

REAL RETIREMENT

THE LONGEST HOLIDAY OF YOUR LIFE IS AN ENTICING VIEW OF RETIREMENT, BUT MANY PEOPLE ARE FAILING TO SEEK ADEQUATE ADVICE ABOUT GENERATING INCOME FOR THIS POTENTIALLY LENGTHY PERIOD OF LIFE.

Many retirees have a vision of retirement as a time for travel, hobbies, looking after grandchildren and relaxation; they may not have fully considered the financial implications of all this. It is vital to ensure that you have access to an adequate stream of income and that this can be tailored to your changing circumstances.

Professional advice is especially important for this phase of life, given the trend of increased life expectancy and the growth in retirement income options.

Based on the latest Office for National Statistics figures, it may not be long until those over 65 in the UK outnumber those under 16. There is now more to retirement than simply buying an annuity with your pension fund to provide income for life.

Many people are also phasing into retirement, working on a part-time or consultancy basis, therefore not needing to draw their full pension benefits until a later time. They may wish to access their full tax-free cash

allowance (now known as the pension commencement lump sum), but take less than their full pension income entitlement, or defer this until later.

Standard lifetime annuities may be inappropriate to meet fluctuating income needs over the years. The arrival of more innovative and flexible pension income options allows financial advisers to help their clients develop appropriate retirement income strategies. Taking into account important issues such as flexible levels of income, financial needs of dependents, tax and estate planning. Regular reviews of planning strategies help ensure that changing circumstances and requirements are addressed. Good financial planning is holistic and helps you take into account other important issues at this time, such as estate planning.

Finally, for those who wish to commit to an annuity, a professional independent adviser can help you shop around, as the income rate offered by your existing pension provider could well be beaten on the

open market. It is relatively simple to transfer your pension fund to a different provider and enjoy higher income; this is especially so if you are in less than perfect health.

It is odd that people only take one piece of financial planning advice for a period of their lives that could last 20-30 years when we know that their circumstances will almost definitely change over that time, and therefore also their income needs. Professional independent financial advice at any stage can help you ensure that your retirement planning is on track to provide the lifestyle you aspire to, and certainly advice at retirement can let you use your financial assets to your best advantage for a secure and enjoyable retirement.

Kellands (Northern Ireland) Ltd is authorised and regulated by the Financial Services Authority. All information given is correct at date of print and based on current UK tax legislation applicable at that time, but which may be subject to change.

 **KELLANDS**
(Northern Ireland) LTD.

...applying a wealth of experience to managing your wealth

www.kellandsnigroup.co.uk

To arrange an appointment please call 028 9029 3131