

Client:

60 year old male working full time, no debts but a variety of savings, investments and pensions held, which have not been reviewed for some time. A good understanding of investments, however being time poor was keen to obtain professional advice and was assessed by us, as having a medium attitude to investment risk, which the client concurred with.

Client Objectives:

My client was seeking a general review of all of his finances, including reviewing his existing savings, investments and pensions. My client wanted to reduce his hours at work, but continue to receive the same income in order to pay for overseas holidays which he would have more time for.

Advice:

We began by looking at my client's income and outgoings and how much would need to be replaced in the event of him reducing his working hours. We recommended drawing benefits from one of his pension schemes which would create a fixed income to replace the income lost from reducing his working hours. A flexible retirement drawdown plan was selected, ensuring that the regular income was paid free of tax. We then reviewed his existing investments and as he had built up an ISA portfolio of £100,000, moved the holdings to income distributing, ensuring further tax free income of almost £4,500 pa. The remaining pensions were earmarked to provide additional guaranteed income, increasing in line with inflation. We then invested some of the surplus tax free cash for capital growth that was not needed for the next five years enabling the ISA Allowance for this tax year to be fully utilised.

Outcome:

The client has reduced his hours at work with no change to his income and now has a portfolio of investments and pensions more in line with his attitude to risk and investment aims. We will regularly review his investments in accordance to his service agreement with Investment Solutions to enable him to meet his financial planning goals each year.