

education caveat.

- The following content has been designed and relies upon the detailed explanation provided by the presenter at the time of the seminar and should be considered in conjunction with this and not in isolation.
- All copyright or other intellectual property rights in the material constituting this presentation which has been provided by Wealth at Work Limited remains the property of the Wealth at Work group of companies.
- The content of this presentation is provided for illustrative purposes only and is not intended to be used for individual investment or financial planning and does not constitute financial advice.
- Whilst every effort is made to ensure the accuracy of information contained in the presentation it cannot be guaranteed. In particular the rules relating to tax can frequently change. Wealth at Work Limited will not be held liable for any inaccuracies in this presentation due to a change in law after the date of delivery of this presentation.
- Any references to tax or the operation of tax or tax reliefs are illustrative only and the tax treatment in respect of any individual depends upon the circumstances of each individual.
- It is important to recognise that the value of investments related to the stock market (and any resulting benefits such as interest or dividends), can rise or fall and an investor may not get back the amount invested. Past performance data used is for illustrative purposes only and is not necessarily a guide to future performance.

WEALTH at work and my wealth are trading names of Wealth at Work Limited which is authorised and regulated by the Financial Conduct Authority and is a member of the Wealth at Work group of companies. Registered in England and Wales No.05225819. Registered Office: 5 Temple Square, Temple Street, Liverpool L2 5RH. Telephone calls may be recorded and monitored for training and record-keeping purposes.

welcome to:
explore your options at
retirement.

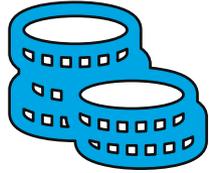
about us.

We are a leading financial wellbeing and retirement specialist - helping those in the workplace to improve their financial future.

Established in 2005, we work with hundreds of organisations across both the private and public sector.

Our financial education services are delivered on a bespoke basis.

what we'll cover today.



Can you afford to retire?



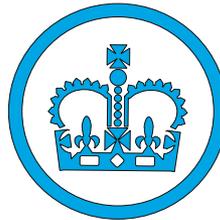
The State Pension



Your workplace pension



Inflation, savings & investments



Personal Taxation



Next steps

can you afford to retire?

retirement could last a long time.

Average life expectancy at age 65

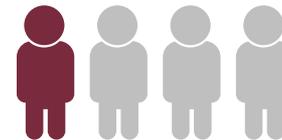


1 in 4 chance of reaching age:



94

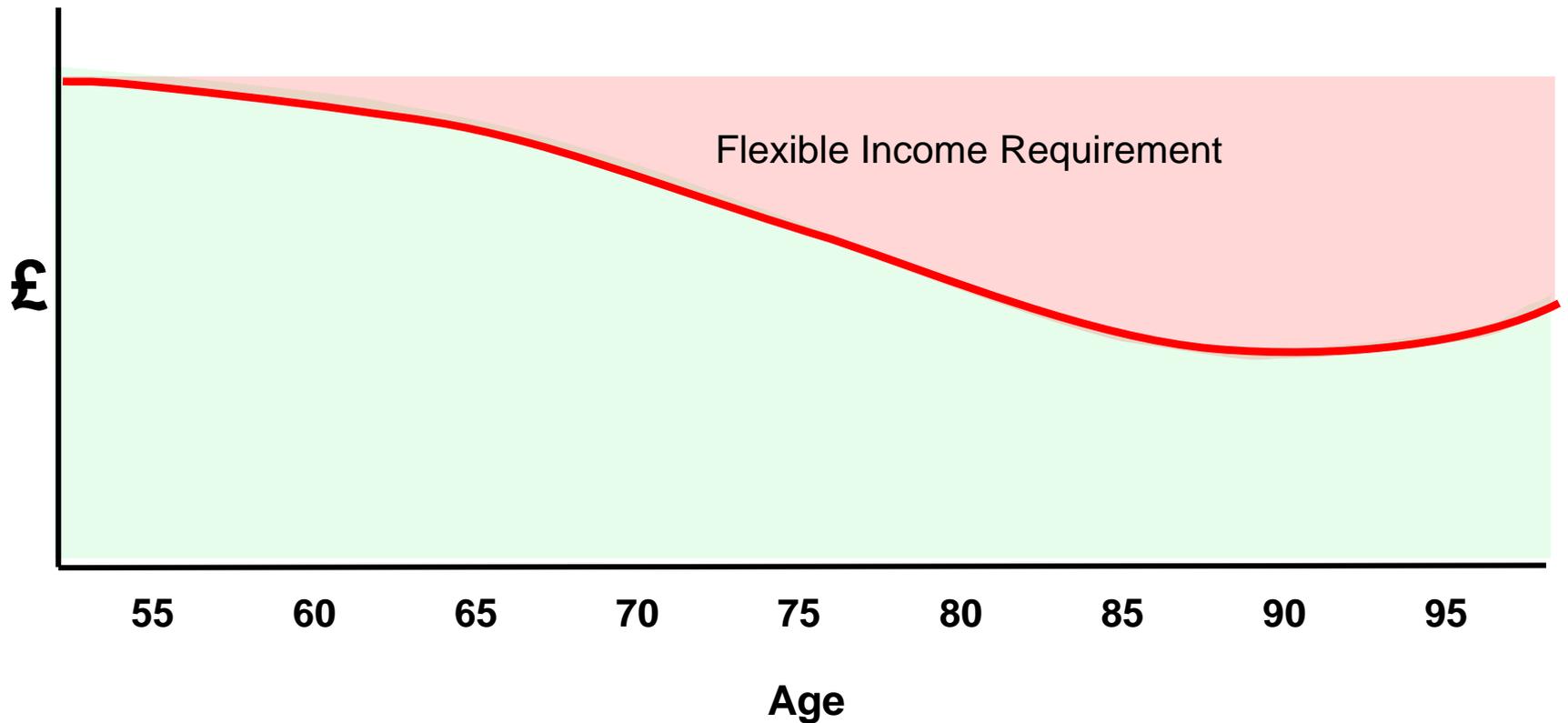
1 in 4 chance of reaching age:



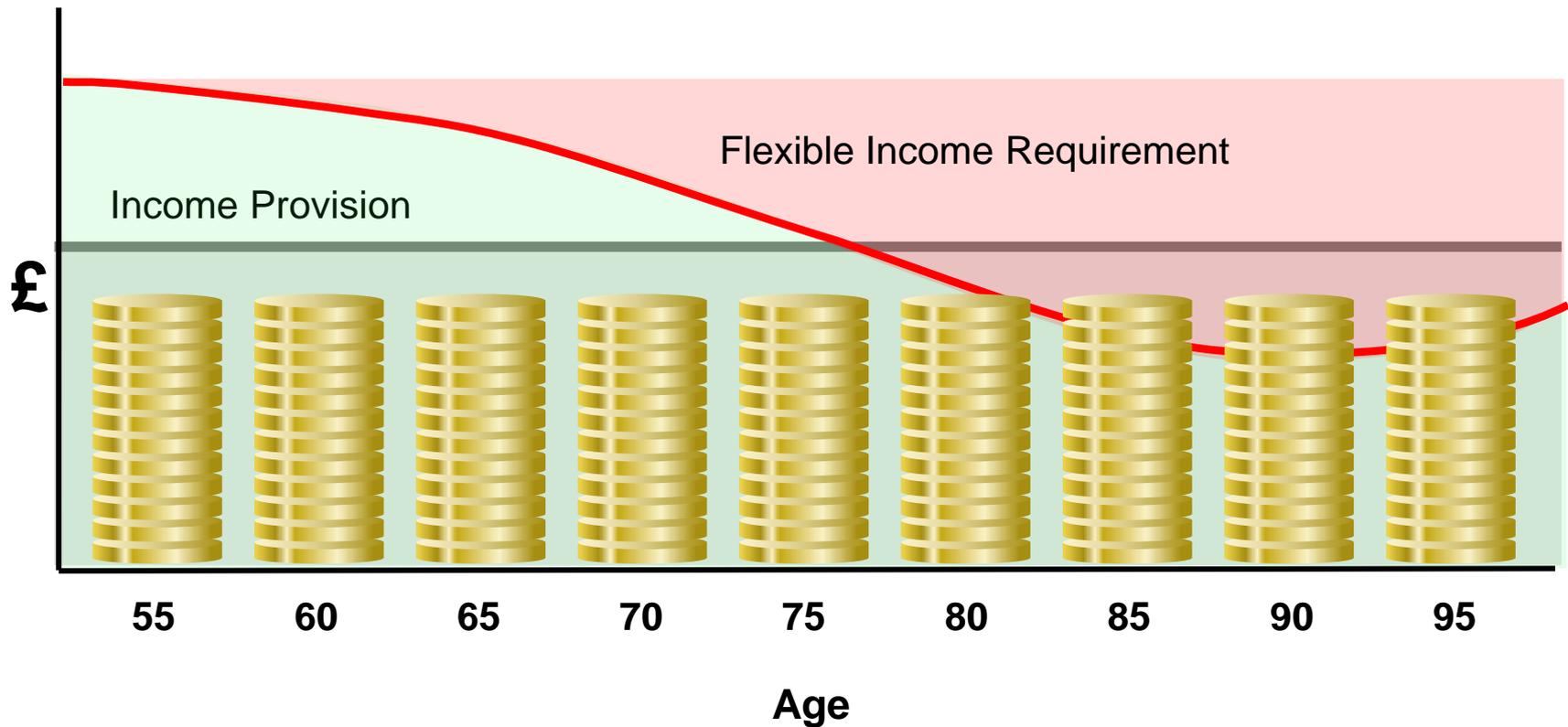
92

Source: Office of National Statistics. Figures are based on life expectancy in the UK.

