



This review has been prepared for
Mr & Mrs Client

By Myers Davison Ginger Limited
On 14 April 2015

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Introduction: Financial Planning

The aim of the financial planning process is to help you reach your financial objectives. The outcome of this process is to have a financial plan that will manage your investments efficiently and effectively, so that you can maintain a desired lifestyle.

Financial planning gives consideration to the wealth creation, wealth distribution and wealth protection strategies required to meet your financial objectives.

Financial Objectives

You have a number of financial objectives, which you have prioritised as follows –

INVESTMENTS - advice on investing funds to obtain growth, income or both
RETIREMENT - to plan for a realistic level of income in retirement
CRITICAL ILLNESS COVER - a lump sum upon diagnosis of a critical illness
INCOME PROTECTION - to provide income if you cannot work due to illness
INHERITANCE TAX - to look at the mitigation of inheritance
LEGAL WILL - to ensure your estate passes as per wishes
LIFE ASSURANCE - a lump sum in the event of premature death
LONG TERM CARE - planning for nursing or residential care costs
MORTGAGE FINANCE - advice on residential mortgages
MORTGAGE PROTECTION - to repay debts in the event of death or CIC
POWER OF ATTORNEY - arranging a power of attorney
PRIVATE MEDICAL INS - to provide medical care outside the NHS
REGULAR SAVING - to set aside funds on a regular basis
xGPP RISK ADVENTUROUS
xGPP RISK BALANCED
xGPP RISK CAUTIOUS

Financial Planning Report

The starting point is to create a profile of you. This is achieved by collecting information about your personal circumstances and current financial situation. From this, we will create a financial plan that will analyse your financial arrangements and identify the cost of your desired lifestyle (including consideration for any disasters which may arise).

Recommendations will then be made as to how your finances can be utilised. This will cover your assets, investments, liabilities and income. The way in which you spend your money is also a vital aspect of the analysis. Therefore, a review of your expenditure in both the short-term and over the long-term will help to establish how robust the overall financial plan is.

The final aspect of the plan is to ensure the distribution of assets on death in accordance with your wishes.

Once the plan is set, we will also help you review it on a regular basis, to track progress and to identify the effects of changed circumstances.

Note

This report is based on information disclosed by you and recorded in the Financial Review Form. Please read through the report and should you discover any omissions or anomalies, please notify us.

You may feel that in some areas of the financial plan that generalisations have been made. Please let us know if you wish to invest further time in identification and analysis of finer detail.

Important Assumptions in your plan

You will find at the back of this report a complete breakdown of the data upon which this report is based as well as all assumptions used in the plan. However, there are a number of key assumptions which have great impact on the plan, these are as follows –

Future Inflation (RPI) and Earnings Growth (NAE)

As the plan is based on your income and expenditure, then the growth rates assumed for future price inflation and future earnings growth has the most impact on the financial plan. It is possible to model with you the effect of variations to inflation and earnings growth, but ultimately this plan has to be based on a single set of agreed assumptions. The assumptions we have chosen are that inflation will grow at 2.5% per annum and your earnings will grow at 4.0% per annum.

Investment Growth Assumptions

In order to differentiate between different types of asset, the plan allows eight different investment returns for eight different asset classes. The classes and assumptions used are –

Asset	Growth Rate
Main Residence	5.0%
Other Assets	No growth
Business Interests	6.0%
Pension Funds	7.0%
Other Property	5.0%
Investments (Tax Free)	7.0%
Investments (Taxed)	6.0%
Cash Investments	2.5%

In addition, separate assumptions have been set for the growth of school fees (6.0% per annum), cost of temporary borrowing (6.0% per annum) and a reduction in yield to take account of charges on taxed and tax free investments of 1.0% per annum.

Readily Realisable Assets

This plan is based on your invested assets such as Pensions, Investments and Cash. Other Assets can be drawn upon to provide loan security if there are periods of borrowing required in order to meet with your objectives, but they are not specifically included within the cash flow.

