

Jan 2026

Forecasting your finances

Fiona Harris

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29 December 2025 - 01 December 2026



**Divitio
Wealth**

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Welcome to your financial forecast

Dear Fiona,

Following our recent discussions and meetings, I am pleased to share an in-depth look at the different scenarios we discussed for your future finances.

Our aim is to support you in understanding how you may be able to meet your goals and fund the things that are most important to you in your life.

Throughout this document we'll look at how the investment portfolio we have created for you might perform over the coming years in different scenarios, including the income it might generate to help meet your day-to-day expenditure.

As the future is uncertain, we cannot guarantee any particular outcome. To show the likelihood of different outcomes, we have included forecasts which show a range of possible results that could be achieved by your portfolio.

Your financial needs are, of course, constantly evolving. We will review and update your progress as part of the annual review service we provide to you. In the meantime, if there are any changes to your circumstances or goals that could affect your finances, please let us know.

Kind regards,

Kat Flanagan



1. About you

We look at your goals, the scenarios we're going to evaluate in this report, and your current financial position.

Your goals and events

In this table we look at specific expenditure goals that you have identified:

Goal	Starting	Ending	Amount
 Big family holiday	Jan 2033		£25,000 one-off

Your options

It's impossible to predict what the future holds for us. Some things are outside of our control, like world events, ill health, and accidents. Choices we make in our finances now may affect outcomes later in life, so in this report we will look at the different choices you could make. We present these as different scenarios that can be compared to your "base" scenario, which you can think of as your starting point. This means we can evaluate the likelihood of you achieving your goals in each of these scenarios and consider which choices may be most suitable for you, as well as plan any next steps you need to take.

Scenario name	Scenario description
Base scenario	This is your base scenario, the one we consider as a starting point.
Retire at 62	This is the scenario where you stop working at 62.
Go part time at 62	This is the scenario where you semi-retire at 62

Your portfolio

We have listed the investments and other assets you hold and their latest values. Your portfolio, if required, can be used to provide the income you need in future years.

The value of your portfolio is likely to grow and shrink over time. We're most interested in the amount of growth that your portfolio could achieve and how that could support you in meeting your goals. The way that investments grow and shrink is linked to the amount of risk that is taken. Higher risk investments are likely to experience more ups and downs, but they have the potential to give higher overall growth over the longer term, though this is not guaranteed.

For the purposes of forecasting your finances, each of your investments is given a risk profile. This is a scale from 1 to 10, where 10 represents the highest growth and therefore the highest risk. You can see which profile applies to each of your investments below. You can find out more information about how we do this in the Appendices.

	Valuation date	Value	Annual assumed charges	Risk profile
ARC SIPP (AEGON ARC) Ref: SIPP1234	28/12/2025	£488,362	0.00%	6 of 10 - High medium
Prudential Individual Savings Account (Prudential) Ref: ISA1234	28/12/2025	£38,911	0.00%	6 of 10 - High medium

	Valuation date	Value	Annual assumed charges	Risk profile
Savings Account (Santander) Ref: Saver456	28/12/2025	£4,100	0.00%	1 of 10 - Lowest
Total		£531,373		

Your life phases

When thinking about the future, it's helpful to consider different chapters in your life and how your finances may change in each one. These are the phases we discussed for your base scenario:

Phase name	Phase duration	Your age
Pre-retirement	Dec 2025 - Dec 2032	59 - 66
Retirement	Jan 2033 - Dec 2045	67 - 79
Late retirement	Jan 2046 - Dec 2065	80 - 99

2. Your questions answered: How long will my money last?

We forecast how long you might be able to sustain your level of expenditure based on your available level of income and by drawing down on your investments in different scenarios.

In this analysis, we use our forecast to predict when you may run out of money to pay for your expenditure. To do this, we simulate withdrawing money from your savings, investments and pensions to avoid you going into debt, unless you've indicated they should not be used.

