

P R O T E C T Y O U R

L I F E S T Y L E



For Kenneth Smith

Presented by:

Chris Smith

Phone: 01473 487611

Email: chris.smith@langham-associates.co.uk

Table of Contents

Important Notes	1
Protecting Family Lifestyle	3
Your Current Situation	4
Long-Term Care	5
Financial Needs Summary	11
Confirmation of Facts	12
Assumptions Section	14

This is a sample report
for information purposes
only.

Important Notes

This report illustrates your financial lifestyle, or your hypothetical cash flow and its effects on your net worth. This analysis provides only broad, general guidelines, which may be helpful in shaping your thinking about your planning needs. It can serve as a guide for discussions with your professional advisers. The quality of this analysis is dependent upon the accuracy of data provided by you. Calculations contained in this analysis are estimates only.

Actual results may vary substantially from the figures shown. All rates of return are hypothetical and are not a guarantee of future performance of any asset, including insurance or other financial products. All inflation rates are estimates provided by you.

This analysis contains very specific computations concerning the value of your assets today. These computations are based on assumptions you provided concerning the value of your assets today and the rate at which the assets will appreciate. These assumptions must be carefully reviewed for their reasonableness. These assumptions are only a "best guess". The actual values, rates of growth, and tax rates may be significantly different from those illustrated. The actual taxes due may be significantly greater or smaller than those illustrated. No guarantee can be made regarding values and taxes when actual appreciation rates and tax rates cannot be known at this time.

For illustrative purposes, many assumptions must be made concerning the sale of properties or the change of property ownership. These are for illustrative purposes and not to be considered as legal advice; only your solicitors or legal counsel should provide such advice. No legal or accounting advice is being rendered either by this report or through any other oral or written communications. Please discuss legal and accounting matters directly with your advisers in each of those areas. Because your planning concerns and goals may change in the future, periodically monitoring actual results and making appropriate adjustments are essential components of your programme. Annual updating allows a year of estimated values to be replaced with actual results and can be very helpful in your determining whether your plans are on your desired course.

Strategies may be proposed during the course of planning, including the acquisition of insurance and other financial products. When this occurs, additional information about the specific product (including a prospectus, if required) will be provided for your review.

This is a sample report
for information purposes
only.

Protecting Your Family's Lifestyle

When you think of protection, you think of your family. You think about protecting the lifestyle you have and are continuing to build together. Protection is best achieved through preparation. The following report uses the information you have shared—your assets, your wishes, and your thoughts about the future.

This report uses estimated calculations based on this information so that you can better consider your options. Of course, the actual results may vary substantially from the figures shown. There are many areas of protection for your lifestyle. This report just considers the following:



Immediate Cash Needs if Death Occurs



Long-Term Care

Immediate Cash Needs if Death Occurs

Life can be unpredictable. If something were to happen to you, would your family have the ability to pay the expenses associated with your death? These expenses are immediate cash needs such as funeral expenses, legal fees, taxes, mortgages, and debts.

Long-Term Care

Long-term care, whether it is nursing home or home health care, depletes your accumulation of wealth. The extremely high costs associated with these types of care are seldom covered by regular health insurance. Assets intended for retirement are often used to cover these expenses.

Your Current Situation

Total Net Worth Today: £772,633

Your Assets:	£772,633
Your Liabilities:	- £0
Your Net Worth Today:	£772,633

Your financial lifestyle is determined by (a) your financial goals and desires and (b) your saving and spending habits. This analysis examines your current assets and liabilities, reviews the cash flow necessary for you to maintain your lifestyle, and then shows you the results or consequences of various scenarios. Below is a summary of your current financial situation.