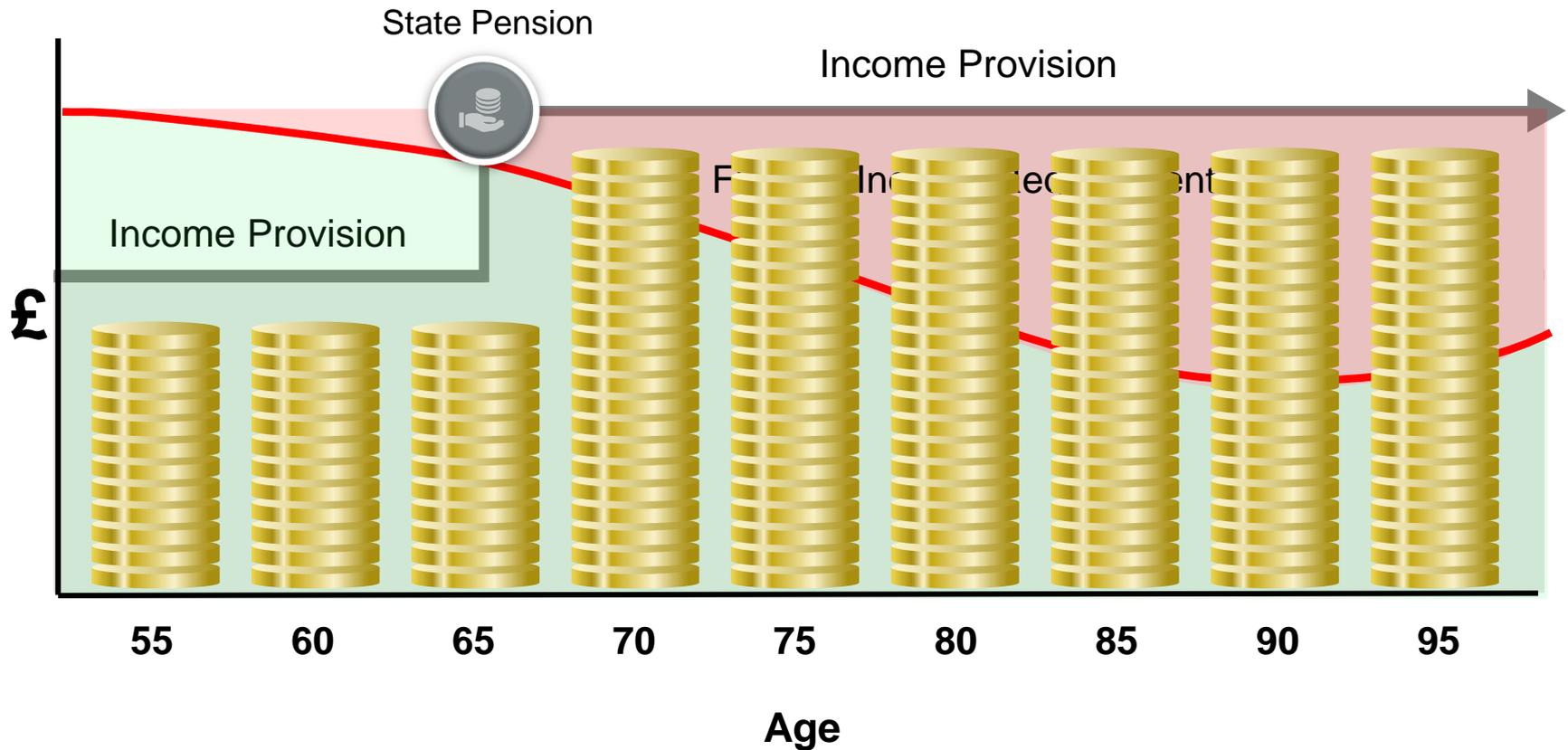
changing income needs.



changing income needs.



changing income needs.



rates of income tax 2022/23.

Personal Allowance

on the first
£12,570*



£12,570*

Basic Rate Tax

on the next
£37,700



£50,270

Higher Rate Tax

on the next
£99,730



£150,000

Additional Rate Tax

on earnings above
£150,000



*The Personal Allowance reduces by £1 for every £2 of income above £100,000.

Scottish rates of income tax 2022/23.

Personal Allowance	Starter Rate Tax	Basic Rate Tax	Intermediate Rate Tax	Higher Rate Tax	Additional Rate Tax
on the first £12,570*	on the next £2,162	on the next £10,956	on the next £17,974	on the next £106,338	on earnings above £150,000



Scottish rates apply to: ✓ Earnings ✓ Pension income ✓ Rental income

They do not apply to: ✗ Savings ✗ Dividends ✗ Capital gains tax

*The Personal Allowance reduces by £1 for every £2 of income above £100,000.

National Insurance 2022/23.

Lower Earnings Limit (LEL)

Primary Threshold (PT)

Upper Earnings Limit (UEL)

National Insurance Rate: 0%
Qualifying Year : ✗

£0 - £6,396

National Insurance Rate: 0%
Qualifying Year : ✓

£6,396 - £12,570

National Insurance Rate: 13.25%
Qualifying Year : ✓

£12,570 - £50,270

National Insurance Rate: 3.25%
Qualifying Year : ✓

£50,270+

can you afford to retire?

£30,000 annual salary

 Income Tax	»»»	Costs pa: £3,826
 National Insurance	»»»	£2,071
 Pension contributions*	»»»	£1,800
 Mortgage	»»»	£4,500
 Loans	»»»	£2,400
	
	Remaining:	£15,403

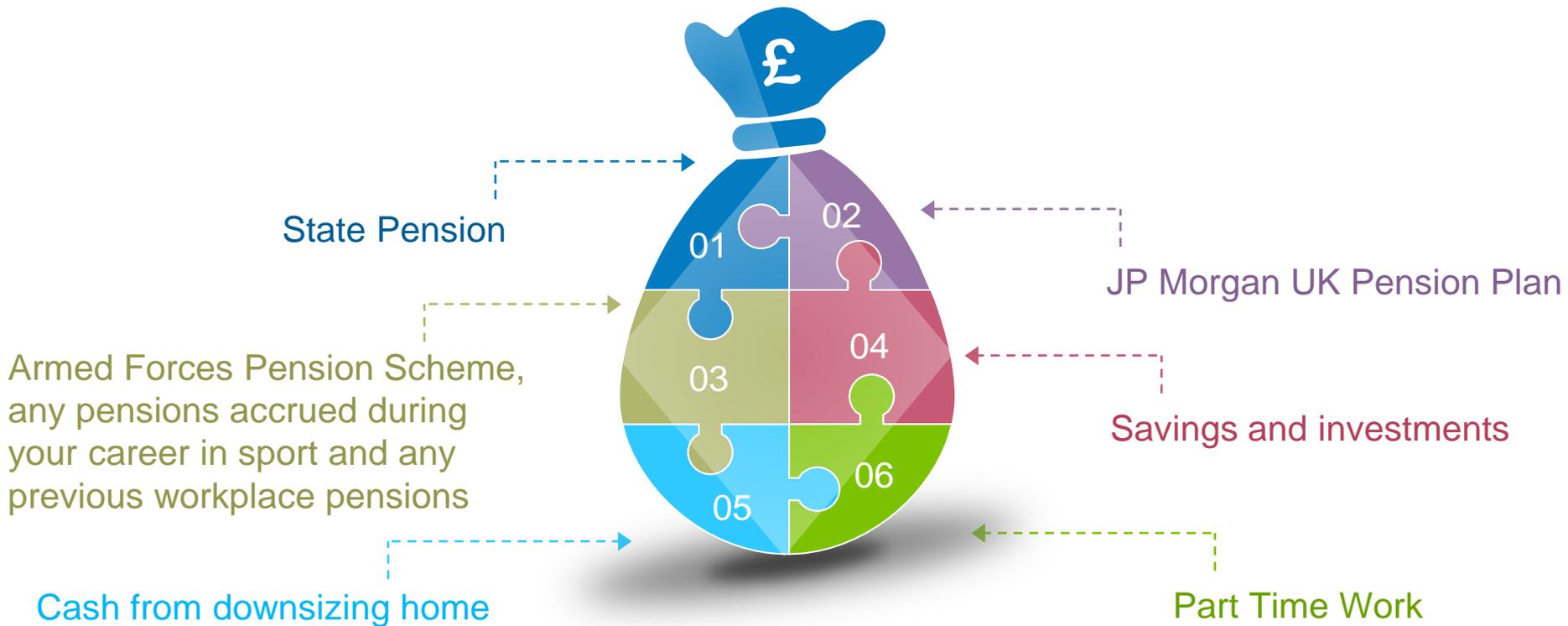
£15,000 retirement income

 Income Tax	»»»	Costs pa: £486
	
	Remaining:	£14,514

*assumes pension contributions of 6% pa through a salary sacrifice arrangement

Tax bands and rates are different in Scotland

where is the money coming from?



the State Pension.



your State Pension age.

DoB from:
6 Apr 1978

DoB between:
6 Mar 1961 &
5 Apr 1977

gradually
increases

68
birthday

DoB between:
6 Oct 1954 &
5 Apr 1960

gradually
increases

67
birthday

Born before 6 Oct
1954? You've
already reached
State Pension age

66
birthday



www.gov.uk/state-pension-age

The Government intends to bring forward the State Pension age transition from 67 to 68 affecting those born between 6th April 1970 and 5th April 1978 - if adopted those affected will reach State Pension age between their 67th & 68th birthdays

WEALTH at work

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

State Pension forecast.

Your State Pension summary

You can get your State Pension on 25 June 2035.
Your forecast is

£185.15 a week
£805.07 a month, £9,660.86 a year

Your forecast

- is not a guarantee and is based on the current law
- does not include any increase due to inflation

You need to continue to contribute National Insurance to reach your forecast

Estimate based on your National Insurance record up to 5 April 2022

£132.25 a week

Forecast if you contribute another 10 years before 5 April 2035

£185.15 a week

Get help

Helpline: 0800 731 0181

Textphone: 0800 731 0176

Monday to Friday: 8:30am to 3.30pm



www.gov.uk/check-state-pension

WEALTH at work

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

workplace pensions.

defined benefit (DB) schemes.

Employer and employees contribute (tax free*)



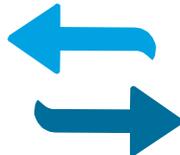
A secure pension income is built up



Scheme rules determine when the pension normally starts



It may be possible to start the pension income before or after this time



A tax-free cash lump sum is also available



*subject to HMRC limits

how to calculate a DB plan.



**Accrual
rate**

(e.g. 1/60)

The proportion of
your earnings you'll
get as a pension for
each year as a
member



**Pensionable
earnings**

(e.g. 1/60 X £25,000)

Usually salary at
retirement or career
average



DB income

(e.g. = £416pa)

Your DB income
in retirement

defined contribution (DC) schemes.

Employer and employees contribute (tax free*)



Any investment growth is tax-free



You can access your pension from age 55**



Receive up to 25% tax free



Receive a taxable lump sum or generate a taxable income with remaining pot



*subject to HMRC limits

**The minimum age for accessing your pension is expected to increase to age 57 from 6 April 2028. Pension savings in certain schemes may be protected from this change.

former athletes & pensions.

If you are a retired athlete you may have a pension that accrued during your sports career – this could be a pension:

- provided by a former employer
- provided by sport association, such as the Professional Footballers Association (PFA)
- taken out in your own name



Under old HMRC rules, if you opened the pension on or before 5 April 2006 and you were in a sports-related job you may be able to access your pension from the age of 35*



This feature may be lost if you transfer your pension to another scheme and it's not part of a block transfer

* If you take a pension before 50, your lifetime allowance will be reduced by 2.5% for each complete year between the time you take the pension and the normal minimum pension age (currently 55)

previous pension arrangements.