We have modelled thousands of potential paths for the growth of your portfolio to identify how many of those result in you running out of money:

- very low growth - when 5% of the paths have run out of money.
- average growth - when 50% of the paths have run out of money.
- by very high growth - when 95% of the paths have run out of money.

In the table below we show you a range of dates of when your money could run out, leaving you unable to meet your expenditure. Bear in mind that there are differences between these scenarios, which you can view in later sections of this report.

Your portfolio could last until the following ranges in these scenarios:

Scenario	Be prepared for (very low growth)	Plan for (average growth)	Be pleasantly surprised (very high growth)
Base scenario	Nov 2046 Age 80	After your plan ends	After your plan ends
Retire at 62	Nov 2040 Age 74	Nov 2054 Age 88	After your plan ends
Go part time at 62	Nov 2043 Age 77	Nov 2060 Age 94	After your plan ends

There are many influencing factors to these forecasts, including performance of your investments and changes to your incomes and expenditures. Remember that there is always a chance that you could run out of money sooner than the earliest predicted date.

What we have assumed

The analysis above is based on the following assumptions:

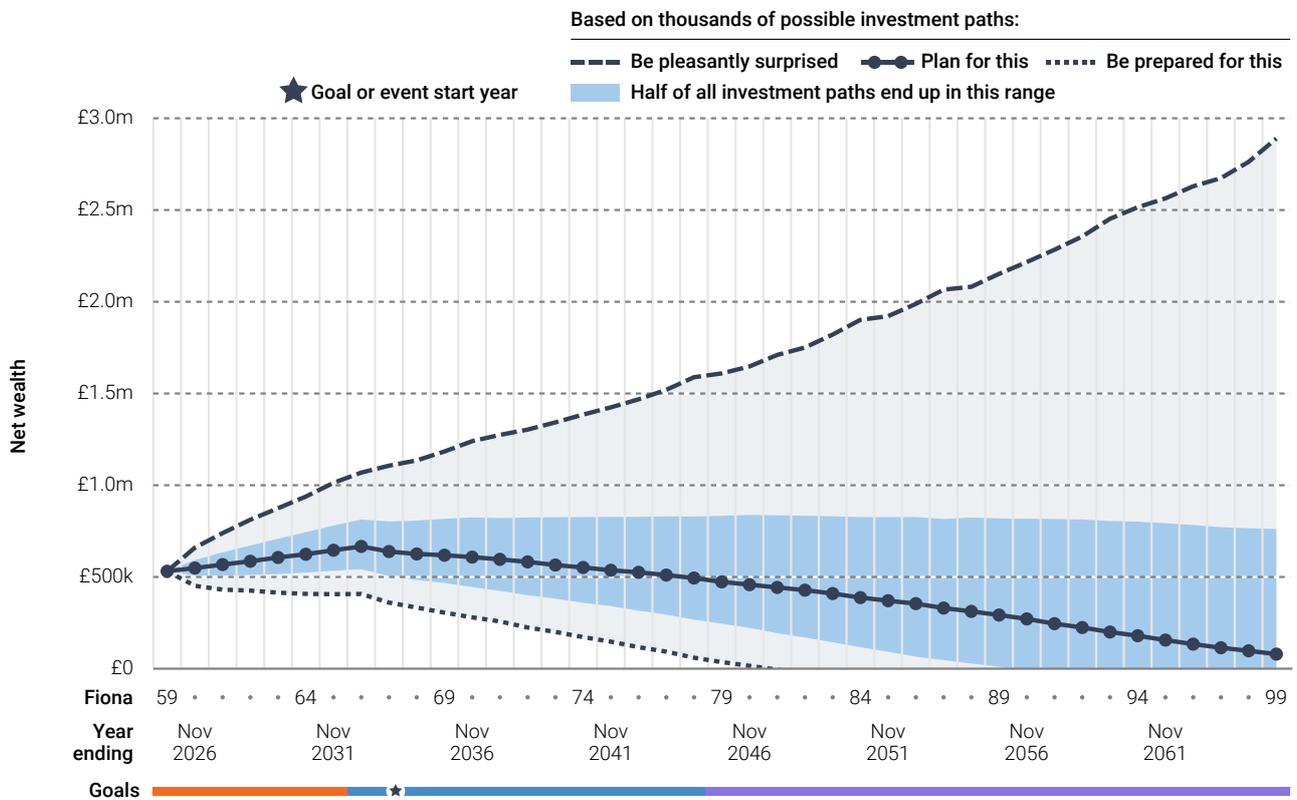
- In years where you've already covered your expenditure and have money left over, we assume you do the following:
 - Base scenario - you spend the surplus on things outside of this plan.
 - Retire at 62 - you spend the surplus on things outside of this plan.
 - Go part time at 62 - you spend the surplus on things outside of this plan.
- The ranges shown are not finite and your portfolio could always do better or worse than the values shown.
- At the point you run out of money, you may still have capital that is inaccessible and cannot be immediately used to fund your expenditure. This could include pensions which can only be used to provide income from the minimum pension age onwards. This age can vary from pension to pension and is listed in the appendix 'About your base scenario'.
- The analysis includes any planned withdrawals, provided they are affordable.