Your Assets

Liquid Assets	£297,633
Barclays Current (Joint)	£3,200
NS & I retirement bond Ken (Kenneth)	£10,000
N S & I retirement bond Rita (Rita)	£10,000
N S & I saver (Joint)	£36,000
Nucleus ISA (Kenneth)	£142,333
Nucleus ISA Rita (Rita)	£96,100
Residence	£475,000
Main home (Joint)	£475,000
Total	£772,633

Your Liabilities

Total	£0
--------------	-----------

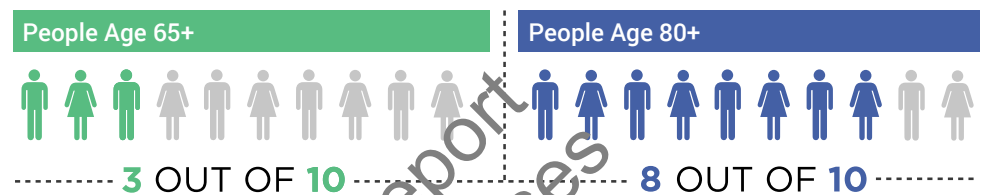
What if You Need Long-Term Care?

Planning for long-term care means thinking ahead and being prepared for the consequences of needing long-term care. While almost all people face long-term care at some point in their lives, few adequately consider its financial burden.

Odds of Needing Long-Term Care

The possibility of needing long-term care is one of the greatest threats to your personal well-being, financial goals and financial security. As people live longer, these odds are likely to increase.

Who Will Need Long Term Care?¹



Your Possible Cost²

- If Kenneth had a nursing home stay at age 70, the expected cost could be £46,829.
- If Rita had a nursing home stay at age 70, the expected cost could be £45,687.



£38,376

Average annual cost for a nursing home stay.³



6.5%

Average national increase in cost of long-term care.³

Paying for Long-Term Care

The State—The government will pay for nursing care services but only after your assets have been depleted.

- Use Retirement Savings—Will you risk your life-long savings? Will you run out of money?
- Depend on Family—What will be the total impact on your family?

¹ Office of National Statistics.

² Based on the general inflation rate of 2.50%.

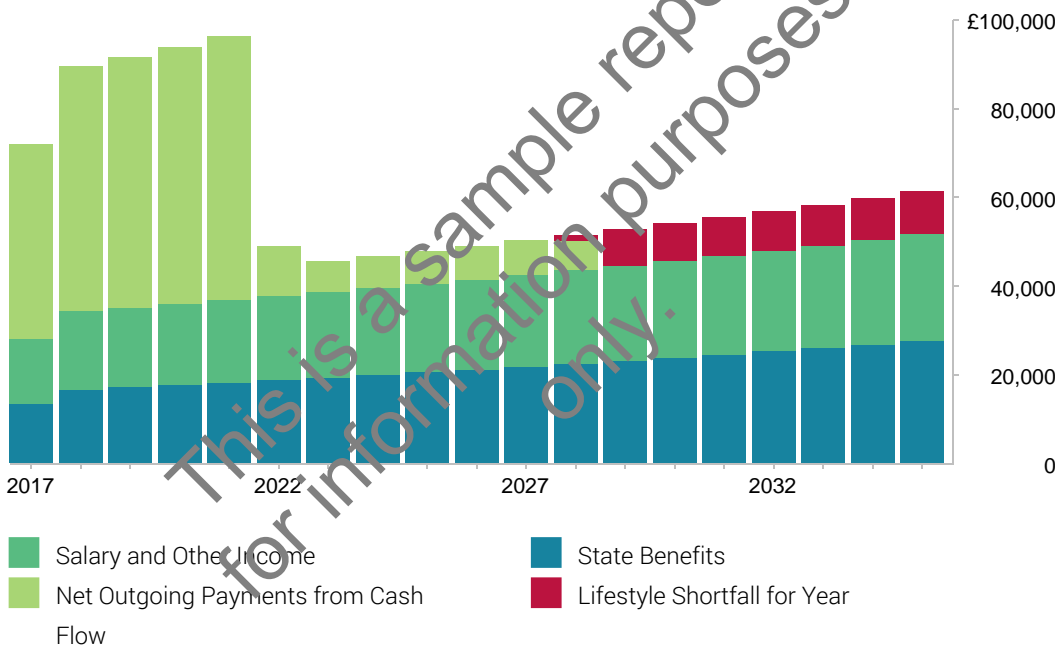
³ Care of Elderly People UK Market Survey 2013/14 by Laing and Buisson

What if Kenneth Needs Long-Term Care

Lump Sum to Provide Total Amount Needed Today: ¹	Period Considered	Remaining Need for Just this Period	Amount Needed Today to Fund through Period
£30,146	Healthy Years after LTC (2023-2036)	£30,146	£30,146

Long-Term Care Annual Needs

This illustration assumes that Kenneth has a nursing home stay starting at age 74 and ending after 5 years. Costs are estimated based on median costs today increased for the general inflation rate. Costs are estimated based on the average costs today in the current county of residence increased by the general inflation rate.



