

case studies

THE WIDOWER

THE CLIENT

James is a 65-year old widower with 2 adult children. He owns a £300,000 house with no mortgage. He had a heart attack 5 years ago and is a smoker with high blood pressure and high cholesterol. As a result of the heart attack he has had stents fitted and is on daily medication but apart from that he is mobile and active.

James's greatest fear is running out of money and having to return to work which, with his health problems and the death of his wife two years ago, would be disastrous for him. He therefore wants to maximise the income he can receive from the 4 pension plans he has accrued over his working life. He wants a low level of risk and for his finances to be simplified.

As his children are well established James's priority is not to leave them a huge legacy but to enjoy his remaining years. However, he would eventually like his children to inherit his estate as long as his standard of living isn't affected.

OUR ADVICE

- We combined James's pensions into one fund and searched the enhanced annuity provider market to find the company that would pay James the highest income after a detailed analysis of his health.
- We then structured the annuity to increase each year with inflation.
- Finally, we arranged for an equity release mortgage of £100,000 from his house which was used to buy a further enhanced annuity also with annual inflation increases.

THE RESULT

We increased James's income by £1000 per month over what his previous pension company was offering. James had his standard of living protected and the peace of mind of knowing his income was designed to rise annually with inflation.