Period Addressed by the plan

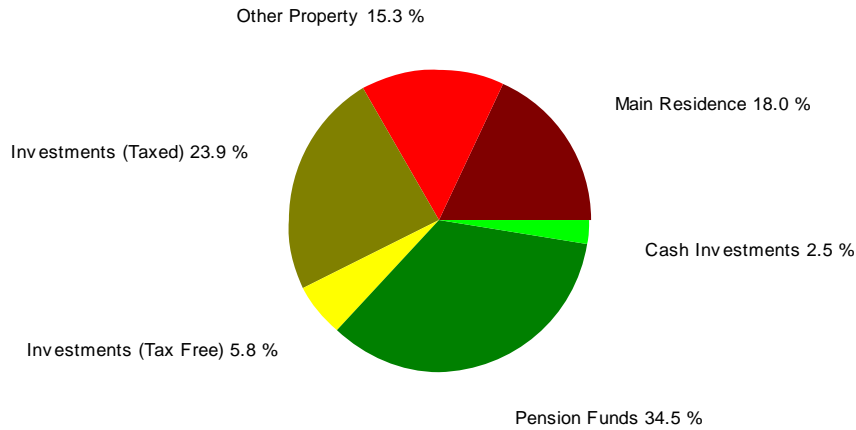
The longer you live and the earlier you retire, the longer you will be drawing on your capital built up during employment. For the purposes of this plan we have assumed you both survive until Mr Client is aged 100. We have assumed Mr Client retires at 60 and Mrs Client retires at 65.

As with all aspects of the plan, the assumptions should be reviewed from time to time if it becomes sensible to do so.

Section 1: Your current net worth – Assets and Liabilities

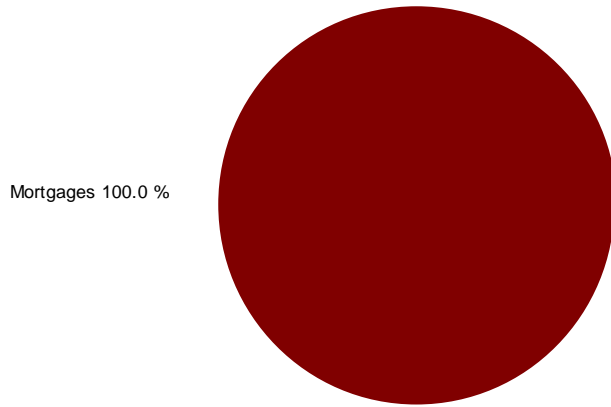
This section provides a summary of your assets and liabilities broken down into their major assets classes.

Assets



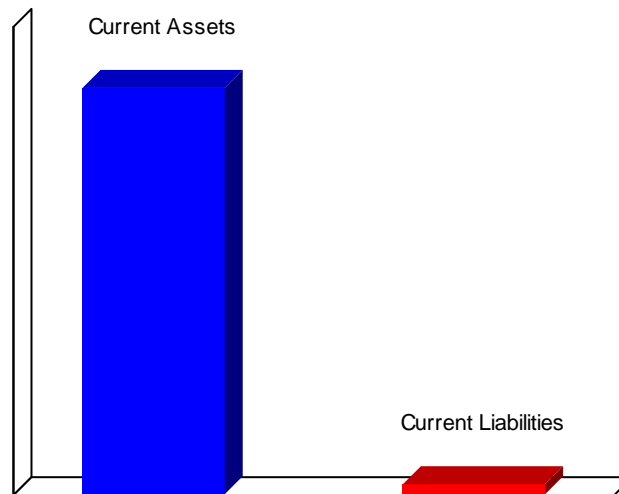
	Totals	Percentage
Main Residence	£650,000	18.0 %
Other Property	£550,000	15.3 %
Investments (Taxed)	£862,513	23.9 %
Investments (Tax Free)	£207,955	5.8 %
Pension Funds	£1,244,850	34.5 %
Cash Investments	£89,257	2.5 %
	£3,604,574	100.0 %

Liabilities



	Totals	Percentage
Mortgages	£80,000	100.0 %
	£80,000	100.0 %

Net Worth



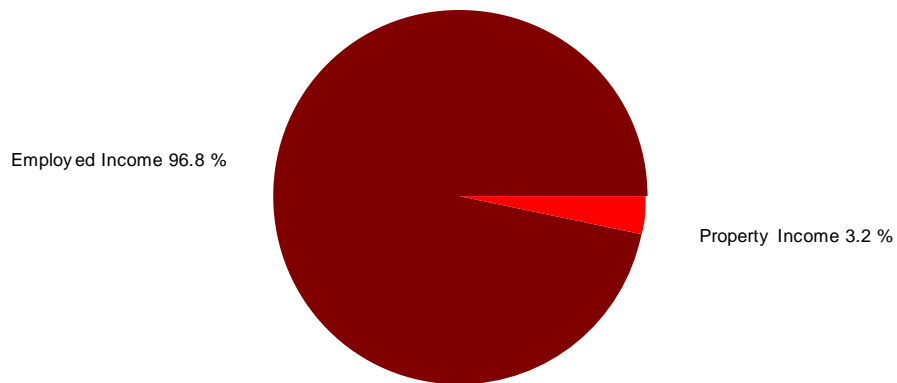
	Totals
Current Assets	£3,604,574
Current Liabilities	(£80,000)
Net Worth	£3,524,574

