY BEEN WITHDRAWN.

## DRAWING PENSION MONEY

This means that from April 2015, if a person who dies is 75 or over, the person who receives the pension pot will only pay their marginal tax rate as they draw money from the pension. If someone aged under 75 dies, the person who receives the pot is able to take money from the pension without paying any tax. Beneficiaries will be able to access pension funds at any age and the lifetime allowance, currently £1.25 million, will still apply.

## PASSED PENSION BENEFITS

Although the new rules are expected to come into force in April 2015, those who are passed pensions from anyone who dies before that date can still benefit so long as payment is delayed until after that point. The change is another positive move for UK savers, building on the flexibility outlined in Budget 2014 and giving people another avenue of

financial planning using their pension pots. The change will give people more security about keeping money in their pension scheme, perhaps to pay for increased costs in later life.

## MORE APPEALING TRANSFERS

The change should make transfers from defined benefit (DB) to defined contribution (DC) schemes more appealing for those with ill health, as well as for people who will see their pension more as part of their family wealth. But there do still remain risks for the elderly, which need to be thought through. If they look to use the new flexible opportunities to draw down benefits rather than take out an annuity, they could be at risk of breaching the lifetime allowance when they are older and suddenly suffering a 55% tax rate which they cannot then avoid. There still needs to be a review of unintended consequences. ■

## IS IT TIME TO ASSESS HOW THE CHANGES COULD AFFECT YOU?

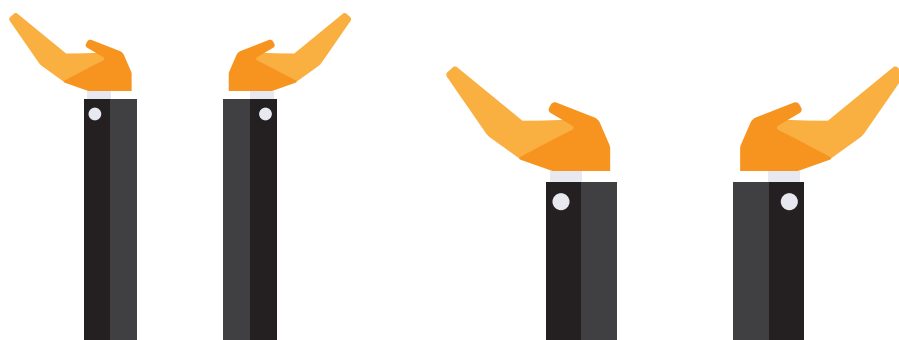
In the light of this announcement, it makes sense to review your pension provision and assess how the changes could affect you and your beneficiaries. To discuss your particular requirements or for further information, please contact us.

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# CARE FEES BURDEN

IT'S A FACT MORE OF US WILL REQUIRE SPECIALIST CARE IN OUR LATER YEARS

TODAY, THE COST OF CARE IS A MAJOR CONCERN FOR MANY PEOPLE, WITH THE AVERAGE LEVEL OF PENSION SAVINGS UNLIKELY TO BE ENOUGH TO COVER ANY LONG-TERM CARE REQUIREMENTS IN ADDITION TO PROVIDING A RETIREMENT INCOME.

## GIVING YOU PEACE OF MIND

No one wants to spend their final years with little choice as to how or where they are cared for. Planning ahead and putting some savings away now will give you peace of mind. It will also ensure that you are not a financial and emotional burden on those nearest and dearest to you. To discuss your situation and review your options, please contact us.

## CATCHING PEOPLE OFF GUARD

So why is care fee planning catching so many people off guard? Well, besides the fact that few of us like to think of ourselves going into long-term care in our old age, there are a number of other reasons. As we can now expect to live for 20 or 30 years beyond our selected retirement age, it becomes more likely that we will need specialist care in our later years.

Moreover, research compiled by the Institute and Faculty of Actuaries shows that while life expectancy has been increasing, healthy or disability-free life expectancy for both men and women has not nearly kept pace, leaving more people needing long-term care.

## THE NEED FOR CARE FEE PLANNING

Estimates are that one in three women and one in four men aged 65 today are likely to need care. Even more relevant for long-term care is the number of over-85s, which is expected to more than double in the next 20 years<sup>[1]</sup>.

Meanwhile, incidences of dementia are rising. It is forecast that the number of people in England and Wales aged 65 and over with dementia will increase by over 80% between 2010 and 2030, to 1.96 million<sup>[2]</sup>.

