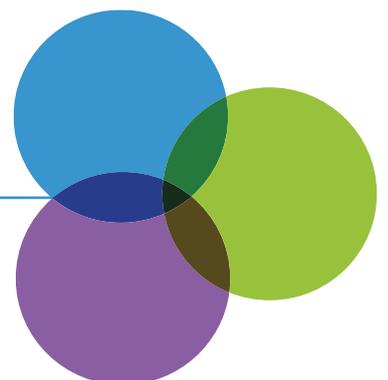




Retirement Planning In Five Simple Steps



INTRODUCTION

Retirement is possibly one of the most disruptive and life-changing events that can happen to us in our lifetimes.

We spend our long working life saving and budgeting for this major turning point. There is a widely-held belief that most people work toward and look forward to these retirement years. Whilst that may be true for some, many of us feel we are still productive members of society who rely on our earnings to fund our desired lifestyles.

For these individuals, the reality of retirement can be a little daunting. Rather than feeling relief and escape from the treadmill of working life or the responsibilities of running a business, suddenly being confronted with endless amounts of free, unstructured time can feel very unsettling.

It can help to reframe your thinking around retirement. Instead of treating retirement as ending something, think of it as beginning a new chapter. Don't just retire *from* something – retire *to* something. It's your choice. Either you make your life happen and have a richer life that is well lived, or you just let it happen to you. Which would you prefer?

To achieve a successful and fulfilling retirement you must prepare. Start now: consider what you want to do, how you are going to achieve it and whether you have the resources.

Having a financial plan that is built around your goals is the first step to preparation for this pivotal moment in your life. Follow the five steps in this workbook to start your retirement plan today.

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Step One: What do you want?

The first step is all about deciding what it is you really, really want from the rest of your life. Whilst this can seem daunting, we've come up with some questions that can help you paint a clearer picture.

1. What are the things I'm most passionate about?

The first step to a fulfilling retirement is to think about the things that you're passionate about. What do you love? What fulfils you? What do you want to spend more time doing? Maybe you enjoy writing. Maybe you love spending time with your family, travelling or have a knack for photography.

Figure out what you love doing, then plan to do more of it.

2. What are my greatest accomplishments in life so far?

Think about your past experiences and the things in your life you're most proud of. How did those accomplishments make you feel? Why not try to emulate those experiences and feelings?

If you're a fan of learning and love the experience of mastering new things, find a new course. If volunteering for charity gives you a boost, find more ways to do it. Continue to do the things that have been most fulfilling for you.

3. If my life had absolutely no limits, what would I choose to have and what would I choose to do?

This is a fun one, and a chance to let your imagination roam think about what you would do if you had no limits.

If you had all the money and time in the world, where would you go? What would you do? Who would you spend time with?

These answers can help you figure out what you want to do with your retirement. It doesn't mean you need millions of dollars to be happy, though. Answering these questions will help you realise what's most important to you and what your biggest hopes and dreams are. You can use these to set goals and create a path toward happiness and fulfilment.

Which leads to our next question.

4. What are my goals for retirement?

Goals are a necessary component to set you up for a happy future. Look at what you answered in the previous question, and then ask yourself these:

- What are my health goals?
- What are my career goals?
- What are my personal and professional goals (if any)?

This is the start of placing those milestones on your path. Once you figure out the answers to each of these, you'll have a much better idea of what you should do with your life.

5. What do I not like to do?

An important part of figuring out what you want to do with your life is honestly assessing what you don't want to do.

In retirement, as throughout life, there will be pressure from external sources – other people, social expectations – on what you are expected to do. It's important to pick apart which of your ideas about the future are your own wants, and which of them are the wants of others.

So ask yourself honestly: what are the things you don't like and would like to do less of?

If you want something to change in your life, you need to take action.



Step Two: What are my assets?

The second step is to gather information about what you have and own. You **need to know where you are right now and what you're working with** before you can plan ahead to where you want to be.

This includes property, savings, and investments, pension plans and insurance, as well as **what you earn and what you expect to receive in retirement.**

Once you have calculated your total this gives you a clearer picture of your net worth. **The next step is look at your spending patterns to consider how much money you need to live on.**

Use this table to take stock:

ASSETS	
Main residence	£
Property	£
Cash savings	£
Investments	£
Business interests	£
Other	£
DEBTS	
Mortgage	- £
Loans	- £
Credit cards	- £
Other	- £
TOTAL	- £



Step Three: How much will it cost?

As we all well know, nothing comes for free.

Your goals and milestones from Step One will have given you a good idea of the kind of lifestyle you wish to lead.

The third step is to work out the cost of this desired lifestyle and any major expenditure for the next two to three years.

Alternatively you can use an online budget planner such as **this one**.

Now you have a clearer picture of how much money you need.

INCOME	
Net monthly pay	£
Pension	£
State pensions	£
Income from savings & investments	£
Other income	£
TOTAL Monthly Income	£
TOTAL Annual Income	£
OUTGOINGS	
Mortgage	£
Living expenses	£
	£
	£
Other	£
Other	£
TOTAL Monthly Outgoings	£
TOTAL Annual Outgoings	£
PLANNED MAJOR EXPENDITURE	
	£
	£
TOTAL	£



Step Four: Where do I stand?

The fourth step is to get an idea of your cash flow year by year to see how your finances change over time. Use your assets, income, outgoings and major expenditure. **Compare this to your original objectives in Step One.**

As part of this exercise you need to consider what assumptions you will make for the growth of your investments and the likely amount of income you will receive from your retirement investments. When creating this kind of cash flow forecast we recommend looking to at least the age of 100. This is an in-depth exercise that should also consider different scenario planning. **A professional Financial Planner will generally use a cash flow planning tool to help with this.**

AGE	INCOME	OUTGOINGS	DIFFERENCE	NET WORTH AT YEAR END
e.g. 55	£90,000	£60,000	£20,000	£1,200,000
	£	£	£	
	£	£	£	
	£	£	£	
	£	£	£	
	£	£	£	
	£	£	£	
	£	£	£	
	£	£	£	
	£	£	£	
	£	£	£	
	£	£	£	
	£	£	£	
	£	£	£	



Step Five: Decide on a plan of action

Going through the previous steps should have given you a much clearer picture of your finances in retirement. You may be confident in implementing your plan for retirement but it may also have helped you to assess whether you need some help and advice on your retirement journey.

HOW WE CAN HELP

At UNIQ Family Wealth our team of Financial Planners can help you clarify your retirement goals and guide you through the options. Using cash flow modelling we use a rigorous approach to help you make the right choices for your lifestyle whether you want to retire now, postpone retirement or take a phased approach.

We offer an initial discovery meeting at no expense to you. To arrange this please call us on [02920782330](tel:02920782330) or email theteam@uniqfamilywealth.co.uk

Disclaimer: The materials in this guide do not constitute financial or other professional advice. You should consult your professional adviser if you require financial advice.



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