Don't let an unexpected expense ruin your plans

¹ Estimated lump sum needed today, invested at 5%, to provide for total shortfalls.

Kenneth's Long-Term Care Details

This illustration assumes that Kenneth has a nursing home stay starting at age 74 and ending after 5 years.

Costs are estimated based on average costs today increased for the general inflation rate.

Year	OUTGOING PAYMENTS			EXPECTED INCOME		ASSETS		
	Living Expenses ¹	Education & Spending Goals	Tax Payments & Deductions	Salary & Other Income	State Benefits ²	Payments from Available Assets	Shortfall ³	Net Worth ³
2017	£71,000	£0	£1,083	£14,500	£13,490	£44,093	-	£752,582
2018	87,354	0	2,207	17,700	16,673	55,188	-	725,312
2019	89,563	0	2,228	18,008	17,173	56,610	-	695,453
2020	91,827	0	2,250	18,323	17,689	58,066	-	662,863
2021	94,149	0	2,272	18,646	18,219	59,556	-	627,396
2022	46,748	0	2,295	18,977	18,766	11,300	-	639,656
2023	43,306	0	2,318	19,316	19,328	6,978	-	656,947
2024	44,417	0	2,341	19,664	19,909	7,185	-	674,873
2025	45,557	0	2,364	20,021	20,506	7,394	-	693,527
2026	46,726	0	2,388	20,386	21,121	7,607	-	712,943
2027	47,926	0	2,413	20,761	21,755	7,822	-	733,158
2028	49,156	0	2,437	21,145	22,407	6,714	1,326	754,209
2029	50,418	0	2,462	21,539	23,080	0	8,262	776,168
2030	51,713	0	2,487	21,942	23,772	0	8,486	799,113
2031	53,041	0	2,513	22,356	24,485	0	8,713	823,087
2032	54,403	0	2,539	22,789	25,220	0	8,943	848,139
2033	55,801	0	2,566	23,241	25,976	0	9,176	874,318
2034	57,234	0	2,593	23,859	26,756	0	9,411	901,675
2035	58,705	0	2,641	24,116	27,558	0	9,672	930,243

¹ Basic expenses, loan payments, and retirement contributions.

² State retirement benefits start at age listed in Assumptions.

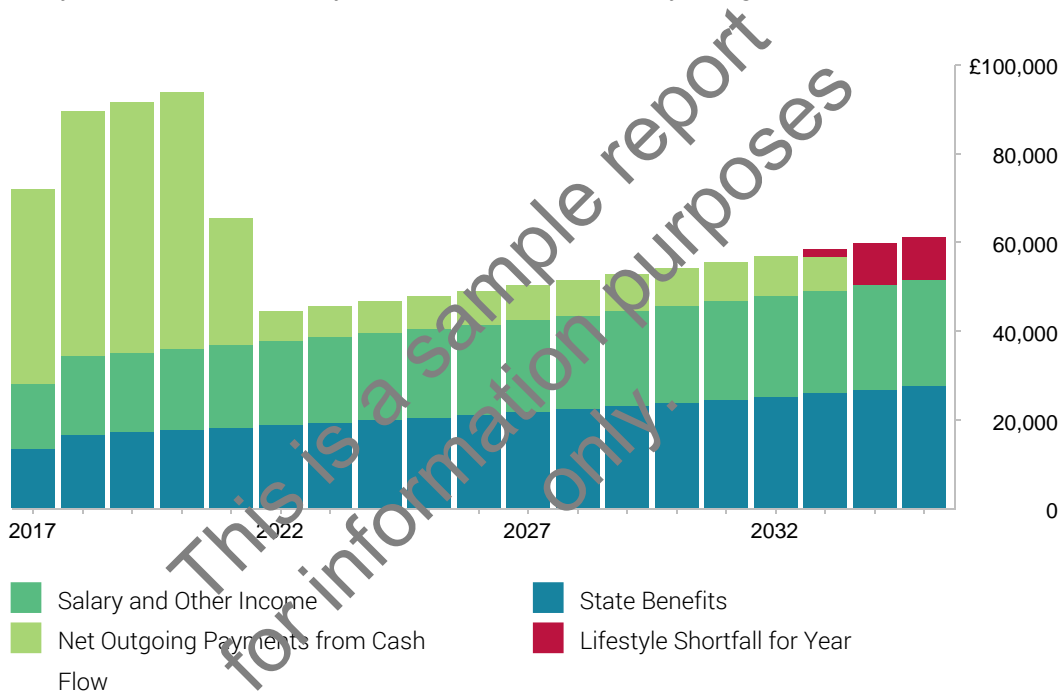
³ The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated "Do Not Use," or restricted are not considered available.)