These individuals will all need specialist care. As it stands, the average cost of dementia care per person is more than the average UK salary. In 2008, dementia cost the UK economy £23 billion – more than the costs of cancer and heart disease combined<sup>[3]</sup>.

## INTRODUCING A CAP ON CARE COSTS

Under the Government's new Care Bill, a cap on care costs will be introduced to prevent people

paying more than £72,000 towards their own care. But while the care cap offers a safety net that will prevent some individuals from facing significant care costs, it will not replace savings as the key means of paying for care.

The cap only applies to local authority-set care costs – it does not take account of daily living costs or top-up care costs. With or without government support, it makes sense to plan for the unforeseen cost of care, not least because there is no specific savings product for care home fees. If you are not yet retired, start by drawing up a financial plan which includes the potential cost of care.

## ALLOWING YOU MUCH GREATER FREEDOM

The good news is that this year's Budget changes allow you much greater freedom as to how you utilise your pension savings, enabling the money to be used for other purposes. Even if you end up not needing the money, saving something extra into your pension for the possibility of long-term care will mean the added bonus of a bigger pension pot.

You could also choose to use your annual New Individual Savings Account (NISA) allowance for this purpose. You will have instant access to your savings when you need it, which you can draw tax-efficiently.

These can help ensure you have a regular income that can help with the burden of care fees while not eating into your original capital. ■

Source:

[1] Office for National Statistics, 2013.

[2] Lords Select Committee on Public Service and Demographic Change, 2013.

[3] Carers UK, 2012.

# OFFSETTING THE NEGATIVE EFFECTS OF INFLATION

## WHY MORE PEOPLE ARE RETAINING EXPOSURE TO STOCKS AND SHARES

**NEW RESEARCH**<sup>[1]</sup> suggests that UK adults are planning to use equity investments to help them outstrip inflation and manage the rising cost of living. Over half (53%) of UK adults rate the rising cost of living as their number one fear for retirement, and almost a third (32%) of pre-retirees<sup>[2]</sup> say they would retain some exposure to stocks and shares to offset the negative effects of inflation on their retirement income.

The figures show that the rising cost of living is UK adults' number one fear for retirement, above keeping fit and healthy (45%) or even losing a spouse or partner (32%). When asked about how they planned to offset the declining purchasing power of their pension pots and the negative impact of inflation, almost a third (32%) of non-retired respondents aged 55 and over said they would retain some exposure to stocks and shares. ■

Source:

[1] MGM Advantage research among 2,028 UK adults aged 18+, conducted online by Research Plus Ltd, fieldwork 17–22 October 2013.

[2] Source: MGM Advantage research among 2,060 UK adults aged 55+, of which 663 were non-retired, conducted online by Research Plus Ltd, fieldwork 4–11 October 2013.

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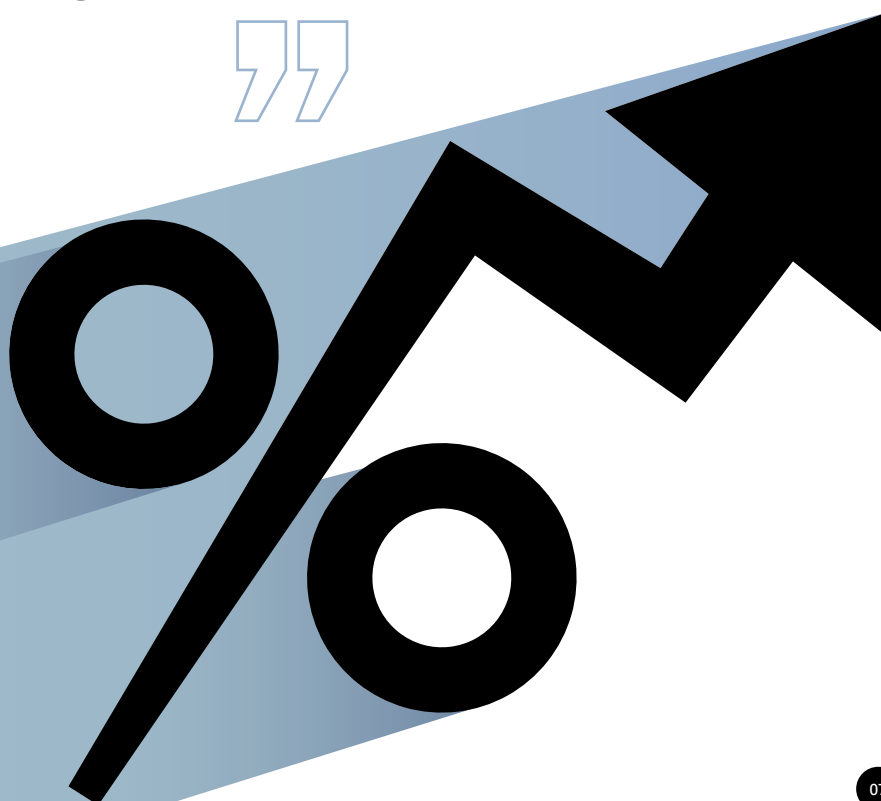
**THE RISING COST OF LIVING IS UK ADULTS' NUMBER ONE FEAR FOR RETIREMENT, ABOVE KEEPING FIT AND HEALTHY**

