

Your financial plan



Your details

Making the most of your financial plan

This financial plan has been constructed from the information you supplied to me at our recent meeting. I have used the data to provide a picture of your current situation across all the major areas of financial planning and where appropriate to make recommendations concerning actions you should consider.

The figures shown in this report are estimated, based on the details you have provided and a series of assumptions (please refer to the section later in this document entitled 'General assumptions').

For projected returns specific to any product I have recommended, please refer to the separate Personalised Illustration provided. The Personalised Illustration has been prepared using industry standard growth rates.

Client	
Name	Mr Simon Jones
Marital status	Married

Client	
Job title	Teacher (full time)
Salary	£42,919
Private income	£0
Other income	£0
Total income	£42,919

Your status key:

No shortfall	Suitable to your needs but review on a regular basis
Information needed ?	A shortfall could exist. More information is required for an accurate assessment.
Urgent priority !	A shortfall has been identified that should be addressed as soon as possible
New Provisions	Plans/policies recommended for objectives in this review

Summary of your financial planning

At our meeting you indicated the priority you attach to the various areas of financial planning. I have constructed your plan based on these priorities however, where I consider an issue to be important, I have made recommendations which I will be pleased to discuss with you.

You also indicated that you were prepared to consider investing a lump sum of £98,000.

IMPORTANT NOW:

URGENT

Critical Illness for Mr Simon Jones

If you were to fall critically ill or, become permanently disabled, you may not have the financial protection you need.

Target: £50,000



The above chart summarises your situation including both your lifetime and liability cover needs

URGENT

Income Protection for Mr Simon Jones

Your current income protection arrangements do not provide enough cover to fully protect your income.

Target: £413 per week



IHRP	£99				
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The figures above show the requirement after 52 weeks. The shortfall displayed will be from week 53 until retirement and excludes IHRP as this may not be payable.

Payment of ESA is not included in these calculations

The figures above show the requirement after 52 weeks. The shortfall displayed will be from week 53 until retirement and excludes IHRP as this may not be payable.

Payment of ESA is not included in these calculations

NOT URGENT

Life Protection for Mr Simon Jones

Your current life assurance arrangements appear to provide sufficient cover for your present situation. If your circumstances change, you should consider contacting me to review your cover.

Capital for fund replacement



Type of cover	Target	Existing provision	New provision	Shortfall
Lump sum	£334,633	£367,631	£0	£0
Temporary income	£0 pm (0 yrs)	£0 pm (0 yrs)	£0 pm (0 yrs)	£0 pm (0 yrs)

Liability cover

Target: £0



Existing provision	£0	New provision	£0	Shortfall	£0
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URGENT

Retirement Planning for Mr Simon Jones

Your current contributions may not provide the retirement income you would like to receive.

Target: £15,688 p.a. Mr Simon Jones net income projected at retirement

Existing provision	£14,850	New provision	£0	Shortfall	£837
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Target: £11,057 p.a. Mrs Elizabeth Jones net income projected at retirement

Existing provision	£12,422	New provision	£0	Shortfall	£0
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N.B. Figures projected to first full year of retirement

NOT URGENT

Emergency Fund for Mr Simon Jones

Your savings goals appear to be fully funded.

Target: £13,894



Existing provisions	£13,894	New provisions	£0	Shortfall	£0
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N.B. Credit card values are not included in the shortfall calculation

Your teachers' benefits summary

Primary employment details

For	Mr Simon Jones
Date joined the Teachers' pension scheme	01 September 1996
Normal retirement date	60
Maximum years achievable	24
Superannuable pay	£42,919
Non-superannuable pay	£0

Benefits at retirement

Your retirement benefits can be taken between the ages of 55 and 75 but taking them before you are 60 could significantly reduce the benefits you receive. The table below describes our estimate of your occupational benefits if taken at age 55, 60 or 65.

Age	55	60	65
Pension	£8,254	£17,121	£26,089
Lump sum	£24,763	£51,364	£78,268

Benefits on death before retirement

If you die before taking your Teachers' pension scheme benefits, the pension trustees will pay a lump sum of three times your average pay. Average salary will be calculated by one of the following methods, whichever provides the highest figure:

1. The average of the best consecutive three years' re-valued salaries that have been received in the past ten years;
2. The pensionable salary received in the last 12 months of employment before the date of death.