Base scenario: Your wealth forecast

This forecast shows you the potential future value of your portfolio after charges, to give you an idea of your overall wealth over time. In this chart, we're looking at both your capital (the money in your savings, investments, and pensions) and your cash flow (the balance of your cash in the bank). If you spend more money than you have available, and you haven't taken withdrawals to fund your expenditure, then your overall wealth may still look positive even though you have a negative bank balance.

Chart settings:

- **Surplus:** In years where you've already covered your expenditure and have money left over, we assume you spend the surplus on things outside of this plan.



4. Scenario: Retire at 62

This is the scenario where you stop working at 62.

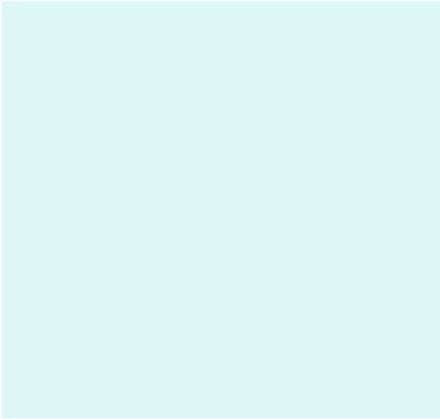
What's different in this scenario compared to your base scenario?

In this scenario, we've considered changes to your life phases as follows.



This scenario has these **differences** to your base scenario:

Incomes	Base scenario	Retire at 62
TYPE: SALARY OR WAGES (GROSS) Full Time Income	ANNUAL INCREASE: PRICE INFLATION £5,000 monthly (Jan 2024 - Dec 2032)	ANNUAL INCREASE: PRICE INFLATION £5,000 monthly (Jan 2024 - Dec 2027)
Expenditures	Base scenario	Retire at 62
Big family holiday 	ANNUAL INCREASE: N/A £25,000 one-off (Jan 2033)	ANNUAL INCREASE: N/A £25,000 one-off (Jan 2028)
Arrangements	Base scenario	Retire at 62
TYPE: SELF INVESTED PERSONAL PENSION ARC SIPP (AEGON ARC) Ref: SIPP1234 Value: £488,362	Withdrawals	



TYPE: CRYSTALLISATION & PCLS
 CRYSTALLISATION: 100%
 PCLS VALUE: £21,000 (CAPPED AT 25%)
 PCLS DESTINATION: WALLET
 Forecasted (Jan 2033)

TYPE: CRYSTALLISATION & PCLS
 CRYSTALLISATION: 100%
PCLS VALUE: £29,000 (CAPPED AT 25%)
 PCLS DESTINATION: WALLET
 Forecasted (**Jan 2028**)