What if Rita Needs Long-Term Care

Lump Sum to Provide Total Amount Needed Today: ¹	Period Considered	Remaining Need for Just this Period	Amount Needed Today to Fund through Period
£8,638	Healthy Years after LTC (2022-2036)	£8,638	£8,638

Long-Term Care Annual Needs

This illustration assumes that Rita has a nursing home stay starting at age 72 and ending after 5 years. Costs are estimated based on median costs today increased for the general inflation rate. Costs are estimated based on the average costs today in the current county of residence increased by the general inflation rate.



Don't let an unexpected expense ruin your plans

¹ Estimated lump sum needed today, invested at 5%, to provide for total shortfalls.

Rita's Long-Term Care Details

This illustration assumes that Rita has a nursing home stay starting at age 72 and ending after 5 years. Costs are estimated based on average costs today increased for the general inflation rate.

Year	OUTGOING PAYMENTS			EXPECTED INCOME		ASSETS		
	Living Expenses ¹	Education & Spending Goals	Tax Payments & Deductions	Salary & Other Income	State Benefits ²	Payments from Available Assets	Shortfall ³	Net Worth ³
2017	£71,000	£0	£1,083	£14,500	£13,490	£44,093	-	£752,582
2018	87,354	0	2,207	17,700	16,673	55,188	-	725,312
2019	89,563	0	2,228	18,008	17,173	56,610	-	695,453
2020	91,827	0	2,250	18,323	17,689	58,066	-	662,863
2021	63,242	0	2,272	18,646	18,219	28,649	-	658,613
2022	42,222	0	2,295	18,977	18,766	6,774	-	676,700
2023	43,306	0	2,318	19,316	19,328	6,978	-	695,283
2024	44,417	0	2,341	19,664	19,909	7,185	-	714,378
2025	45,557	0	2,364	20,021	20,506	7,394	-	734,001
2026	46,726	0	2,388	20,386	21,121	7,607	-	754,220
2027	47,926	0	2,413	20,761	21,755	7,822	-	775,085
2028	49,156	0	2,437	21,145	22,407	8,041	-	796,626
2029	50,418	0	2,462	21,539	23,080	8,262	-	818,900
2030	51,713	0	2,487	21,942	23,772	8,486	-	842,088
2031	53,041	0	2,513	22,356	24,485	8,713	-	866,239
2032	54,403	0	2,539	22,780	25,220	8,943	-	891,399
2033	55,801	0	2,566	23,214	25,976	7,566	1,610	917,614
2034	57,234	0	2,592	23,659	26,756	0	9,411	944,972
2035	58,705	0	2,641	24,110	27,558	0	9,672	973,540

¹ Basic expenses, loan payments, and retirement contributions.

² State retirement benefits start at age listed in Assumptions.

³ The sum of the amount the monthly outgoing payments exceeded the expected income after using any assets available for the needed cash flow. (Assets designated "Do Not Use," or restricted are not considered available.)

