

SEIZING THE OPPORTUNITY FOR EARLY RETIREMENT



This case study focuses on Edith, who has made the decision to retire in two years when her state pension becomes available. She has private pension provisions that she has built up over her years as a bookkeeper. With her meticulous paperwork it is easy for us to get an understanding of her pensions.

However, she's made a mistake that is very common. She didn't realise that she could retire earlier than her state pension age! It is through one of her bookkeeping clients that Edith is referred to us.

Assessing Existing Pensions

Despite keeping all her records in order, we still need to contact Edith's pension providers to get information from them about what Edith has. This data is vital for conducting a thorough analysis of her current pension arrangements and evaluating potential alternatives.

We compare Edith's current pensions to our preferred provider, who offers enhanced flexibility, transparency, and will allow her to consolidate all her assets under one roof. This evaluation helps identify any gaps or opportunities for improvement in her retirement income strategy.

Using the information gathered from Edith's existing pensions, income requirements, and impending state pension, we perform a comprehensive cashflow analysis. This analysis provides Edith with a realistic overview of her financial situation and determines the feasibility of her retirement plans. We always explain that this is only a guide as past performance is not a guarantee of future performance.

The Surprise



Edith discovers that she could have retired much earlier had she sought our advice sooner. However, the cashflow analysis reveals that where she has delayed retirement, she can expect to enjoy a higher level of income in retirement as a result.

Rather than waiting another two years she starts to make arrangements to retire as soon as possible with the peace of mind that she has enough behind her to be able to afford it.

Conclusion

Edith's approach to retirement planning has positioned her for a successful transition into retirement. By engaging in a thorough analysis of her pension arrangements, she can make informed decisions about her financial future.

Edith can embark on a fulfilling retirement, enjoying the rewards of her years of hard work while benefiting from a higher level of income than she might have done had she retired earlier.