Old Pensions

Check back through statements and documents to find out more information on your old pensions – if you haven't received an annual statement recently contact the provider



Lost pensions

The Pension Tracing Service will help you find contact details for an old pension scheme so you can get in touch with them directly



Transferring into your JPM Pension Plan

It may be possible to transfer an old pension into your JPM pension – you will need to contact Willis Towers Watson on 01737 227 589 for more information

Willis Towers Watson will not provide you with any advice

If you're thinking about transferring, check you won't lose valuable guarantees or benefits
If you're not sure what's right for you, please seek regulated financial advice



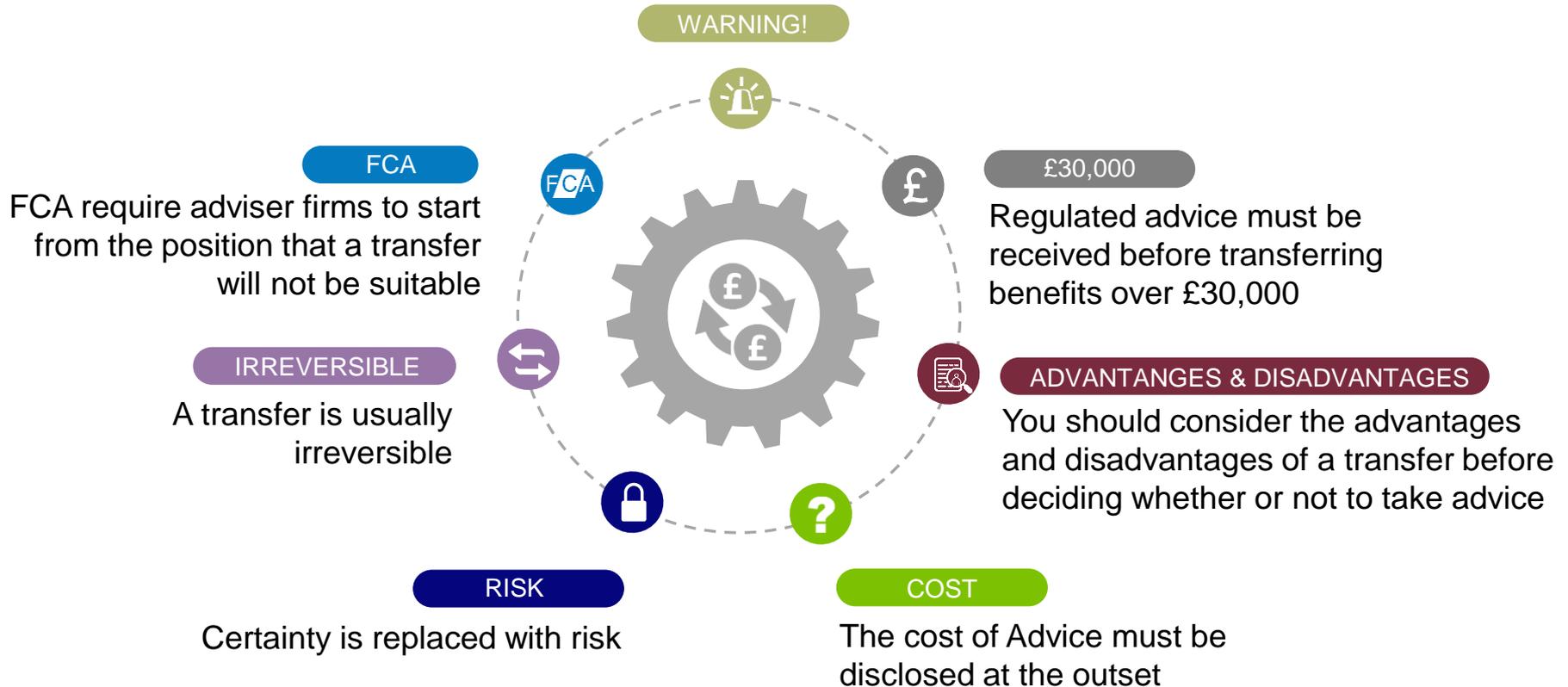
www.gov.uk/find-pension-contact-details

WEALTH at work

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

transferring from DB to DC.

WARNING - transferring out of a defined benefit (DB) scheme could damage your wealth!



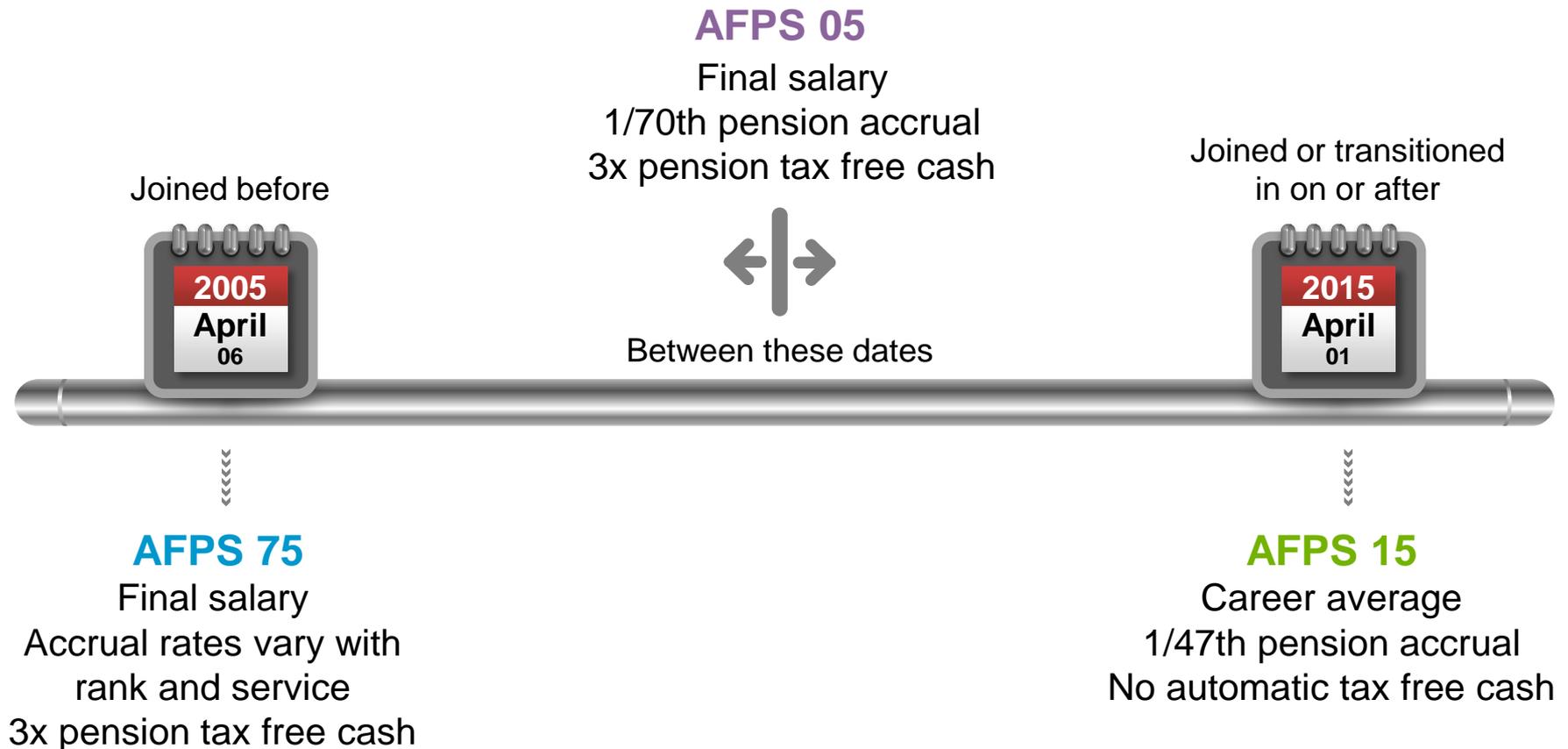
The Armed Forces Pension Scheme is a unfunded public sector scheme that can only be transferred to another qualifying DB scheme

WEALTH at work

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

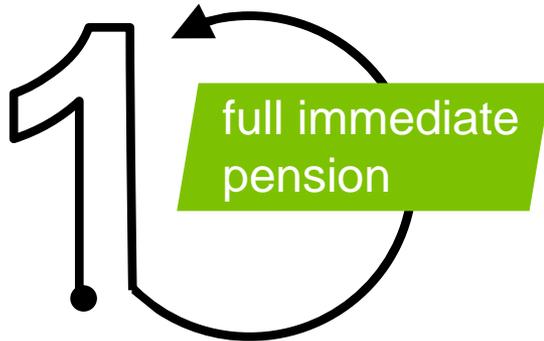
the Armed Forces Pension Scheme (AFPS).

Armed Forces Pension Scheme.



AFPS 75 – increase in payment.

Your age and service determines when you will receive your pension:



If you left the Service at age 55 or over and completed 34 years' Service (as an Officer) or 37 years' (as Other Rank)



If you left the Service before age 55 and completed 16 years' or more Service (as an Officer) or 22 years' (as Other Rank)



If you did not meet the required years to receive an immediate pension, you will be entitled to a deferred pension

- The immediate pensions are paid at a fixed rate until you reach the age of 55*
- At 55, it will be increased to take account of the total rise in the cost of living since your service ended
- From 55, it will increase annually in line with the Consumer Price Index (CPI)

* If you're in receipt of an ill-health pension it will receive CPI increases from the point of payment

AFPS 75 – deferred pension.



CPI

- Your pension will be adjusted by CPI each year until you draw your benefits and then every year thereafter
- You can claim these benefits at different times
- You can take service built up from 6 April 2006 from the age of 60
- Your pension will be reduced by approximately 4% for each year you retire early*

* Automatic tax free cash will also face a reduction of around 3% for each year you retire early

AFPS 05 – summary.

Your age when you left the service determines when you receive your pension:



You should be in receipt of an immediate pension



You will be a deferred member who is entitled to a deferred pension paid at age 65

Deferred Pension

CPI

- Your pension will be adjusted by CPI each year until you draw your benefits and then every year thereafter



- You can take early retirement from your deferred pension from the age of 55
- Your pension will be reduced by approximately 4% for each year you retire early*

* Automatic tax free cash will also face a reduction of around 3% for each year you retire early

WEALTH at work

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

AFPS 15 – summary.

Your age when you left the service determines when you receive your pension:



You should be in receipt of an immediate pension



You will be a deferred member who is entitled to a deferred pension paid at State Pension Age

Deferred Pension

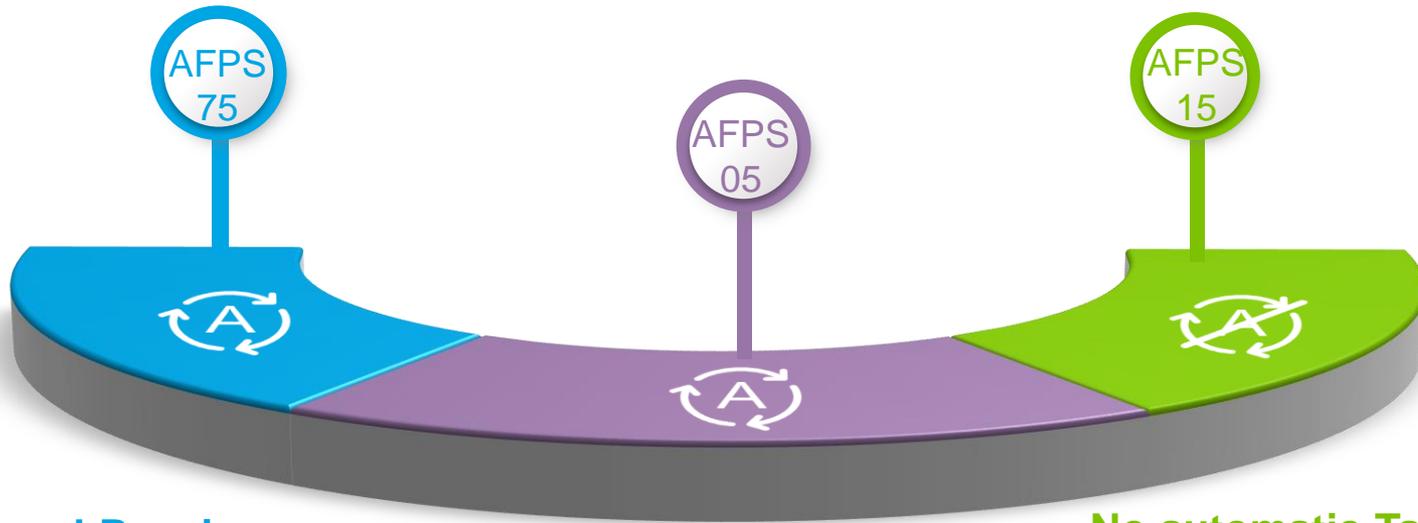
CPI

- Your pension will be adjusted by CPI each year until you draw your benefits and then every year thereafter



- You can take early retirement from your deferred pension from the age of 55
- Your pension will be reduced by approximately 4% for each year you retire early

tax free cash (TFC) at retirement.