Your net worth is the difference between the value of what you own and the total amount that you owe. It's the amount of cash you'd have if you sold everything and paid off all your debts today. It's a good measure of how wealthy you are. Knowing your net worth is important as a first step in setting your financial goals, and building your financial plan.

Section 2: Income and Expenditure Planning

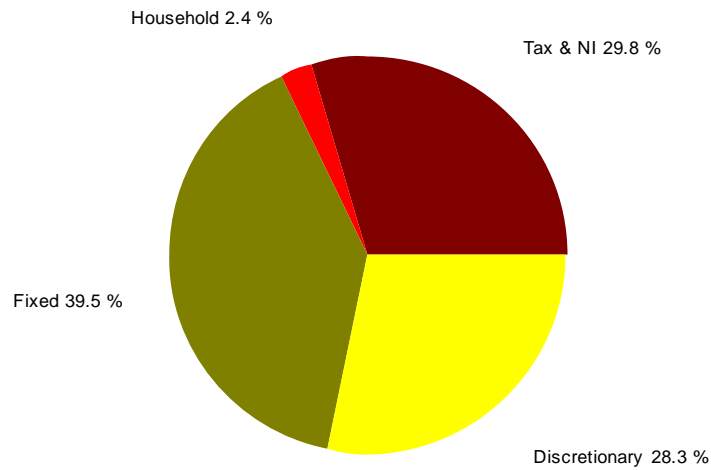
The objective of this section is to produce a summary of your income and expenditure, to calculate the current income tax liability, to enable us to reduce that liability if possible, and to ensure that your expenditure does not exceed your income.

Income



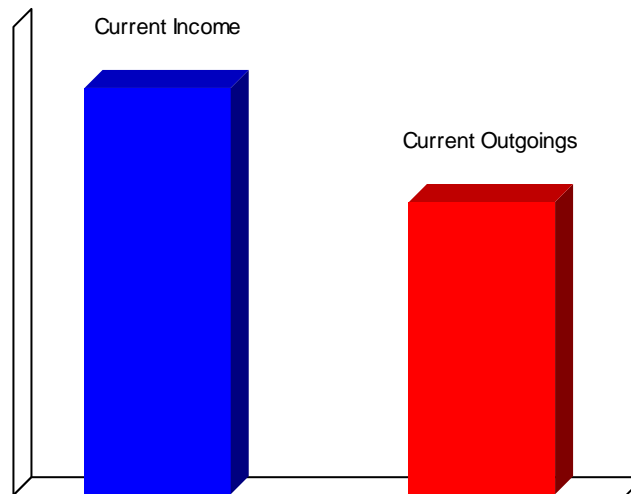
	Totals	Percentage
Employed Income	£179,000	96.8 %
Property Income	£5,976	3.2 %
	£184,976	100.0 %

Expenditure



	Totals	Percentage
Tax & NI	£55,059	29.8 %
Household	£4,524	2.4 %
Fixed	£72,997	39.5 %
Discretionary	£52,396	28.3 %
	£184,976	100.0 %

Surplus of Income over Expenditure



	Totals
Current Income	£184,976
Current Outgoings	£132,580
Discretionary Expenditure	£52,396

The discretionary expenditure shown is the difference between your total income and the expenditure you have specified on the factfind. The difference can be down to one of the following -

You may not have analysed all your expenditure, so part or all of this amount may be additional expenditure that you should take account of within the cash flow. It may be surplus income, which is available for investment.

None of this discretionary expenditure is included in the cash flow as unspecified expenditure.

Section 3: Lifetime Cash flow Forecast

Utilising a lifetime cash flow forecast analyses your income and expenditure profile over the long-term and given the assumptions specified, it will identify whether a lifestyle can be maintained and financial goals are achievable. If not, funds will be exhausted by the end of the period.