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# EDUCATING INVESTORS

## SIX YEARS AFTER THE START OF THE FINANCIAL CRISIS, WHAT LESSONS SHOULD WE HAVE LEARNT?

### 1 PLAN FOR THE UNEXPECTED

Many believe that markets are much safer today than they were six years ago, thanks in large part to the numerous regulations and safeguards put in place to avoid a repeat of the financial crisis. Nonetheless, risks by definition are unexpected. In the run-up to the financial crisis, very few people foresaw the risks lurking within the financial systems of the world's largest economies.

The golden lesson for investors is to plan for and anticipate the unexpected. A good way to do this is by establishing a cash reserve or a 'rainy day' fund – a cash buffer will provide immediate liquidity to help weather unexpected risks or needs, while also providing the additional means to take advantage of investment opportunities when they arise.

### 2 KNOW YOUR RISK APPETITE

With lower returns a defining characteristic of the post-crisis landscape, it is more important than ever for investors to know their risk appetite. How much or how little risk you take will determine the amount of return you can expect.

Prior to the financial crisis, many investors believed they were comfortable with the risk-reward profile of their investments. But when markets began to fall, they realised that they may have over-estimated their appetite for risk and sold out of the market, probably at the worst possible time.



**FOR MOST OF THE PAST SIX YEARS, CENTRAL BANKS HAVE BEEN PROPPING UP MARKETS BY INJECTING LIQUIDITY VIA ECONOMIC STIMULUS PROGRAMMES.**



### 3 TAKE OWNERSHIP OF YOUR RETIREMENT PLANNING

For most of the past six years, central banks have been propping up markets by

injecting liquidity via economic stimulus programmes. This has benefitted borrowers, with interest rates remaining near zero. But it has also made it extremely challenging for retirees living on the interest from their investments. This has been further compounded by the fact that life expectancies are increasing. Today, it has become more important than ever actively to engage with your retirement planning – for many retirees, it may be the case that longer life spans and lower interest rates mean that they need to take on more investment risk to generate adequate income.

Either way, with lower returns the 'new normal', it is more important than ever for us to take ownership of our retirement planning.

### 4 INVESTMENT SHOULD BE A LONG-TERM PROCESS

Those who panicked in the wake of the 2008 falls and got out of the market may have avoided some of the worst falls, but chances are they also missed out on some stellar growth. Since 2009, markets have enjoyed an unabated move upwards, albeit with some bumps along the way.





Those investors who kept faith with the market and adjusted their portfolios accordingly will now be sitting on some very healthy gains – testament to the fact that investment should be a long-term process.

##### **5 DEBT NEEDS TO BE MANAGED**

Over the past six years, economies and consumers alike have had to deal with the debt binge of the so-called 'boom years'. One of the key reasons why the UK Government is reluctant to increase interest rates is concern over whether consumers would be able to service their debts.

The Bank of England governor, Mark Carney, has said that the 'vulnerable position' of family finances means any interest rate increases will be 'more limited and more gradual than in the past'.

Households in Britain have a lot of debt and, for many, the debt they face – be it a

mortgage, credit card or student loan – is the biggest obstacle to investing.

##### **6 EVEN THE EXPERTS GET IT WRONG**

Despite many economists claiming foresight into the financial crisis, few predicted the downturn before it was nearly over. In fact, the International Monetary Fund was taken completely by surprise by the financial crisis.