3 x Annual Pension

3 x Annual Pension
Option for Inverse Commutation

No automatic Tax Free Cash
Option for Commutation

AFPS 05 Inverse Commutation

You have the option to 'give up' your tax free cash in order to increase the amount of taxable pension payable to you and your dependants

AFPS 15 Commutation Rate

£1 
pension income



£12 
tax free cash

WEALTH at work

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

McCloud - who is affected?



You joined the AFPS on or before 31 March 2012

AND



You were a member of the scheme on or after 1 April 2015



You are not affected if you joined the AFPS after the 31 March 2012



You are not affected if you left the AFPS on or after the 1 April 2015

McCloud & your choice of benefits.

Deferred Choice Underpin

At retirement, you'll be given the choice between:

legacy scheme **AFPS 1975** or reformed scheme **AFPS 2015**
AFPS 2006

benefits for the remedy period

The Remedy Period



The Government will introduce new legislation and intends for systems to be in place by 1 October 2023 to offer you this choice at retirement

If you retire before this date you will be contacted & any change in benefits will be backdated

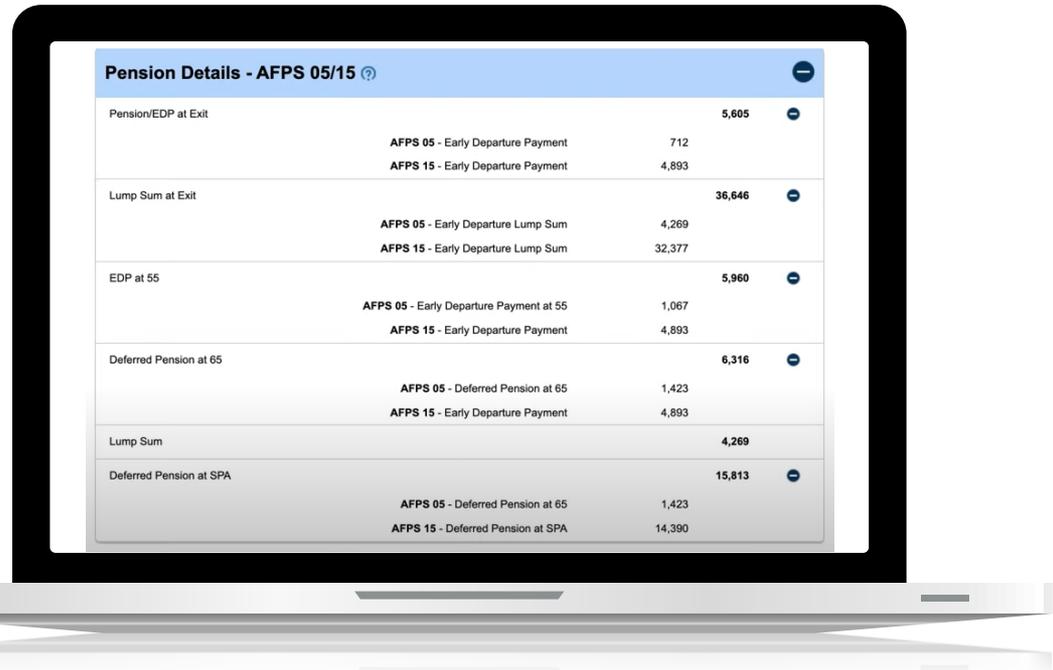
keeping track of your AFPS.

You will need to request a pension forecast by submitting AFPS Form 14, found on the link below

A forecast will show you:

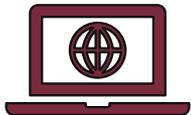
- What your pension is worth
- What it is projected to be when you retire
- Your retirement date

You are entitled to one free pension forecast per year



The screenshot shows a laptop displaying a pension forecast table titled "Pension Details - AFPS 05/15". The table lists various pension components and their values. The components are grouped into sections: Pension/EDP at Exit, Lump Sum at Exit, EDP at 55, Deferred Pension at 65, Lump Sum, and Deferred Pension at SPA. Each section includes sub-items for AFPS 05 and AFPS 15, with their respective values and a minus sign icon to the right.

Pension Details - AFPS 05/15		
Pension/EDP at Exit		5,605
	AFPS 05 - Early Departure Payment	712
	AFPS 15 - Early Departure Payment	4,893
Lump Sum at Exit		36,646
	AFPS 05 - Early Departure Lump Sum	4,269
	AFPS 15 - Early Departure Lump Sum	32,377
EDP at 55		5,960
	AFPS 05 - Early Departure Payment at 55	1,067
	AFPS 15 - Early Departure Payment	4,893
Deferred Pension at 65		6,316
	AFPS 05 - Deferred Pension at 65	1,423
	AFPS 15 - Early Departure Payment	4,893
Lump Sum		4,269
Deferred Pension at SPA		15,813
	AFPS 05 - Deferred Pension at 65	1,423
	AFPS 15 - Deferred Pension at SPA	14,390



www.gov.uk/guidance/pensions-and-compensation-for-veterans

WEALTH at work

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

JP Morgan UK Pension Plan.

JP Morgan UK Pension Plan.

Contribution as % of Pensionable Salary each year							
Company core	6%	6%	6%	6%	6%	6%	6%
Employee match	0%	1%	2%	3%	4%	5%	6%
Company match	0%	1%	2%	3%	4%	5%	6%
TOTAL ANNUAL	6%	8%	10%	12%	14%	16%	18%

- You can elect to make an employee contribution of greater than 6%
- However the maximum employer contribution is 12%



salary sacrifice.

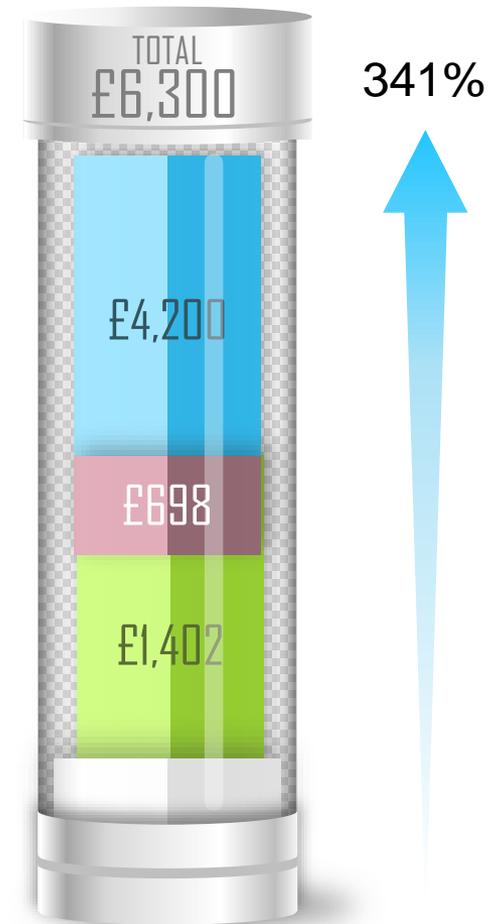
- Annual Salary = £35,000
- Employee Contribution = £2,100pa (6%)
- Tax Saving = 20%
- NI Saving = 13.25%
- Personal Cost = £1,402pa
- Employer Contribution = £4,200pa (12%)

 Employer contribution (12%)

 Tax & NI savings

 Employee contribution (6%)

Tax bands and rates are different in Scotland



salary sacrifice.

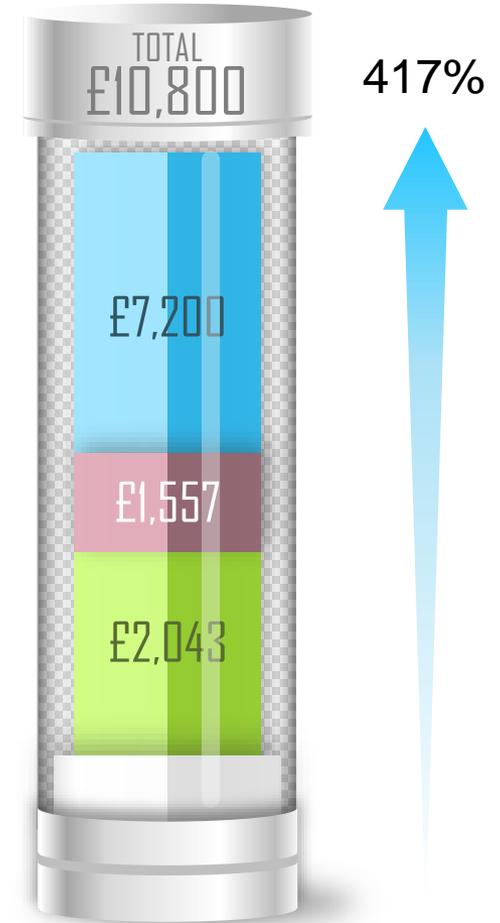
- Annual Salary = £60,000
- Employee Contribution = £3,600pa (6%)
- Tax Saving = 40%
- NI Saving = 3.25%
- Personal Cost = £2,043pa
- Employer Contribution = £7,200pa (12%)

 Employer contribution (12%)