A dependent's pension may also be payable.

All calculations are examples and are based on the information shown. If you require exact details, please contact your pension scheme administrators.

From the information you last provided, your occupational scheme would provide the following benefits.

Benefits on death before retirement	
Lump sum	£128,757
Dependants pension	£0

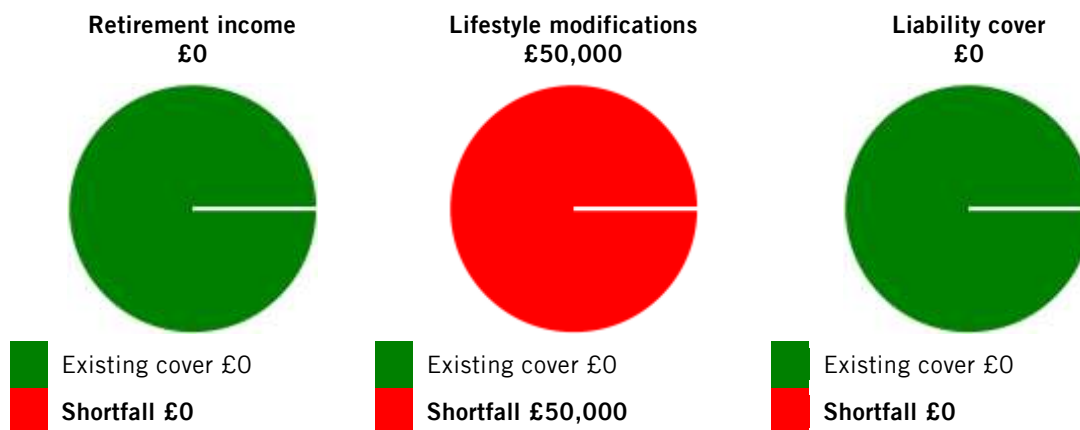
Critical Illness for Mr Simon Jones

Urgent priority!

From the information you provided, I have been able to analyse your need for protection against contracting a critical illness or, permanent disability. We identified the expenses requiring cover for the whole of your lifetime and those that exist against individual financial liabilities. We also identify the payment required to protect against the possibility of non-accrual of retirement benefits. The result of this analysis is shown in the diagrams below:

Your current position

The charts below show your current level of cover, along with any shortfall:



From the information you have provided, it appears that your current arrangements will not be sufficient to satisfy this objective.

Recommendations

I recommend that you affect new cover as follows:

New Plans

Provider Name	Product type	Amount of cover	Benefit frequency
Scottish Provident	Savings & Protection Plan	£50,000	Single

If you accept my advice and effect the cover, your overall critical illness protection would look like this:

Target: £50,000



Existing provision £0 **New provision** £50,000 **Shortfall** £0

The above chart summarises your situation including both your lifetime and liability cover needs

Income Protection for Mr Simon Jones

Urgent priority!

If a serious accident or illness stops you earning, Income Protection Insurance could ensure that you are still able to provide for yourself and your family. The figures detailed below are based on the information you provided at our meeting and contain my analysis of your current situation together with my recommendations.

Current policies

Provider	Benefit	Payment deferred period	Payment frequency	Age at termination	Termination date
Liverpool Victoria	£632	6	Monthly	60	
Liverpool Victoria	£947	12	Monthly	60	

N.B. Where a plan has no end date Age at Termination will be set to zero

Sick pay and ill health retirement pension

This table shows how the amount of income you need would compare to the amount you would receive from sick pay or, in the longer term, an ill health retirement pension (IHRP).

Weeks	Needed per week	Less sick pay	Less existing arrangements	Shortfall
0 - 26	£413.00	£550.00	£0.00	£0.00
27 - 52	£413.00	£275.00	£0.00	£138.00
53 +	£413.00	£0.00	£0.00	£413.00

The payment of ill health retirement benefit would be at the discretion of your pension scheme trustees.