TYPE: FLEXI-ACCESS DRAWDOWN
 ANNUAL INCREASE: PRICE INFLATION
 £2,500 monthly (Jan 2033 - Rest of life)

TYPE: FLEXI-ACCESS DRAWDOWN
 ANNUAL INCREASE: PRICE INFLATION
£2,208 monthly (Jan 2033 - Rest of life)

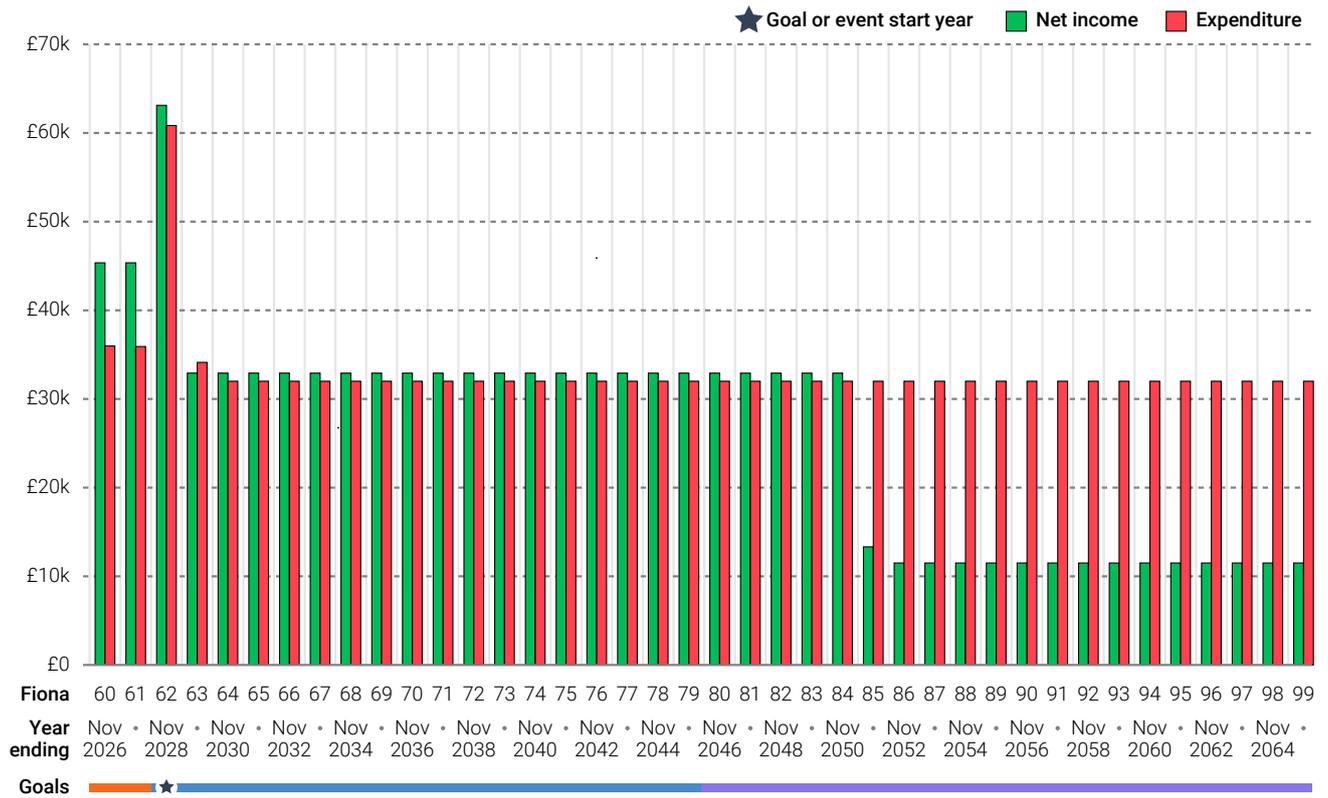
Not included in this scenario

TYPE: FLEXI-ACCESS DRAWDOWN
 ANNUAL INCREASE: PRICE INFLATION
 £3,167 monthly (Jan 2028 - Dec 2032)