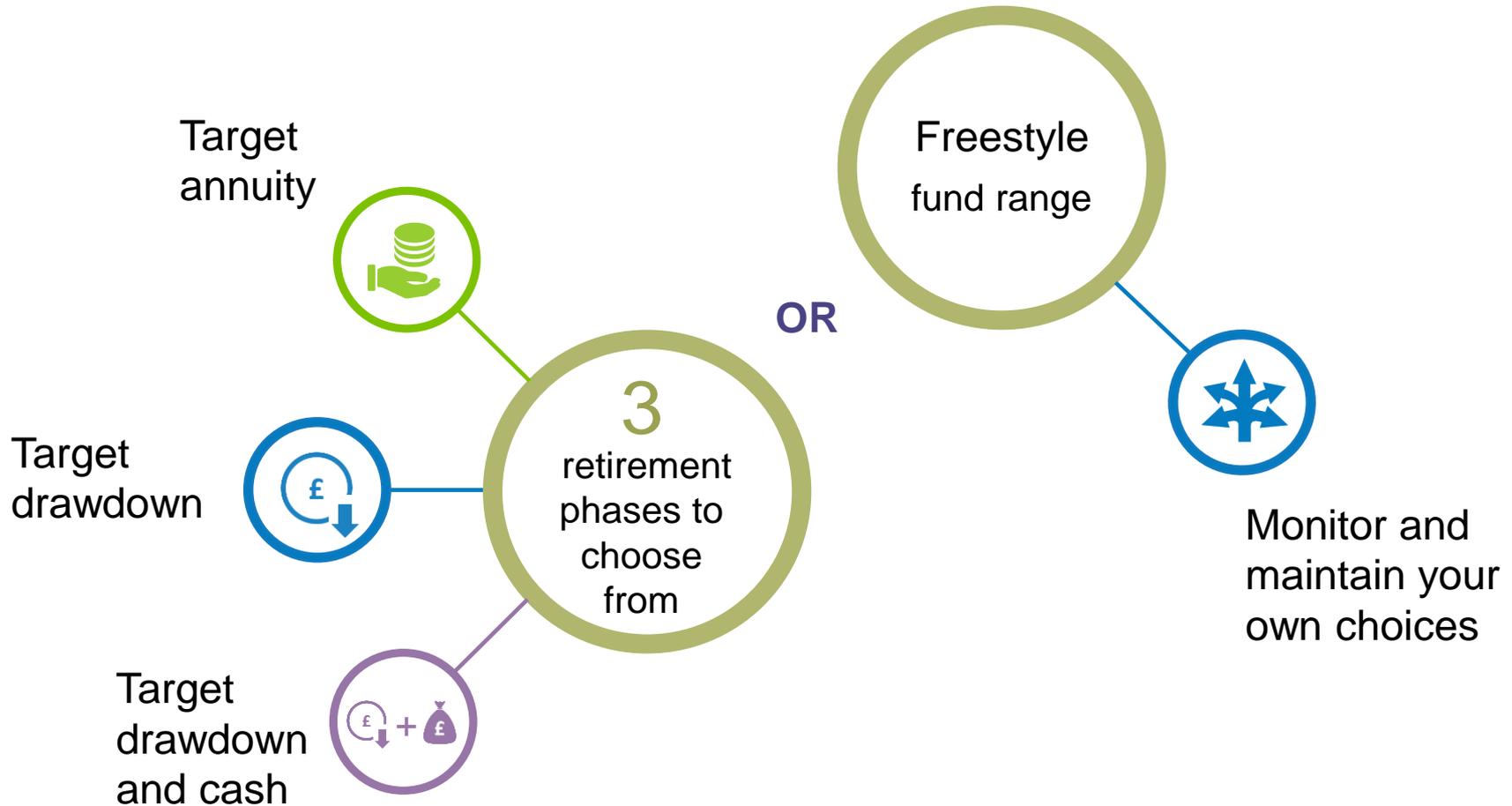
 Tax & NI savings

 Employee contribution (6%)

Tax bands and rates are different in Scotland

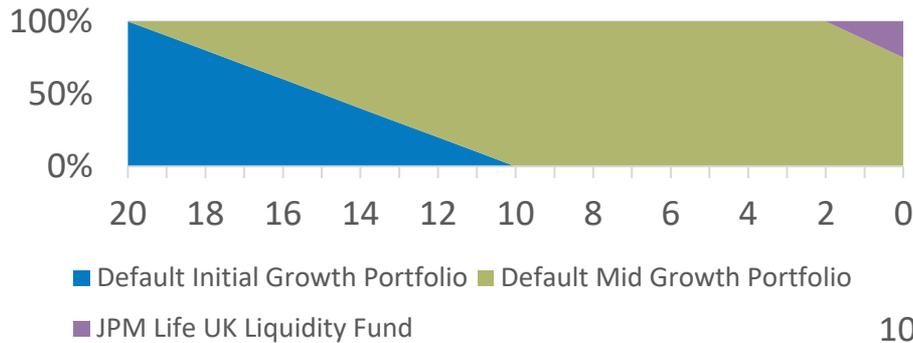


your investment options.

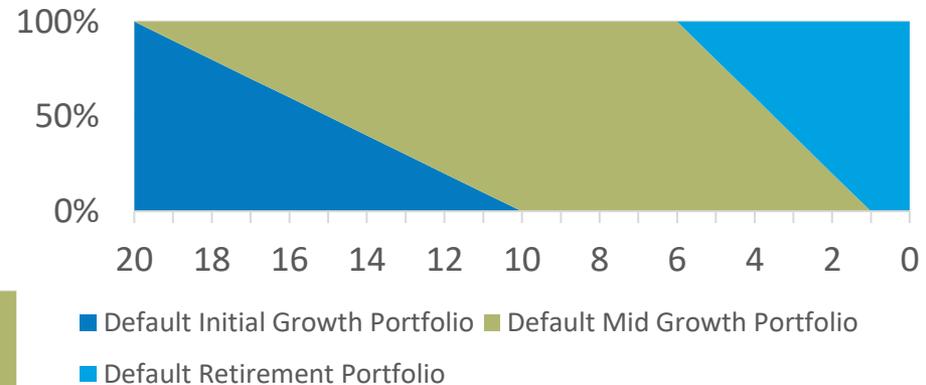


investing your pension.

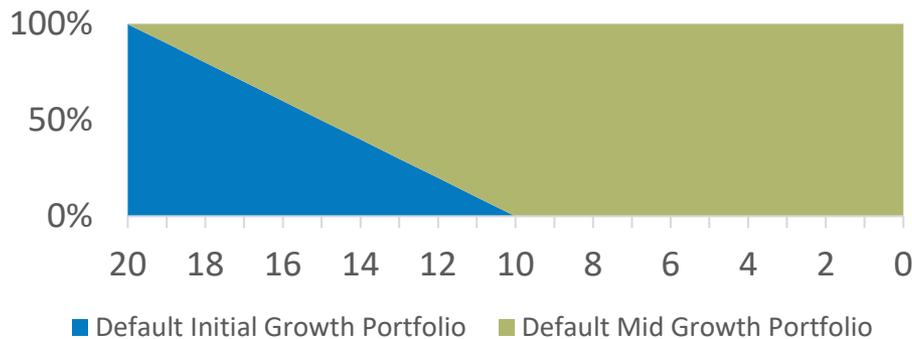
Target Drawdown and Cash



Target Annuity

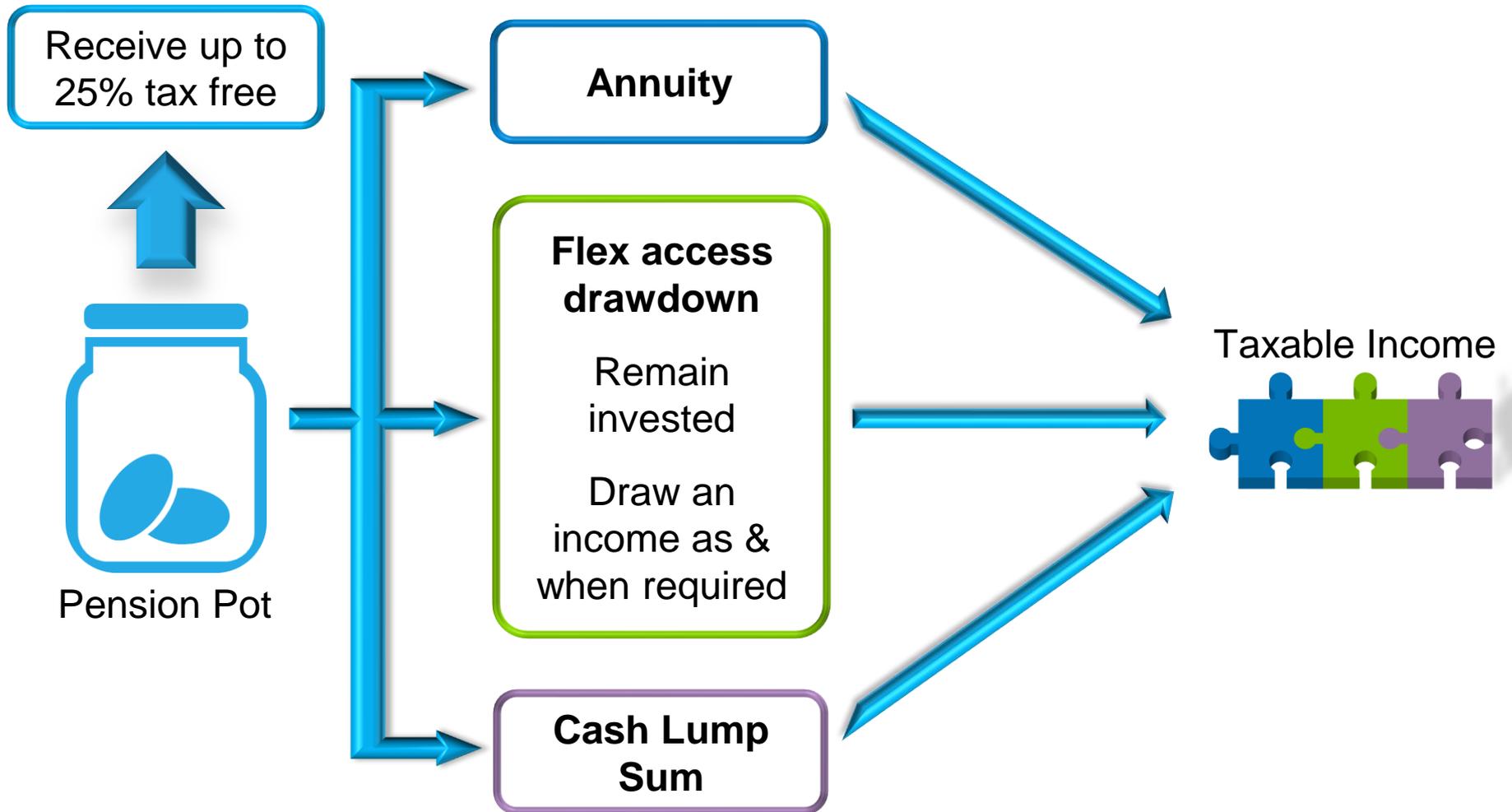


Target Drawdown



generating a retirement
income from a DC pension.

DC retirement income options.



buying an annuity.

Receive up to 25% as a tax free lump sum

Choose from options including

- A guarantee period
- Inflation linking
- Spouse/partner income

Buy an annuity with the remainder

The income level you receive will be determined by your circumstances e.g. health and lifestyle factors

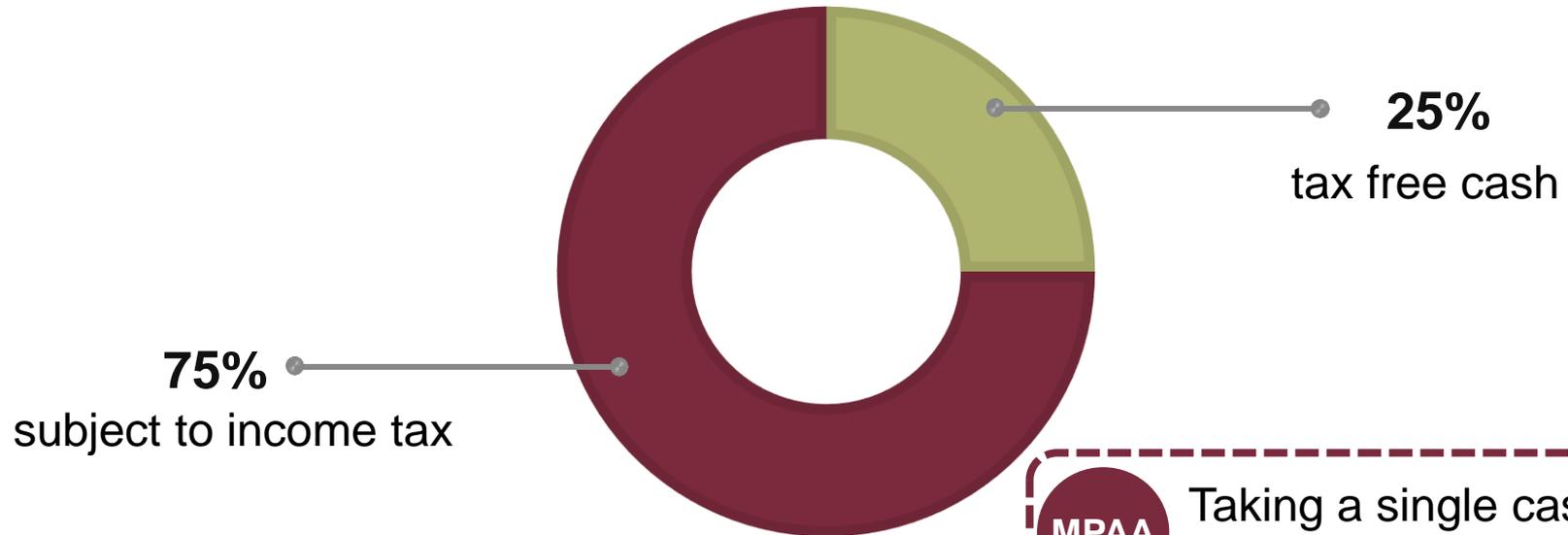
This will provide a secure income throughout your retirement



cash lump sum.