The good news is that thanks to the flexibility introduced in this year's Budget, investors are now able to take greater control of their investments and retirement savings. As Chancellor George Osborne said at the end of his Budget speech: 'It's your money, you've earned it, we trust you to do the right thing with it.'

*Source: Fidelity.*

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# PENSION FREEDOM

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IS IT TIME  
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MONEY FREE?  
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## THE MOST RADICAL REFORMS THIS CENTURY

IN BUDGET 2014, CHANCELLOR GEORGE OSBORNE PROMISED GREATER PENSION FREEDOM FROM APRIL NEXT YEAR. PEOPLE WILL BE ABLE TO ACCESS AS MUCH OR AS LITTLE OF THEIR DEFINED CONTRIBUTION PENSION AS THEY WANT AND PASS ON THEIR HARD-EARNED PENSIONS TO THEIR FAMILIES TAX-FREE.

**F**OR SOME PEOPLE, an annuity may still be the right option, whereas others might want to take their whole tax-free lump sum and convert the rest to drawdown.

### EXTENDED CHOICES

‘We’ve extended the choices even further by offering people the option of taking a number of smaller lump sums, instead of one single big lump sum,’ Mr Osborne said.

From 6 April 2015, people will be allowed full freedom to access their pension savings at retirement. Pension Freedom Day, as it has been named, is the day that savers can access their pension savings when they want. Each time they do, 25% of what they take out will be tax-free.

### FREE TO CHOOSE

Mr Osborne said, ‘People who have worked hard and saved all their lives should be free to choose what they do with their money, and that freedom is central to our long-term economic plan.’

From 6 April 2015, people aged 55 and over can access all or some of their pension without any of the tax restrictions that currently apply. The pension company can choose to offer this freedom to access money, but it does not have to do so.

### ACCESSING MONEY

It will be important to obtain professional advice to ensure that you access your money safely, without unnecessary costs and a potential tax bill.

Generally, most companies will allow you to take the full amount out in one go. You can access the first 25% of your pension fund tax-free. The remainder is added to your income for the year, to be taxed at your marginal income tax rate.

This means a non-tax payer could pay 20% or even 40% tax on some of their withdrawal, and basic rate taxpayers might easily slip into a higher rate tax band. For those earning closer to £100,000, they could lose their personal allowance and be subject to a 60% marginal tax charge.

### POTENTIAL TAX BILL

If appropriate, it may be more tax-efficient to withdraw the money over a number of years to minimise a potential tax bill. If your pension provider is uncooperative because the contract does not permit this facility, you may want to consider moving pension providers.

You need to prepare and start early to assess your own financial situation. Some providers may take months to process pension transfers, so you’ll need time to do your research.

### QUESTIONS TO ASK

It’s important to ask yourself some pertinent questions. Are there any penalties for taking the money early? Are these worth paying for or can they be avoided by waiting? Are there any special benefits such as a higher tax-free cash entitlement or guaranteed annuity rates that would be worth keeping?

If you decide, after receiving professional advice, that moving providers is the right thing to do, then we can help you search the market for a provider who will allow flexible access.

Importantly, it’s not all about the process. You also need to think about the end results.

### WITHDRAWING MONEY

What do you want to do with the money once you’ve withdrawn it? You may have earmarked some to spend on a treat, but most people want to keep the money saved for their retirement. Paying off debt is usually a good idea.

If you plan just to put the money in the bank, you must remember you will be taxed on the interest. With returns on cash at paltry levels, you might be better keeping it in a pension until you need to spend it. Furthermore, this may also save on inheritance tax.

Finally, expect queues in April 2015. There’s likely to be a backlog of people who’ve put off doing anything with their



pension monies since last year. Those who get through the process quickly and efficiently will be the ones who've done the groundwork. ■

### THE MOST RADICAL PENSION REFORMS THIS CENTURY

The contents of the Taxation of Pensions Bill, published on 14 October and dealing with pension reforms, are the most radical this century and are likely to affect everyone. There is a lot to think about, and you should obtain professional advice sooner rather than later to check how these reforms may impact on your particular situation. To discuss your requirements or for further information, please contact us – we look forward to hearing from you.

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## STATE PENSION CHANGES ON THE HORIZON

### OVER HALF OF THE UK POPULATION ARE UNAWARE OF GOVERNMENT PLANS

**O**VER HALF OF THE UK population are unaware of government plans to reform the State Pension and the impact that will have on them, according to recent research[1]. Among the 55 to 64-year-old age group, 32% are unaware of the changes.