Retire at 62: Income and expenditure forecast

Chart settings:

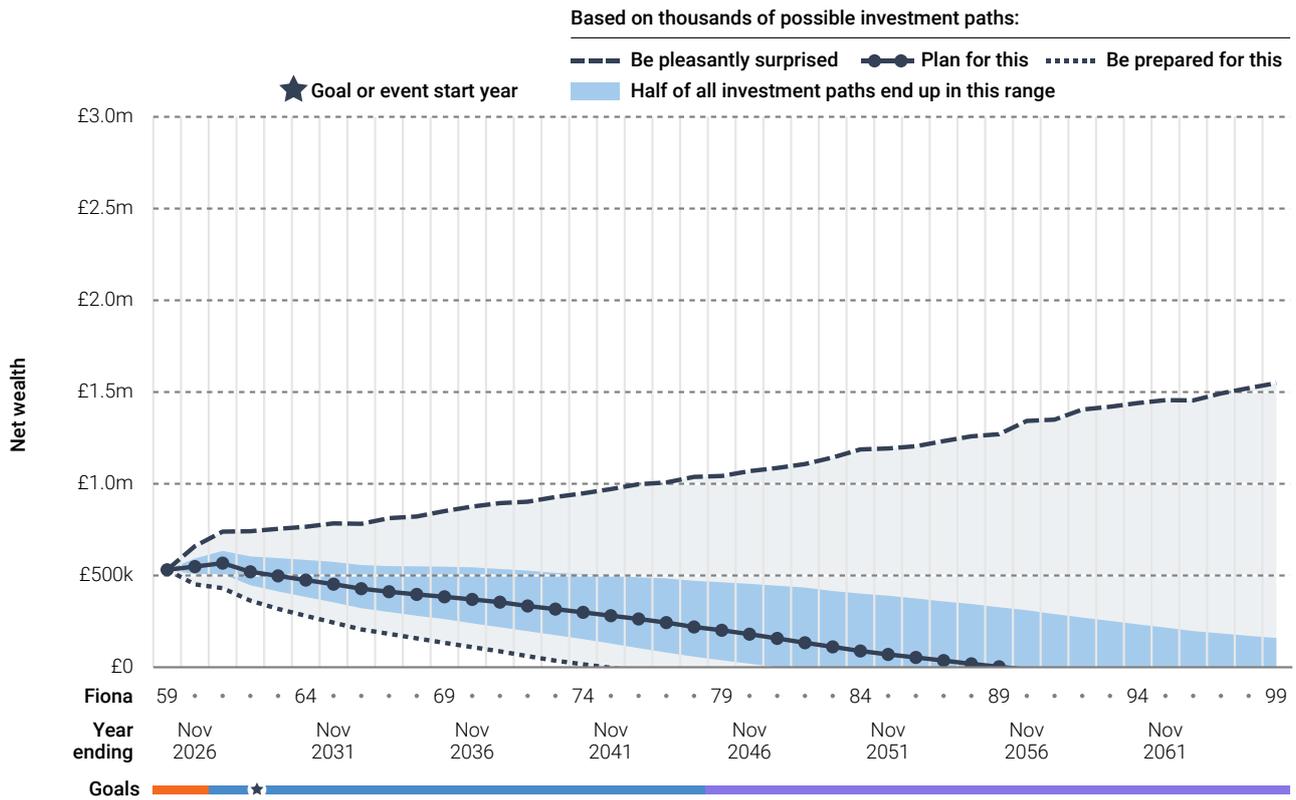
- **Growth:** Plan for average growth.
- **Surplus:** In years where you've already covered your expenditure and have money left over, we assume you spend the surplus on things outside of this plan.