Also known as Uncrystallised Fund Pension Lump Sum or UFPLS



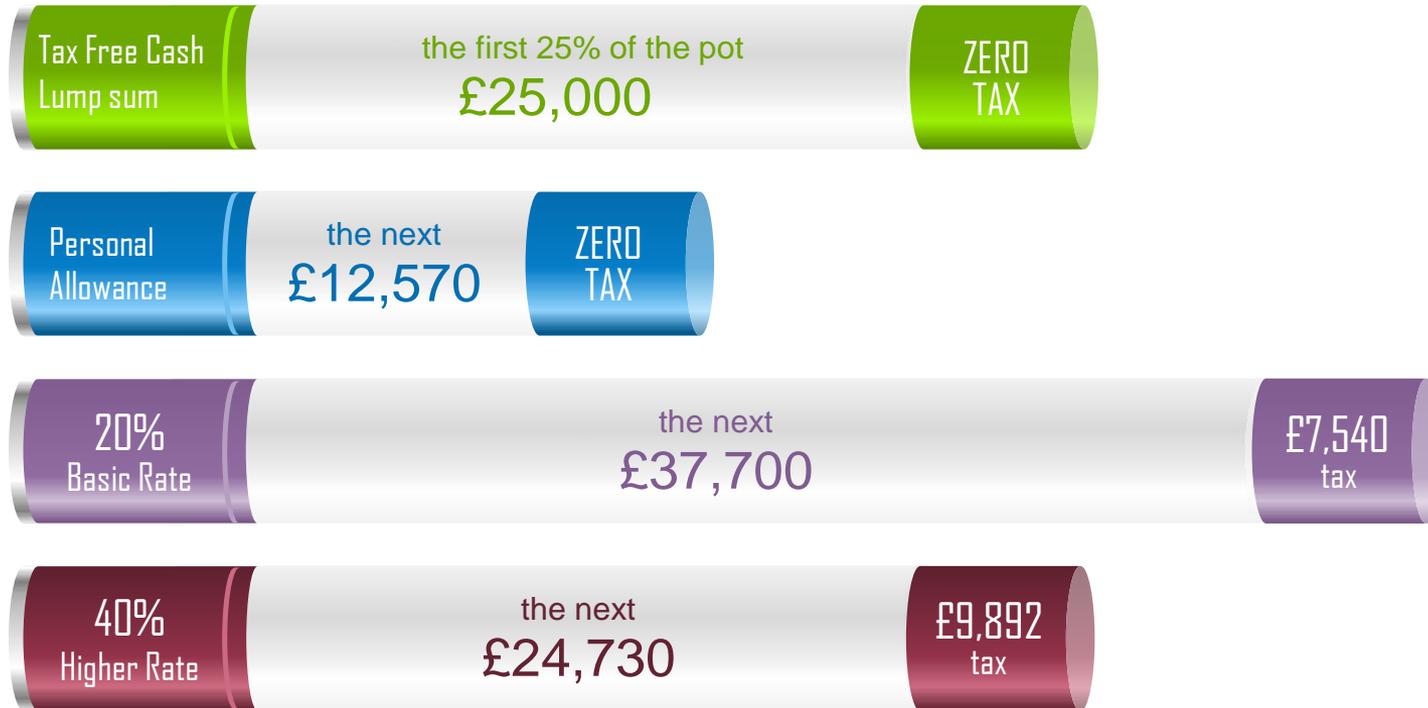
MPAA

Taking a single cash lump sum triggers the MPAA

Case Study

- DC pension pot of £100,000
- Chooses to draw the entire DC pension pot as one lump sum
- Has no other sources of income in the 2022/23 tax year

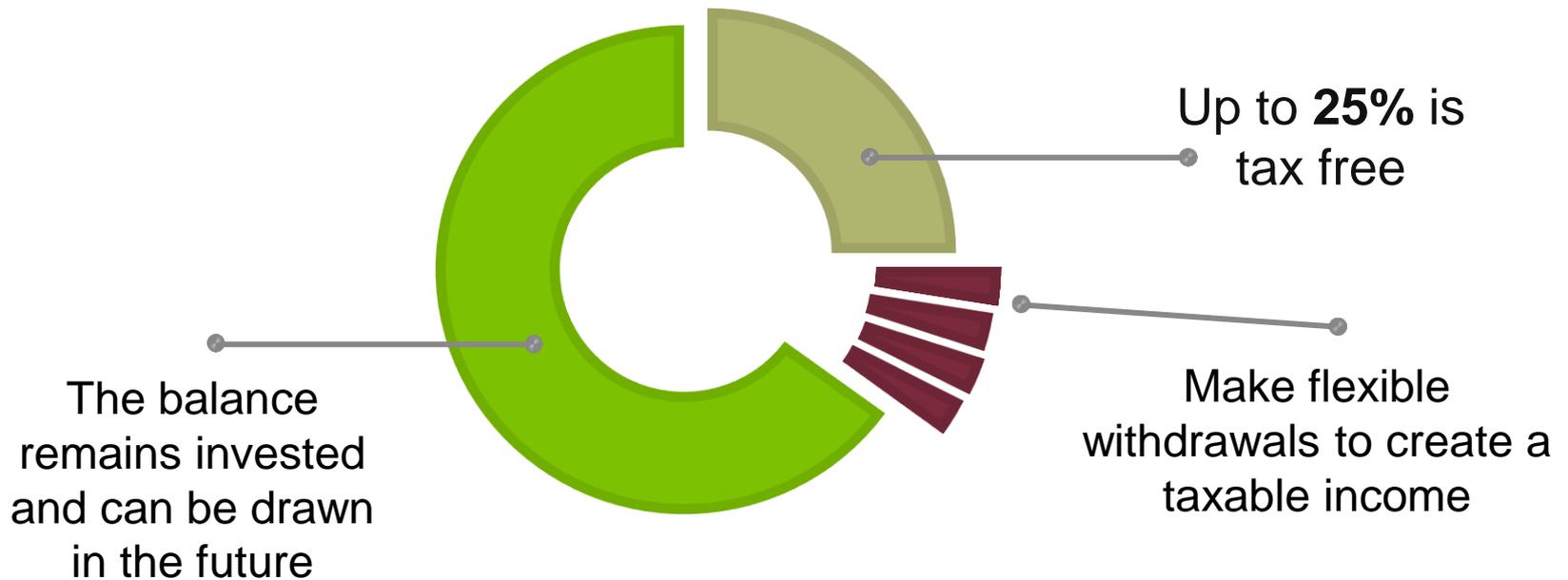
receiving a taxable cash lump sum.



Total tax charge of £17,432

Tax bands and rates are different in Scotland

flexi access drawdown.



MPAA Taking a taxable income triggers the MPAA

limits on tax efficiency.

Annual Allowance (AA)

- The annual allowance is £40,000*
- This may be reduced if your total taxable income exceeds £200,000 or you flexibly withdraw taxable income from a DC scheme
- Carry forward may be available from up to the 3 previous tax years

Lifetime allowance (LTA)

- £1,073,100 – it is due to remain at this value until at least April 2026
- DB pensions are converted at 20:1
- DC pensions and tax free lump sums valued at monetary amount



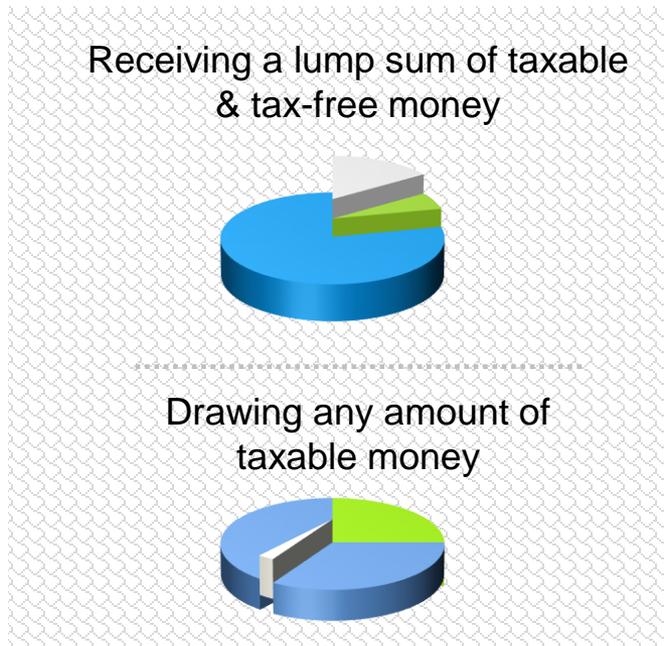
If you think you may be affected, ask about this on your follow up call

*Tax relief is only available on contributions up to the greater of 100% of relevant earnings or £3,600

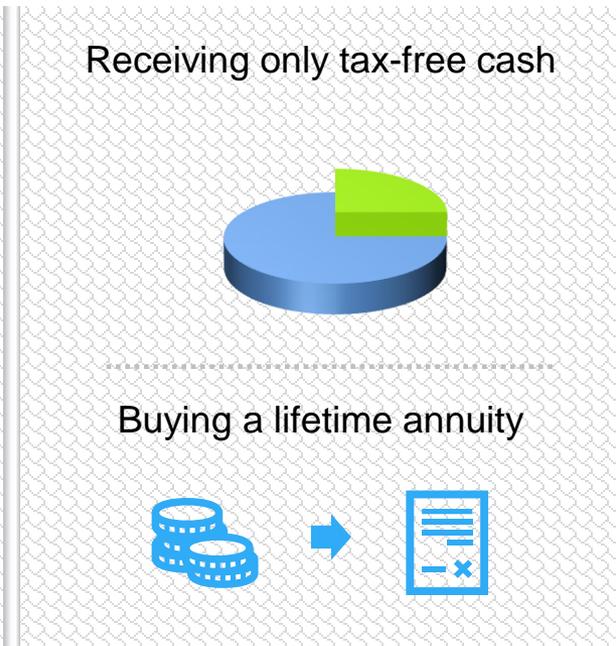
money purchase annual allowance.

The Money Purchase Annual Allowance (MPAA) of £4,000 may apply if you draw money from your DC pension.