Average Long-Term Care Costs, By County

Long-term care expenses vary by region. Rather than receiving long-term care in your area of residence, you may choose to move to a different county so that you're closer to relatives. The average U.K. long-term care cost for 2014 was £38,376¹.

County	Average Cost	County	Average Cost	County	Average Cost
Aberdeenshire	£38,168	Fermanagh	£33,020	Oxfordshire	£46,124
Angus	38,168	Fife	38,168	Peebles-shire	38,168
Antrim	33,020	Flintshire	32,032	Pembrokeshire	32,032
Argyll	38,168	Gloucestershire	42,016	Perthshire	38,168
Armagh	33,020	Gwynedd	32,032	Powys	32,032
Ayrshire	38,168	Hampshire	46,124	Rhondda Cynon Taff	32,032
Banffshire	38,168	Herefordshire	35,620	Ross & Cromarty	38,168
Bedfordshire	46,124	Hertfordshire	46,124	Roxburghshire	38,168
Berkshire	46,124	Huntingdonshire	38,272	Rutland	38,272
Berwickshire	38,168	Inverness-shire	38,168	Salisbury	38,168
Blaenau Gwent	32,032	Isle of Anglesey	32,032	Shetland	38,168
Bridgend	32,032	Kent	46,124	Shropshire	35,620
Buckinghamshire	46,124	Kincardineshire	38,168	Somerset	42,016
Bute	38,168	Kinross-shire	38,168	Staffordshire	35,620
Caerphilly	32,032	Kirkcubrightshire	38,168	Stirlingshire	38,168
Caithness	38,168	Lanarkshire	38,168	Suffolk	38,272
Cambridgeshire	38,272	Lancashire	34,736	Surrey	46,124
Cardiff City	32,032	Leicestershire	35,152	Sussex	46,124
Carmarthenshire	32,032	Lincolnshire	35,152	Sutherland	38,168
Ceredigion and Conwy	32,032	London	43,472	Swansea City	32,032
Cheshire	34,736	Londonerry	33,020	Torfaen	32,032
Clackmannanshire	38,168	Meath/Tydfil	32,032	Tyne and Wear	31,148
Cornwall	42,016	Middlesex	46,124	Tyrone	33,020
Cumbria	31,148	Midlothian	38,168	Vale of Glamorgan	32,032
Denbighshire	32,032	Monmouthshire	32,032	Warwickshire	35,620
Derbyshire	35,152	Moray	38,168	West Lothian	38,168
Devon	42,016	Nairnshire	38,168	West Midlands	35,620
Dorset	42,016	Neath Port Talbot	32,032	Westmorland	31,148
Down	33,020	Newport	32,032	West Sussex	46,124
Dumbartonshire	38,168	Norfolk	41,340	Wigtonshire	38,168
Dumfries-shire	38,168	Northamptonshire	35,152	Wiltshire	42,016
Durham	31,148	Northumbria	31,148	Worcestershire	35,620
East Lothian	38,168	Nottinghamshire	35,152	Wrexham	32,032
East Sussex	46,124	Orkney	38,168	Yorkshire	33,904
Essex	46,124				