By reviewing income and expenditure alongside investment returns, the required performance of the investment portfolio can also be ascertained.

From this analysis, the financial plan will identify whether cash inflows should be increased or cash outflows be reduced.

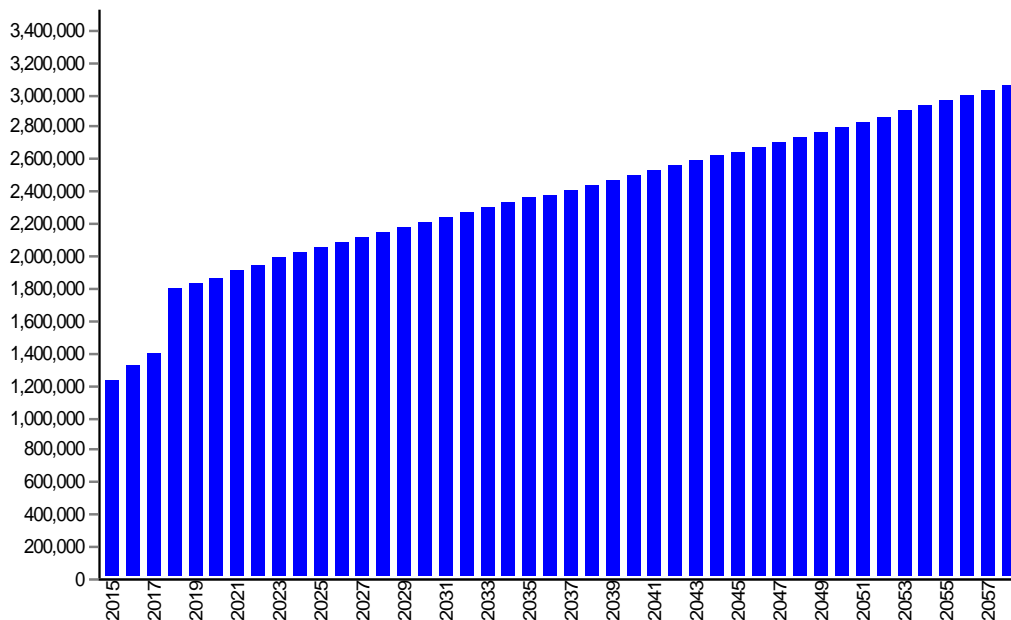
For details of the assumptions underlying the following forecast please refer to Appendix A at the end of this plan.

Life Time Cash Flow Position

For the purposes of this plan we have assumed you both survive until Mr Client is aged 100. We have assumed Mr Client retires at 60 and Mrs Client retires at 65.

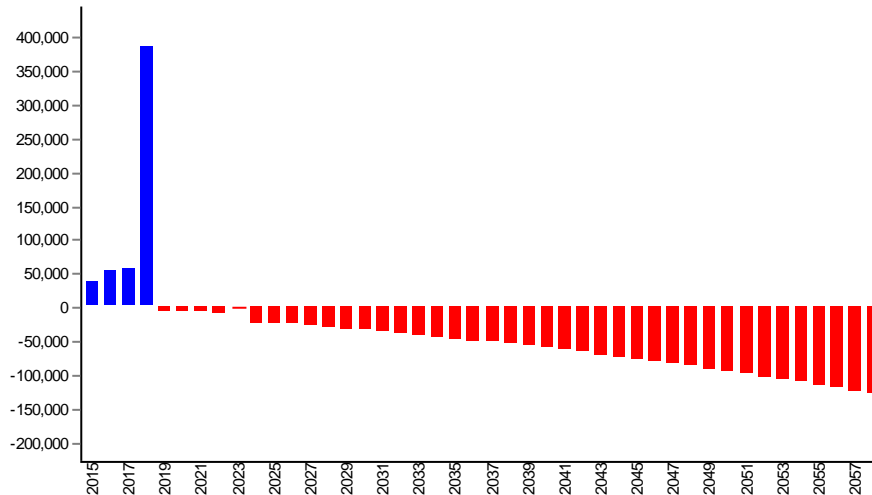
Life Time Cumulative Cash Flow

The chart below shows your cumulative financial position at the end of each year based on the income and expenditure information that has been provided.



Life Time Financial inflows and outflows

This chart is used to highlight years where significant shortfalls or surplus of income occur.



