

Pensions and retirement planning

R04 2018-19 edition

Web update 4: 22 March 2019

Please note the following update to your copy of the **R04** study text:

Chapter 8, section C4A, example 8.5, page 8/20

The figures in the table should read as follows (amendments in **bold**):

Average returns of 7% p.a. - annual withdrawal of £7,000 taken at the end of each year						
	Scenario 1 7% p.a. - average return achieved each year		Scenario 2 7% p.a. - high returns first		Scenario 3 7% p.a. - low returns first	
Year	Return	Residual fund	Return	Residual fund	Return	Residual fund
0		£100,000		£100,000		£100,000
1	7%	£100,000	21%	£114,000	-11%	£82,000
2	7%	£100,000	18%	£127,520	-3%	£72,540
3	7%	£100,000	15%	£139,648	3%	£67,716
4	7%	£100,000	10%	£146,613	6%	£64,779
5	7%	£100,000	8%	£151,342	7%	£62,314
6	7%	£100,000	7%	£154,936	8%	£60,299
7	7%	£100,000	6%	£157,232	10%	£59,239
8	7%	£100,000	3%	£154,949	15%	£61,288
9	7%	£100,000	-3%	£143,300	18%	£65,249
10	7%	£100,000	-11%	£120,537	21%	£71,952