The study found 57% thought the new flat rate State Pension would be worth less than £150 per week – the weekly amount recently set by the Government and due to come into effect in April 2016.

### UNDERESTIMATING STATE PENSION VALUES

Although most of the respondents underestimated the value of their State Pension and admitted to not knowing the details of the reforms, two thirds of men and women regard it as important to their retirement income planning.

Of those surveyed, just under half of 55 to 64-year-olds were unsure as to whether or not they would be better off under the new State Pension system compared to the current one.

### KEY PART OF GOVERNMENT REFORMS

The flat rate State Pension is a key part of government reforms to the UK's retirement planning and will benefit savers by demonstrating the value of pension saving. But just under half of those aged between 55 and 64 who are about to retire have no understanding of whether or not they will be better off.

Women are more likely not to know the detail of the flat rate pension reforms – which require people to have worked and paid National Insurance contributions for 35 years – than men. Around 57% of women admitted to not knowing the details, compared with 43% of men. ■

Source:

[1] Research for MetLife conducted online between 21–22 May among a nationally representative sample of 2,038 adults by independent market research firm ICM.



# { QUESTION TIME }

## WHY PLANNING FOR YOUR FUTURE RETIREMENT REQUIRES ANSWERS

WE ALL LOOK FORWARD TO STOPPING WORK, EMBARKING ON A NEW PATH AND MAKING THE MOST OF OUR NEW-FOUND FREEDOM. BUT WITH ALL THE TALK AND CONCERN ABOUT DWINDLING RETIREMENT FUNDS AND OUR SHAKY ECONOMY, MANY RETIREES AND SOON-TO-BE-RETIRED BOOMERS NEED TO CONSIDER THREE VERY IMPORTANT QUESTIONS, SOONER RATHER THAN LATER.

Ask yourself these three questions when planning for your future retirement:

### 1 HOW LONG WILL I BE RETIRED FOR?

According to the Institute of Fiscal Studies, 58.5%<sup>[1]</sup> of workers haven't given any thought to how long their retirement could last. A 65-year-old can now typically expect to live for about another 20 years. That could mean you're retired for almost as long as you've been saving for retirement. Be clear when you want to stop working, but think of your pension savings as deferred pay and budget accordingly.

### 2 HOW MUCH DO I NEED TO INVEST?

Paying more into your pension may not necessarily be top of your to-do list. It's tempting to think it's something you need to worry about in the future. You need to be investing as much as you can for as long as you can to make every year count. Maximising tax allowances can also make retirement funds last longer. As well as contributing to your pension pot, you can use other savings and investments to help fund your retirement.

### 3 HOW WILL I STAY ON TRACK?

Once you're investing, it's also worth keeping sight of your retirement goals to make sure you're on track to meet them. 74% of under-45s with pensions have no idea what their pension pots are currently worth, and 79% say they don't know what income they are expecting when they retire. These figures suggest many

people don't really know the true value of their pension until they are older and in the run-up to retirement, despite the fact that they are likely to be receiving annual pension statements. You should regularly review your pension. ■

### MAKING YOUR MONEY WORK HARD FOR YOU

The earlier you start your retirement planning preparations, maintaining your progress and keeping focus on your goals, the more confident you can feel that you're making your money work hard to safeguard the life after work that you deserve. To review your current situation, please contact us.

INFORMATION IS BASED ON OUR CURRENT UNDERSTANDING OF TAXATION LEGISLATION AND REGULATIONS. ANY LEVELS AND BASES OF, AND RELIEFS FROM TAXATION ARE SUBJECT TO CHANGE.

A PENSION IS A LONG-TERM INVESTMENT. THE FUND VALUE MAY FLUCTUATE AND CAN GO DOWN. YOUR EVENTUAL INCOME MAY DEPEND UPON THE SIZE OF THE FUND AT RETIREMENT, FUTURE INTEREST RATES AND TAX LEGISLATION.

Source:

[1] All figures unless otherwise stated are from YouGov Plc. Total sample size was 2,018 adults, of which 1,361 have a pension. Fieldwork was undertaken between 9–12 August 2013. The survey was carried out online. The figures have been weighted and are representative of all GB adults (aged 18+).