Life Time Forecast Details

The spreadsheet below shows the year-by-year breakdown of income versus expenditure and the carried forward position at the end of each year.

Year	Capital b/fwd (£)	Total Inflows (£)	Total Outflows (£)	Capital c/fwd (£)	Capital c/fwd (Today's Money) (£)
2015	1,150,472	176,980	98,582	1,228,870	1,228,870
2016	1,228,870	251,684	135,804	1,344,750	1,311,951
2017	1,344,750	264,926	139,970	1,469,705	1,398,886
2018	1,469,705	591,841	130,942	1,930,604	1,792,757
2019	1,930,604	206,522	117,965	2,019,161	1,829,260
2020	2,019,161	213,197	120,676	2,111,682	1,866,419
2021	2,111,682	220,181	123,465	2,208,398	1,904,295
2022	2,208,398	227,490	126,335	2,309,553	1,942,947
2023	2,309,553	235,263	118,876	2,425,940	1,991,082
2024	2,425,940	216,417	120,400	2,521,957	2,019,402
2025	2,521,957	226,732	124,095	2,624,593	2,050,328
2026	2,624,593	232,864	126,576	2,730,881	2,081,327
2027	2,730,881	238,694	129,119	2,840,457	2,112,038
2028	2,840,457	244,710	131,725	2,953,441	2,142,487
2029	2,953,441	250,919	134,397	3,069,963	2,172,696
2030	3,069,963	257,327	137,136	3,190,154	2,202,691
2031	3,190,154	263,943	139,943	3,314,155	2,232,497
2032	3,314,155	270,775	142,820	3,442,109	2,262,137
2033	3,442,109	277,831	145,769	3,574,172	2,291,637
2034	3,574,172	285,121	148,792	3,710,501	2,321,021
2035	3,710,501	292,654	151,891	3,851,264	2,350,314
2036	3,851,264	300,439	155,067	3,996,636	2,379,542
2037	3,996,636	308,487	158,322	4,146,801	2,408,730

Financial Plan

Year	Capital b/fwd (£)	Total Inflows (£)	Total Outflows (£)	Capital c/fwd (£)	Capital c/fwd (Today's Money) (£)
2038	4,146,801	316,808	161,659	4,301,950	2,437,903
2039	4,301,950	325,415	165,079	4,462,286	2,467,088
2040	4,462,286	334,318	168,584	4,628,020	2,496,310
2041	4,628,020	343,531	172,177	4,799,374	2,525,597
2042	4,799,374	353,066	175,860	4,976,580	2,554,975
2043	4,976,580	362,938	179,636	5,159,882	2,584,470
2044	5,159,882	373,161	183,506	5,349,537	2,614,111
2045	5,349,537	383,749	187,472	5,545,814	2,643,926
2046	5,545,814	394,720	191,538	5,748,996	2,673,943
2047	5,748,996	406,089	195,705	5,959,379	2,704,191
2048	5,959,379	417,874	199,976	6,177,277	2,734,699
2049	6,177,277	430,095	204,355	6,403,018	2,765,498
2050	6,403,018	442,770	208,842	6,636,946	2,796,617
2051	6,636,946	455,921	213,442	6,879,424	2,828,088
2052	6,879,424	469,568	218,156	7,130,836	2,859,943
2053	7,130,836	483,735	222,989	7,391,582	2,892,214
2054	7,391,582	498,445	227,942	7,662,084	2,924,935
2055	7,662,084	513,724	233,020	7,942,789	2,958,138
2056	7,942,789	529,599	238,225	8,234,163	2,991,858
2057	8,234,163	546,098	243,559	8,536,702	3,026,131
2058	8,536,702	563,249	249,027	8,850,925	3,060,994