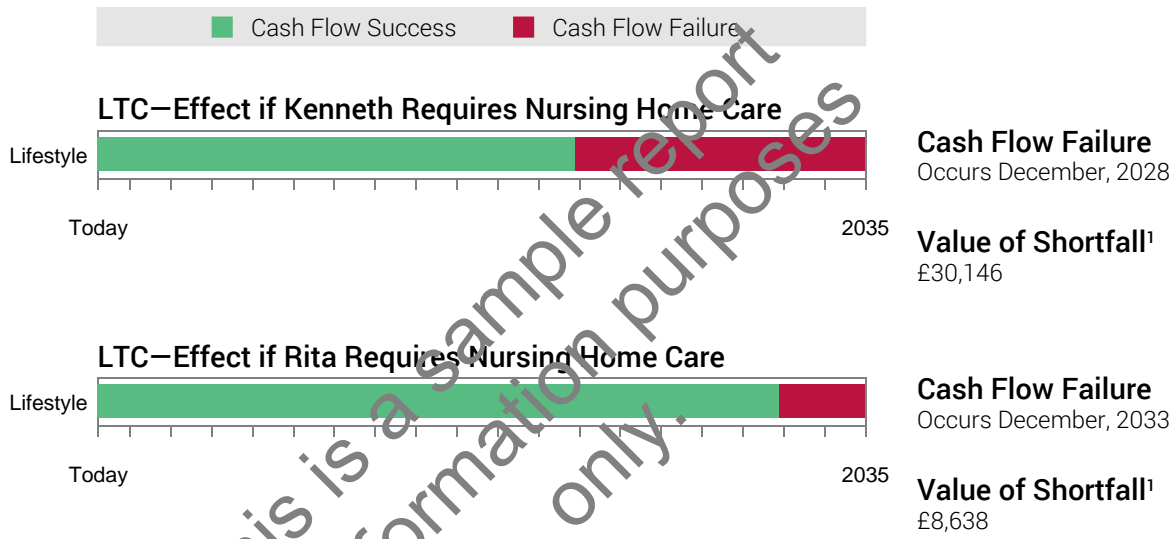
¹ The figures were taken from the Care of Elderly People UK Market Survey 2013/14 conducted by Laing and Buisson Market Research Consultants. The average costs are based on a single room nursing home accommodation.

Financial Needs Summary

Will your present analyses provide the funds to meet your financial goals and maintain your lifestyle? Do your analyses work for different needs? Do your analyses consider death, disability, retirement, and long-term care?

Your financial timeline below assumes you pay for each need as it occurs. Funds designated for a specific need such as retirement are used for those needs. Some funds, such as your home, may be designated as "Do Not Use." The remaining assets supplement your income to provide the remaining needs and goals. These timelines show whether your cash flow is sufficient to meet your needs as they occur while using only those assets you have made available.

Your Financial Timeline



¹ In Today's Money

Confirmation of Facts

PERSONAL INFORMATION

Kenneth Smith

Age: 74 Male
Born: 12 Feb., 1943

Rita Smith

Age: 72 Female
Born: 16 Jun., 1944

Mailing Address

70 The Havens
Ipswich, Suffolk IP3 9BF

CURRENT BANK ACCOUNTS, SAVINGS, DEPOSIT

Account Name	Owner	Current Balance	Balance As Of	Interest Rate	
Barclays Current	Rita, Kenneth	£3,200	23 Mar., 2017	0.000%	This asset is the Cash Account
NS & I retirement bond Ken	Kenneth	£10,000	23 Mar., 2017	3.000%	
N S & I retirement bond Rita	Rita	£10,000	23 Mar., 2017	3.000%	
N S & I saver	Rita, Kenneth	£36,000	23 Mar., 2017	0.000%	

TAX-EFFICIENT INVESTMENTS

Account Name	Owner	Current Balance	Balance As Of	Interest Rate
Nucleus ISA	Kenneth	£142,833	23 Mar., 2017	4.000%
Nucleus ISA Rita	Rita	£98,100	23 Mar., 2017	4.000%

PENSION IN PROGRESS

Name	Owner	Benefit	Frequency	Inflation Rate	Start
Aviva Pension	Kenneth	£450	Monthly	0.000%	Starting when Kenneth retires

FINAL SALARY SCHEME

Name	Owner	Benefit	Lump Sum	Death In Service Lump Sum	Inflation Rate	Start
LEA pension	Rita	£12,000	£0	£0	2.500%	Starting when Rita retires

RESIDENCES

Main home

Owner	Current Value	Balance As Of	Cost Basis	Appreciation Rate
Rita, Kenneth	£475,000	23 Mar., 2017	£0	4.000%

ESSENTIAL LIVING EXPENSES

Description	Amount	Frequency	Inflation	Percent Continuing after First Death	Percent Continuing after First Disability	Percent Continuing after First Retirement
Bills	£400	Monthly	3%	100%	100%	100%
Food	£400	Monthly	2.5%	100%	100%	100%
motoring car cost	£400	Monthly	2.5%	100%	100%	100%
Holiday fund	£600	Monthly	2.5%	100%	100%	100%
discretionary spending	£700	Monthly	2.5%	100%	100%	100%
yacht fees and moorings	£400	Monthly	2.5%	100%	100%	100%
property maintenance	£200	Monthly	2.5%	100%	100%	100%

This is a sample report
for information purposes
only.