When it will apply ↪



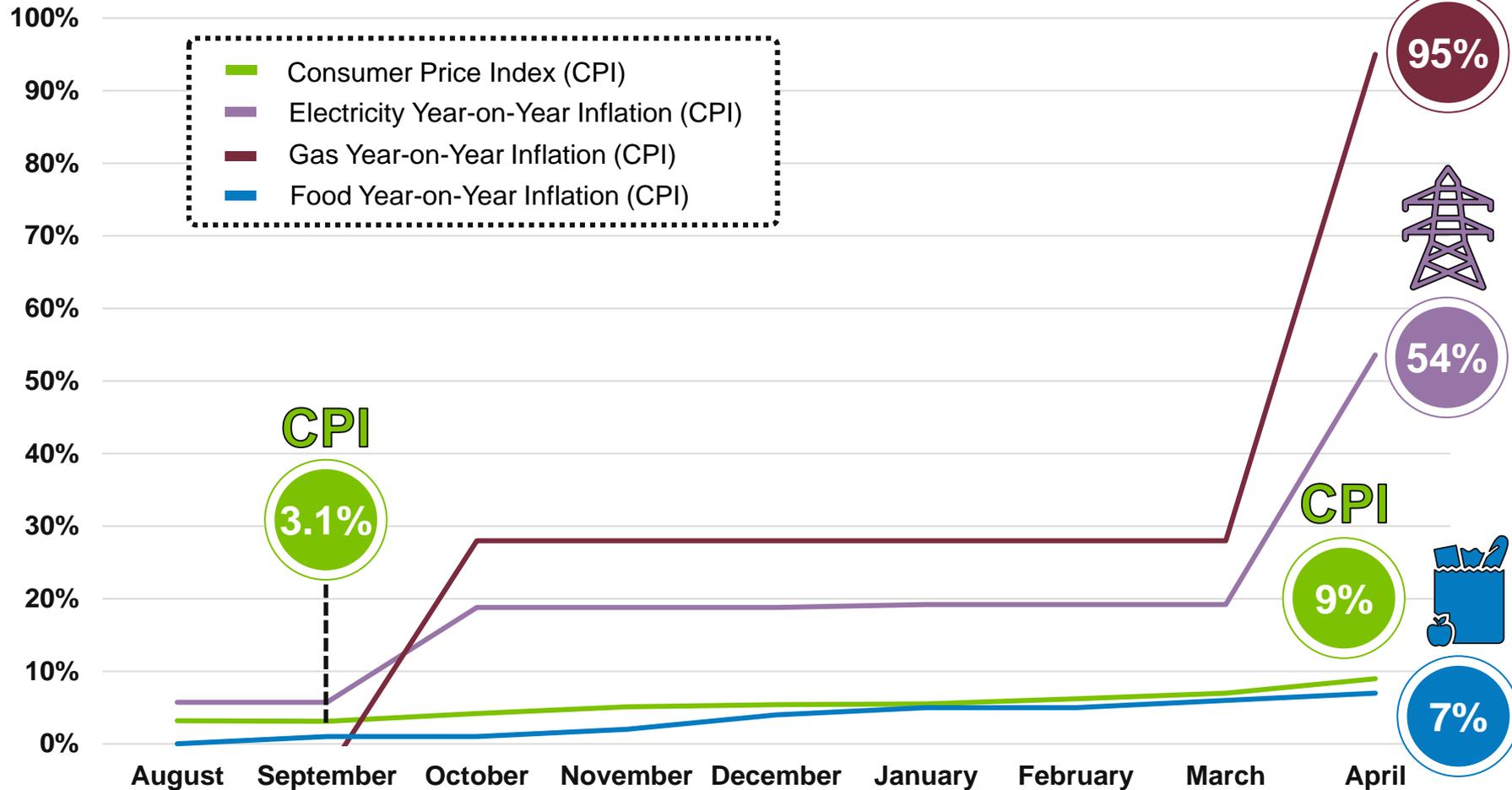
↪ When it won't apply



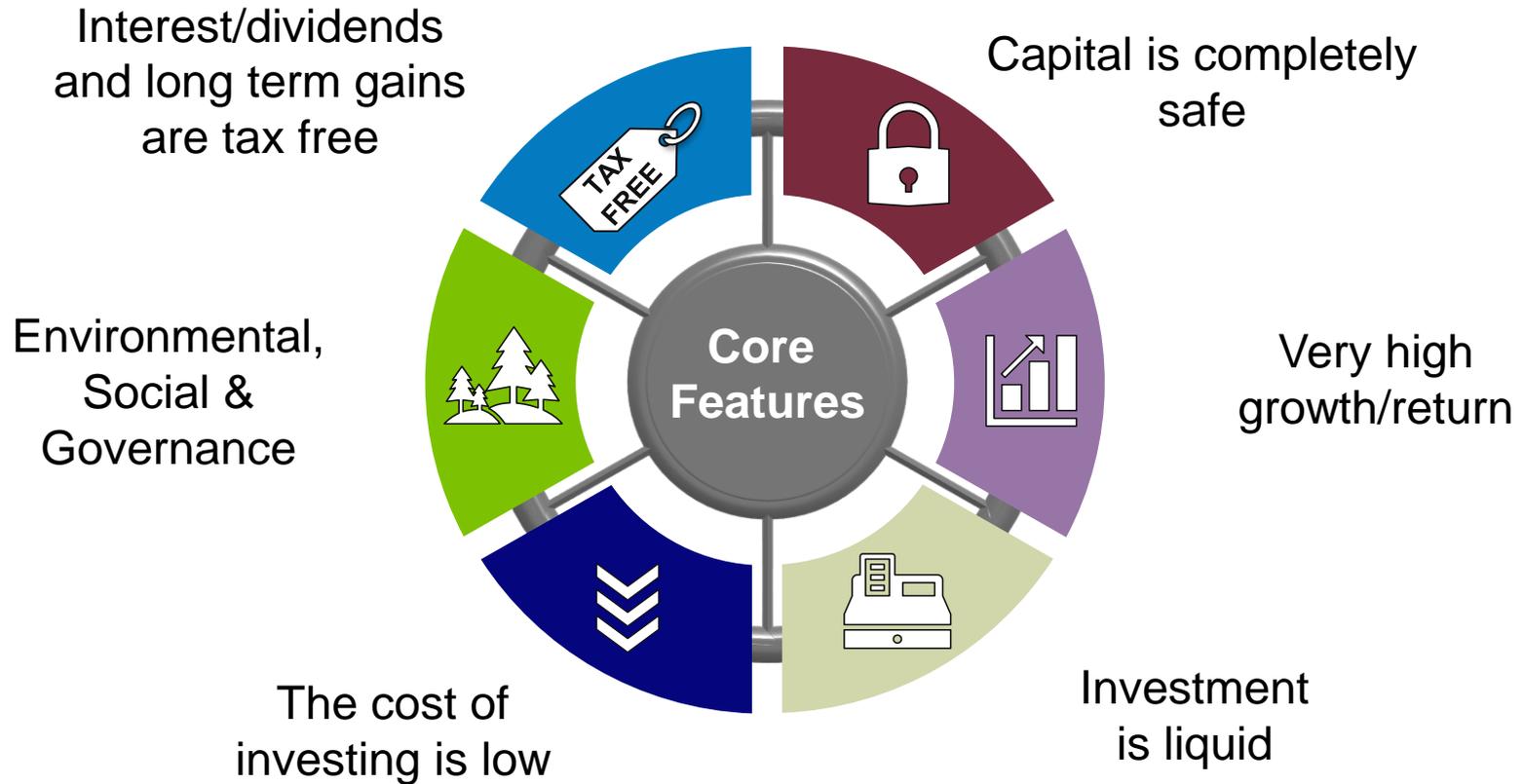
Carry forward is not available when the MPAA applies

inflation, savings and
investments.

cost of living increases.

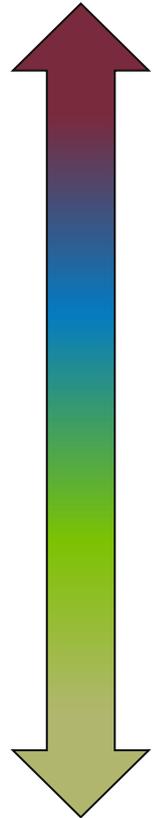


investment principles.



investment risk and returns.

High



Low



Equities

Volatility, Timing,
Concentration



Property

Liquidity, Negative equity,
Taxation, Tenants



Bonds

Default, Credit,
Inflation

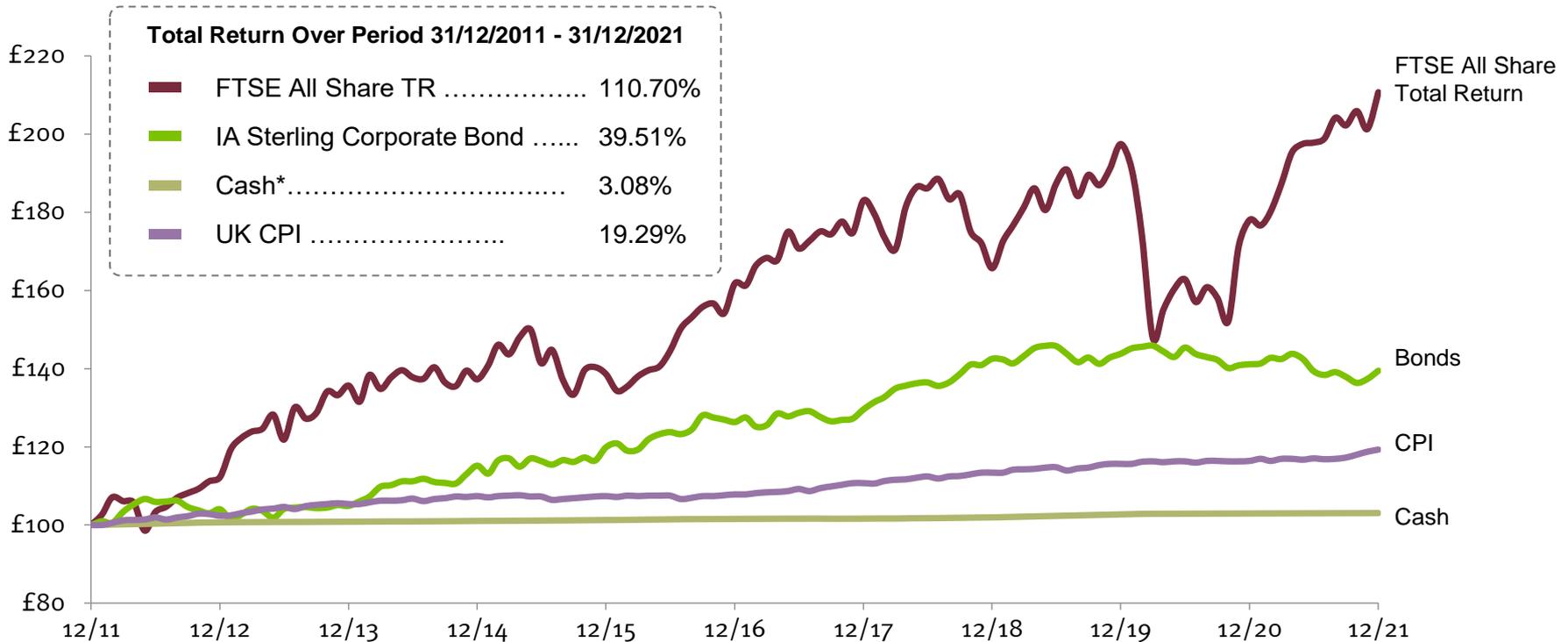


Cash

Inflation, Interest Rates,
Currency Exposure

risk and returns: the real world.

The value of £100 originally invested 31/12/2011 by 31/12/2021



This chart shows past performance which is not a reliable guide to the future

Source: Financial Express & Bloomberg

*Cash is calculated using: FE FER Cash Proxy from 31/12/2011 to 31/12/2018 and the UK Bank of England Base rate from 31/12/2018 to 30/12/2021.

