

Case 9 Icon

Mr: 01/12/1961 Mrs 03/12/1964

Mr earns £360k pa salary as an executive at Toyota
Mrs has rental income from property portfolio

Cash
£340k in bank (joint)

Investments
Mr ISA - £260k – max every year.
Mrs ISA - £140k – max every year.

Pensions
Mr Toyota Pension - £640k. £10k pa ER contributions (TAA)
Mrs SIPP £130k - £7,200 gross contributions each year

DB Pension - £34k pa from age 65 plus £102k PCLS - Actuarial reduction 7%

Protection
Mr Income Protection: £8k pm to age 65 - £300 pm

Property
Main Residence £1.2m. No mortgage. Bought for £720k.

2 x BTL – Mrs name only:

1: £400k, cost 200k £150k interest-only mortgage (2.2%), £15,600 rental, 2k expense
2: £520k, cost 250k £180k interest-only mortgage (2.2%), £20,400 rental income 3k expenses

Current lifestyle expenditure = £9k pm.

Has always planned to continue working until 65 however has recently considered retiring earlier at age 60. Expecting an Inheritance in next 10 years of circa £500k.

Questions/issues/concerns/planning opportunities

What if:

Offered £1.1 million, DB transfer.