Assumptions

Kenneth Smith

Age: 74

Male

Born: 12 February, 1943

Rita Smith

Age: 72

Female

Born: 16 June, 1944

Kenneth and Rita are not married.

State Benefits

Kenneth is eligible for State Benefits. Kenneth's State Benefits are based on levels provided in today's terms increased by inflation. Kenneth plans to take State Retirement Benefits starting at age 65.

Rita is eligible for State Benefits. Rita's certain State Benefits are based on levels provided in today's terms increased by inflation. Rita plans to take State Retirement Benefits starting at age 60.

Ages and Events

Ages illustrated are based on the age as of the last birthday.

Calculation Date

The starting date for the calculations in this report is 23 March, 2017. Assets that were entered with a valuation date more than one month prior to this date have their value adjusted for appreciation to approximate the value of the asset on this calculation date.

Calendar Year Processing

Each year of the illustration ends with December. The current year will calculate from the month of the Calculation Date through December of that year.

Nature of Monthly Calculations

Calculations are made each month, based on the amounts available at the start of the month. No attempt is made to determine the exact date within a month various transactions occur.

Interest Rates and Earnings

Interest and earnings are credited for $1/12^{\text{th}}$ of the annual amount requested for each month. This is for the purpose of helping to determine the applicable cash flow and does not represent a guarantee of this or any interest or earnings. All rates of return illustrated are hypothetical and are not associated with any particular investment product.

Insurance

The numbers produced by this analysis in no way guarantee the right to purchase life insurance in the amounts illustrated. If any new life insurance is illustrated, this presentation is not valid unless accompanied by a complete illustration of proposed policy values.

Final Expenses

Kenneth:

Final Expenses: £0

Rita:

Final Expenses: £0

Loans, Credit Cards, and Lines of Credit

Any form of credit illustrated is not a guarantee that such credit will be accepted by a lending institution. Different forms of credit may have a number of fees associated with various uses of the credit. Please consult the lending institution for details as well as all fees and rules for using that credit.

Restrictive Uses of Assets

Assets that are marked for restricted use will only be used to provide cash for that purpose.

Income Taxes

Income Tax Rates

Basic Income Tax Rate: 20%

Higher Income Tax Rate: 40%

Additional Income Tax Rate: 45%

Capital Gains Tax

Taxation on the gains from assets that are liable to Capital Gains Tax are deducted at the rate of 10% up to the basic tax band and 20% thereafter.

Liable gains on Investment Bonds are taxed at 20%. An individual's Annual Exemption amount is deducted from the total gains in any given year before Capital Gains Tax is applied. The current Annual Exemption amount is increased annually by the State Benefits inflation rate. Capital Gains Tax is not applied to the following asset types: Bank Accounts, Other Bonds (Government), ISAs PEPs TESSAs, Property – Main Residence, Savings (Cash Equiv.) and Venture Capital Trusts. Entrepreneur Capital Gains Tax relief is not applied.

Assumed Retirement

Retirement is assumed to be when Kenneth reaches, or would have reached, age 65. Any change you indicated in the basic living expenses is applied at that time.

General Inflation Rate

A general inflation rate of 2.5% is used for all basic living expenses and where indicated.

Rate of Return for Measuring Time Shortfall

The rate of return for measuring shortfall is 5%. Value today is assumed invested at this rate to provide the amount needed for the shortages.

Costs Associated with Long-Term Care

Estimated costs of long-term care are based on the average costs for a nursing home stay in the current county of residence (Suffolk), adjusted for the current level of long-term care inflation rate. Basic living expenses are further adjusted as if disabled and any salary or retirement contributions are discontinued. (Estimated costs based on SAGA Cost of Care Report 2014 from Laing and Buisson.)

This is a sample report
for information purposes
only.