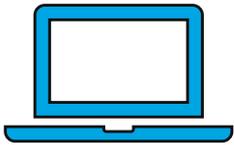
WEALTH at work

KNOWLEDGE | EXPERIENCE | OPPORTUNITY

financial scams – protect yourself.



Reject unexpected offers and communications



Check who you're dealing with

Financial services register: <https://register.fca.org.uk/>
or 0800 111 6768



Don't be rushed or feel pressured



Get impartial information or advice before changing your pension arrangements



www.fca.org.uk/scamsmart

personal taxation.

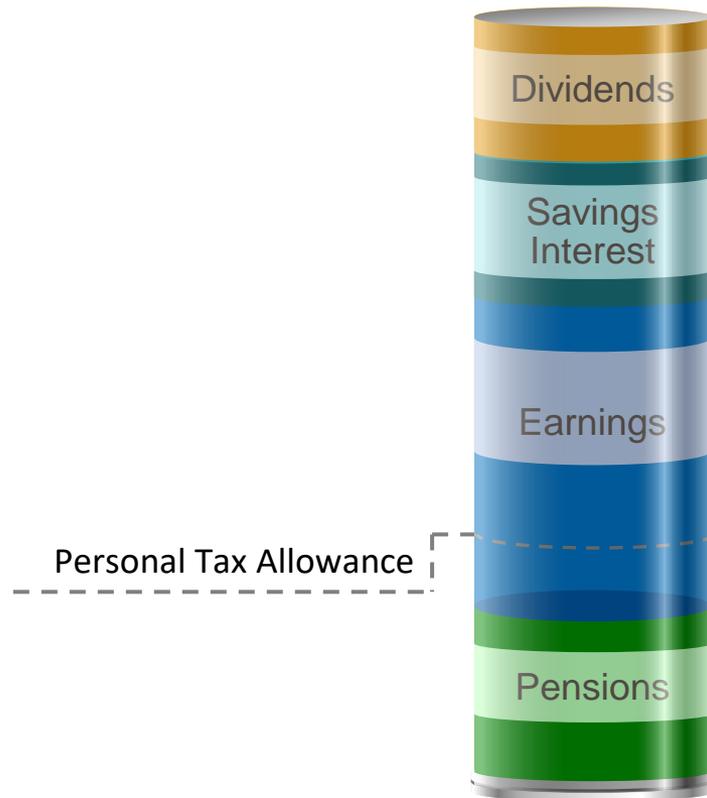
tax on your income.

Your income is taxed in a specific order. The income you receive in work may be taxed different to the income you receive in retirement.



tax on your income.

Your income is taxed in a specific order. The income you receive in work may be taxed different to the income you receive in retirement.



tax on your income.

Your income is taxed in a specific order. The income you receive in work may be taxed different to the income you receive in retirement.



taxation of State Pension.

The State Pension is taxable but it's not deducted at source

 HM Revenue & Customs	PAYE Coding Notice Tax code for the year 2022-23
Personal Allowance	£12,570
<i>Less your State Pension</i>	<u>£ 9,660</u>
Net Allowance	<u>£ 2,910</u>
Tax Code	291L

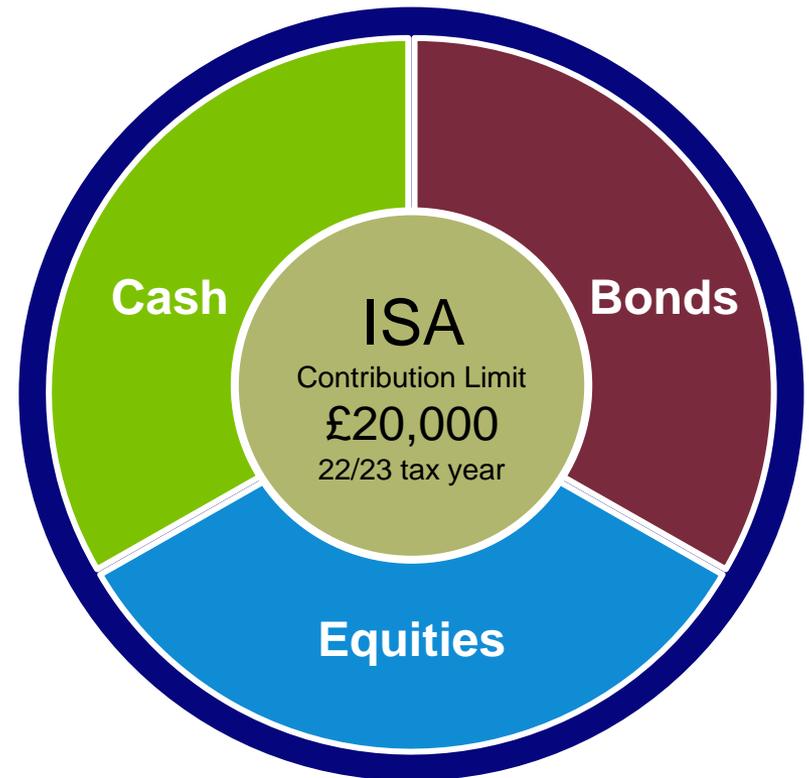


Check and see how your tax code is calculated by logging into your HMRC personal tax account:

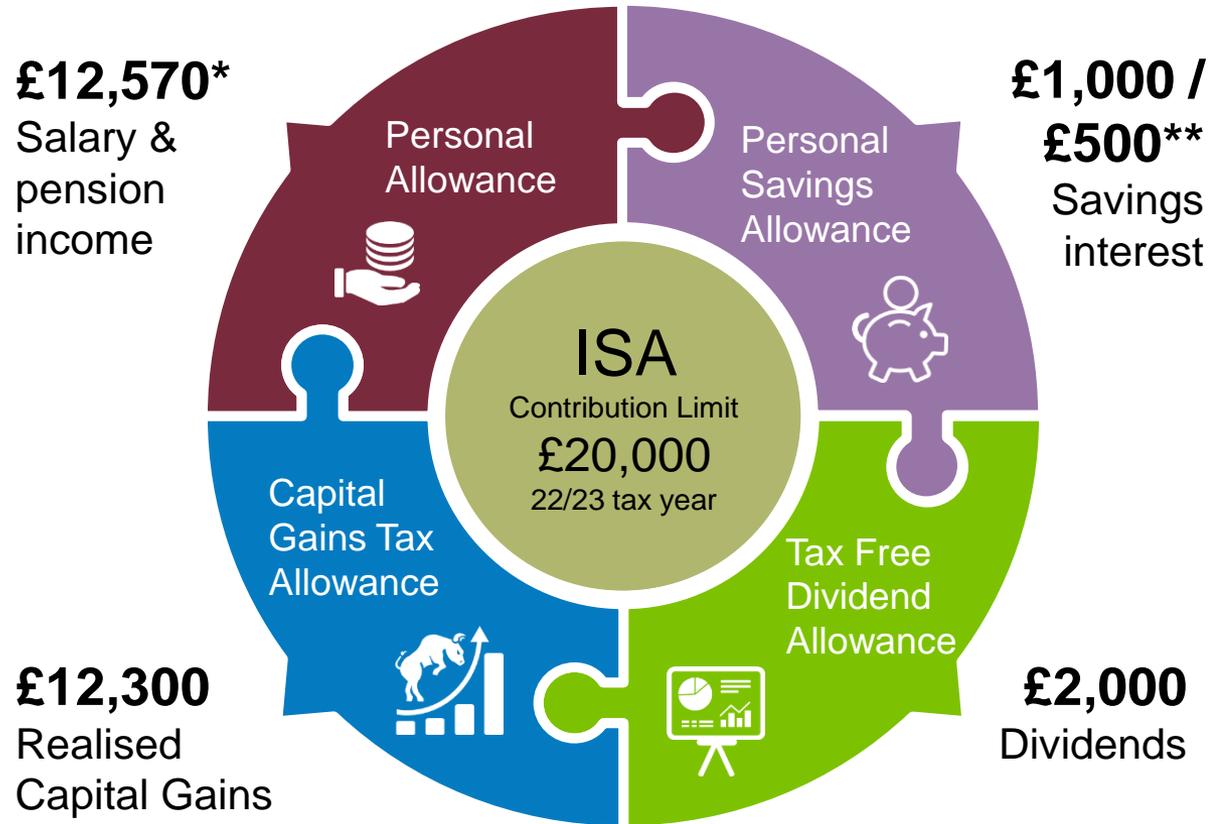
www.gov.uk/personal-tax-account

individual savings accounts (ISAs).

- An ISA protects your savings from taxation
- Interest and dividends are tax free
- Growth is free of Capital Gains Tax



tax allowances summary.



* Reduced for those with income over £100,000

** £1,000 for basic rate and £500 for higher rate tax payers. Additional rate tax payers do not have a Personal Savings Allowance

next steps.

taking action.

1. Calculate how your costs are likely to change in retirement
2. Get a State Pension forecast
3. Consider increasing contributions to your JP Morgan UK Pension Plan
4. Ensure your pension investments are aligned with your needs
5. Decide how you will generate a pension income
6. Ensure your pension income plan is as tax efficient as possible

further information.

JP Morgan contact details

- 'Byond' Discount Card help line: 0344 800 6435 or visit www.byondcard.co.uk
- MyPension - try the new my planner tool:
me@jpmc/retirementsavings/mypension
- By visiting the above site you can also download the 'Track My Pension' app

Contacts

- General tax and National Insurance information - www.hmrc.gov.uk
- State Pension statement - www.gov.uk/state-pension-statement
- Information and guidance - www.moneyhelper.org.uk

further information.

You will receive a Retirement Guide as you approach your selected retirement age. The guide explains all the options open to you when taking your DC plan benefits including:

- The process for buying an annuity via TOMAS
- Information about accessing your pension via drawdown through:
- **my wealth** – an independent regulated advice service provided by the Wealth at Work group of companies
 - **my wealth** offers independent financial advice and discretionary investment management services
- LifeSight – an online self service arrangement

seminars available to you.

In conjunction with Wealth at Work there are a range of financial education seminars available to you:

- 01**  **Early Career**
"Start to build your financial plan"
- 02**  **Mid Career**
"Keeping your financial plan in check"
- 03**  **Later Career**
"Exploring your options at retirement"
- 04**  **The Pension Annual Allowance and Lifetime Allowance**
"Addressing your pension savings annual and lifetime allowance limits"
- 05**  **Saving and Investing**
"Get your savings and investments moving in the right direction"
- 06**  **Estate Planning**
"Managing your estate and getting it in order"

financial education structure.

Request a Callback

Your personal circumstances will be discussed in your follow up call.



Online Seminar

Today's online seminar will provide financial education and may include employer specific information.



Regulated Financial Advice

You may choose to receive regulated advice following your call from **my wealth** or another firm on the financial services register

seeking advice.

Regulated financial advice can provide you with information and advice on the most suitable course of action for you relating to a wide range of financial needs.

Local financial advisers can be found here:

- <https://register.fca.org.uk>

contact us.

We provide a telephone helpline and a regulated financial advice service through **my wealth** - a trading name of Wealth at Work Limited which is a member of the Wealth at Work group of companies.

It helps individuals to understand their personal financial situation especially when selecting their retirement income options.

- Telephone **0800 028 3200**



thank you.

0800 028 3200

www.wealthatwork.co.uk/mywealth



WEALTH at work

KNOWLEDGE | EXPERIENCE | OPPORTUNITY