From the information you have provided, it appears that your current arrangements will not be sufficient to satisfy this objective.

As your circumstances may change over the next few months, I recommend that the situation is reviewed regularly to ensure that your plans are maintained.

Recommendations

I recommend that you affect new cover as follows:

New Plans

Provider Name	Product type	Amount of cover	Benefit frequency
Unknown	Savings & Protection Plan	£1,788	Monthly

If you accept my advice and put the recommended cover into place, your overall Income Protection position will be:

The figures below show the situation after week 52 following occurrence. If there is a shortfall highlighted at the end of this period you will have insufficient ongoing cover.

Target: £413 per week

Existing provision	£0	New provision	£413	Shortfall	£0
IHRP	£99	IHRP is excluded from the shortfall calculation as may not be payable			
Payment of ESA is not included in these calculations					

Life Protection for Mr Simon Jones

No shortfall

From the information you provided at our meeting I have been able to analyse your life protection needs. These are divided into temporary, whole of life and requirements to protect your financial liabilities.

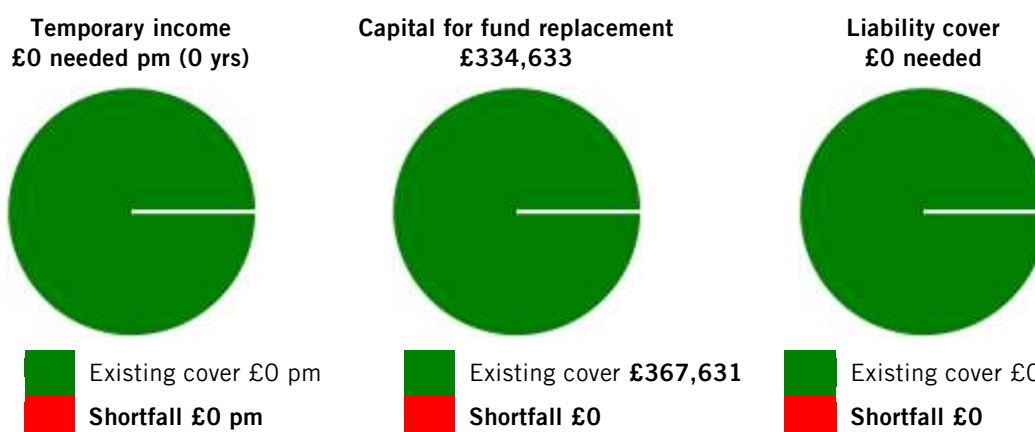
Policies protecting your life, and in the case of joint policies, that of your partner, are listed below. Policies owned by you, but protecting the life of another person are shown separately.

Existing life cover

Provider	Cover	Owner	Life assured	Objective	Type
Norwich Union	£200,000 Single	Simon Jones	Simon Jones	Ongoing Capital Required	Term Assurance
Unknown	£12,547 Single	Simon Jones	Simon Jones	Ongoing Capital Required	Additional Voluntary Contribution
Abbey Life	£12,361 Single	Simon Jones	Simon Jones	Ongoing Capital Required	Personal Pension
Standard Life	£11,464 Single	Simon Jones	Simon Jones	Ongoing Capital Required	Personal Pension
NPI	£2,502 Single	Simon Jones	Simon Jones	Ongoing Capital Required	Personal Pension
Occupational	£128,757	Simon Jones	Simon Jones	Death in Service	

Your position

The charts below show your current level of cover, along with any shortfall:



From the information you have provided, it appears that you have sufficient arrangements in place to satisfy this objective.

As your circumstances may change over the next few months, I recommend that the situation is reviewed regularly to ensure that your plans are maintained.

Summary of your liabilities

Making the most of your financial plan

Loans

Mr Shaun Mark - none recorded

Other debt

Mr Shaun Mark - none recorded

General assumptions

Within this report the following general assumptions have been made when performing the calculations:

General assumptions

Growth rates	
Retail price inflation (RPI)	2.50 %
Salary increases (NAEI)	4.50 %
Investment return	7.00 %
Investment return – property	7.00 %
Reduction in yield	1.50 %
Analysis assumptions	
End analysis when younger individual is aged	100

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