Section 4: Investment Strategy

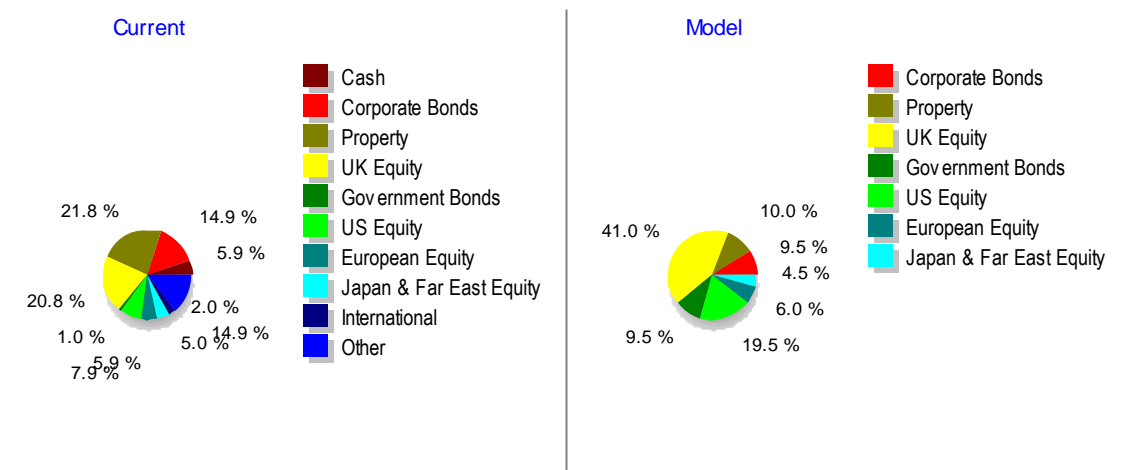
We view the most important strategy towards your investment is balancing the asset allocation of your portfolio to provide for the maximum returns within your risk tolerance.

Your attitude to risk and loss

Unfortunately, there is no single investment that will give you high tax free income with high tax free capital growth and total accessibility at any time, all without risk of financial loss. Risk is typically linked to investment potential. In order to gain above average investment returns, the investor must accept above average risk.

You understand also that investments may go down as well as up and that past performance is no guarantee of future performance.

Shown below is your recommended portfolio model based on your risk profile.



Asset Class	Portfolio Value	%	Change (+/-)	Recommended Value	%
Cash	£164,551	5.6 %	(£164,551)	-	-
Corporate Bonds	£436,433	14.9 %	(£158,052)	£278,381	9.5 %
Property	£658,259	22.5 %	(£365,227)	£293,032	10.0 %
UK Equity	£605,569	20.7 %	£595,863	£1,201,432	41.0 %
Government Bonds	£19,263	0.7 %	£259,118	£278,381	9.5 %
US Equity	£235,337	8.0 %	£336,076	£571,413	19.5 %
European Equity	£177,012	6.0 %	(£1,193)	£175,819	6.0 %
Japan & Far East Equity	£136,047	4.6 %	(£4,182)	£131,865	4.5 %
International	£47,227	1.6 %	(£47,227)	-	-
Other	£450,624	15.4 %	(£450,624)	-	-
	£2,930,322				

Section 5: Estate Planning

Your current estate and the inheritance tax potentially payable thereon, is set out in this section. The analysis assumes that you have both made valid wills, leaving assets to each other and then to your children. However should you die without a valid will, the rules of intestacy will apply.

Intestacy rules under English Law

Beneficiaries	Distribution of Estate
Spouse but no children	The surviving spouse is entitled to the personal chattels and the entire estate
Spouse and children	The surviving spouse is entitled to The first £250,000 (with interest until payment) The personal chattels: and Half of the remaining state absolutely. The other half of the remaining estate passes to the children immediately, or is held in trust for them until age 18
Children but no spouse	Estate divided equally amongst children
No spouse and no children	<ul style="list-style-type: none"> • All estate to parents • If none, all to brothers, sisters and children of deceased brothers and sisters • If none, all to half brothers, sisters and children of deceased half brothers and sisters. • If none, all to grandparents • If none, all to uncles and aunts and children of deceased uncles and aunts • If none, all to half uncles and aunts and children of deceased half uncles and aunts • If none, all to the Crown

Estate Planning, Inheritance & Trusts

	Client	Partner
Have you made a will?	Yes	Yes
If Yes, what are the main provisions?	-	-
On what date was it made	-	-
Does it reflect your current wishes	Yes	Yes
Where is the will kept?	-	-
Are you expecting any inheritance of any kind?	No	No
If yes, please give details	-	-

Appendix A: Asset and Liability Breakdown

Assets

Asset	Breakdown	Value
Main Residence	Home	£650,000
Other Property	Croydon	£375,000
	Spain	£160,000
	Time Share	£15,000
Investments (Taxed)	Jan 2016 432 shares	£9,252
	Brooks Mac BPS PON	£547,586
	Brooks Mac BPS PON	£305,675
Investments (Tax Free)	Brooks Mac BPS ISA (S&S)	£110,248
	Brooks Mac BPS ISA (S&S)	£97,707
Pension Funds	L&G S32	£52,093
	Company AVC	£50,434
	Curtis Ban SIPP DRAWDOWN	£1,142,324
Cash Investments	Nat West CURR ACC	£2,428
	Santander DEP ACC	£85,000
	Transact GIA DEP ACC	£7
	Barcl Bnk DEP ACC	£1,822
		£3,604,574

Liabilities

Liability	Breakdown	Balance
Mortgages	SVR	£80,000
		£80,000

Appendix B: Income and Expenditure Breakdown

Income

Income	Breakdown	Value
Employed Income	XYZ Construction	£136,500
	London College	£42,500
Property Income	Croydon	£5,976
		£184,976

Expenditure

Expenditure	Breakdown	Value
Tax & NI	Client Income Tax	£44,003
	Partner Income Tax	£7,179
	Partner National Insurance	£3,877
Household	Council Tax	£2,400
	Council Tax	£1,992
	Council Tax	£120
	SVR	£12

Financial Plan

Expenditure	Breakdown	Value
Fixed	Unknown B&C	£384
	Unknown B&C	£396
	Unknown B&C	£120
	Local Gov FINAL SALARY	£1,789
	Prudential AVC	£1,440
	Books / Magazines / Subscriptions -	£168
	Clothing -	£3,600
	Personal Communication -	£300
	Dentist -	£180
	Optician -	£300
	Other Practioners -	£780
	Birthday Presents -	£1,992
	Charitable Donations -	£960
	Christmas Presents -	£1,992
	Groceries -	£10,200
	Clothing -	£600
	Cosmetics / Personal Care -	£180
	Cosmetics / Personal Care -	£3,720
	Personal Communication -	£420
	Vehicle Servicing / MOT -	£420
	Vehicle Tax -	£120
	Vehicle Insurance -	£480
	Fuel -	£1,200
	Rail Fares -	£600
	Rail Fares -	£1,440
	Books / Magazines / Subscriptions -	£144
	Cinema / Theatre -	£780
	Restaurants -	£5,160
	Sports Club -	£1,260
	Other Club -	£1,500
	Holidays -	£14,400
	TV Subscriptions -	£960
	Birthday Presents -	£480
	Charitable Donations -	£180
	Christmas Presents -	£480
	Cleaning - Cleaning	£2,580
	Electricity - Electricity	£360
	Electricity - Electricity	£1,200
	Electricity - Electricity	£744
	Gas - Gas	£744
	General Communications - General Communications	£480
	Housekeeper - Housekeeper	£1,200
	Maintenance - Maintenance	£600
	Service Charge - Service Charge	£5,496
	TV licence - TV licence	£144
	TV licence - TV licence	£144
	Water - Water	£180
Discretionary	Tax & NI	£55,059
	Household	£4,524
	Fixed	£72,997
	Discretionary	£52,396
	Total (Including Discretionary)	£184,976

Appendix C: Assumptions

	Mr Client	Mrs Client
Retirement Age	60	65
Pension Escalation	0.0%	0.0%
Five Year Guarantee	No	No
Spouses Percentage	0.0%	0.0%
Qualify for SERPS?	No	No
Scenario Ends at Age	100	
Liquidity Threshold	£25,000	
Growth Rate Assumptions		
Main Residence		5.0%
Other Assets		No growth
Business Interests		6.0%
Pension Funds		7.0%
Other Property		5.0%
Investments (Tax Free)		7.0%
Investments (Taxed)		6.0%
Cash Investments		2.5%
Other Growth Rate Assumptions		
Retail Price Index		2.5%
National Average Earnings Index		4.0%
School Fees Inflation		6.0%
Cost of Borrowing		6.0%
Reduction in Yield		1.0%
Business Sale Assumptions		
Sale Date		
Sale Percentage		100.0%
Realised		75.0%
Tax Rate		10.0%
Stop Dividends?		Yes
Other Assumptions		
Double count IHT Threshold		Yes
ISA Assumptions		
Use ISA Allowance?		No
ISA Allowance		£15,240
Growth Rate		0.0%
Stop Allowance On		
Special Objectives		
Description		
Price		
Date		

Use A Loan	No
Loan Amount	
Interest Rate	0.0%
Term	-
Basis	Repayment
Monthly Amount	
Add Value	Other Property