Retire at 62: Wealth forecast

Chart settings:

- **Surplus:** In years where you've already covered your expenditure and have money left over, we assume you spend the surplus on things outside of this plan.

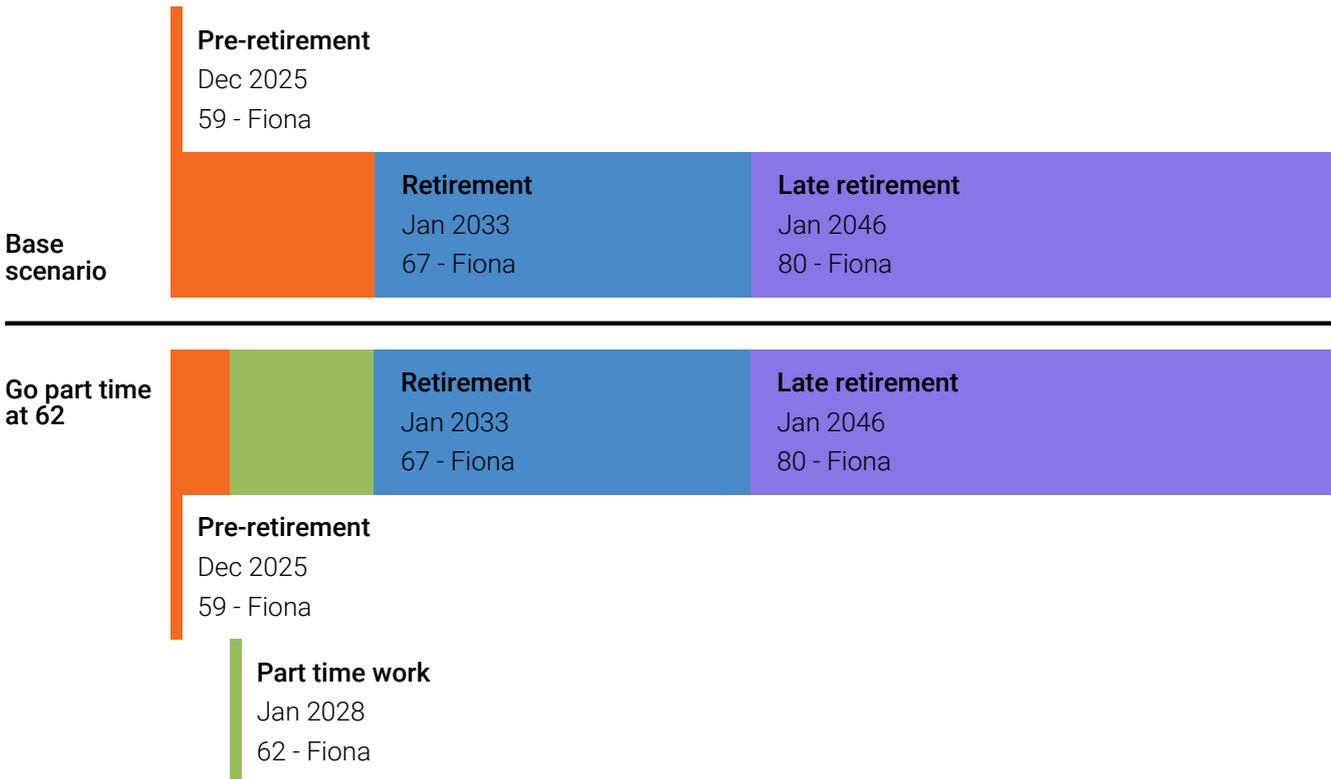


5. Scenario: Go part time at 62

This is the scenario where you semi-retire at 62

What's different in this scenario compared to your base scenario?

In this scenario, we've considered changes to your life phases as follows.



This scenario has these **differences** to your base scenario:

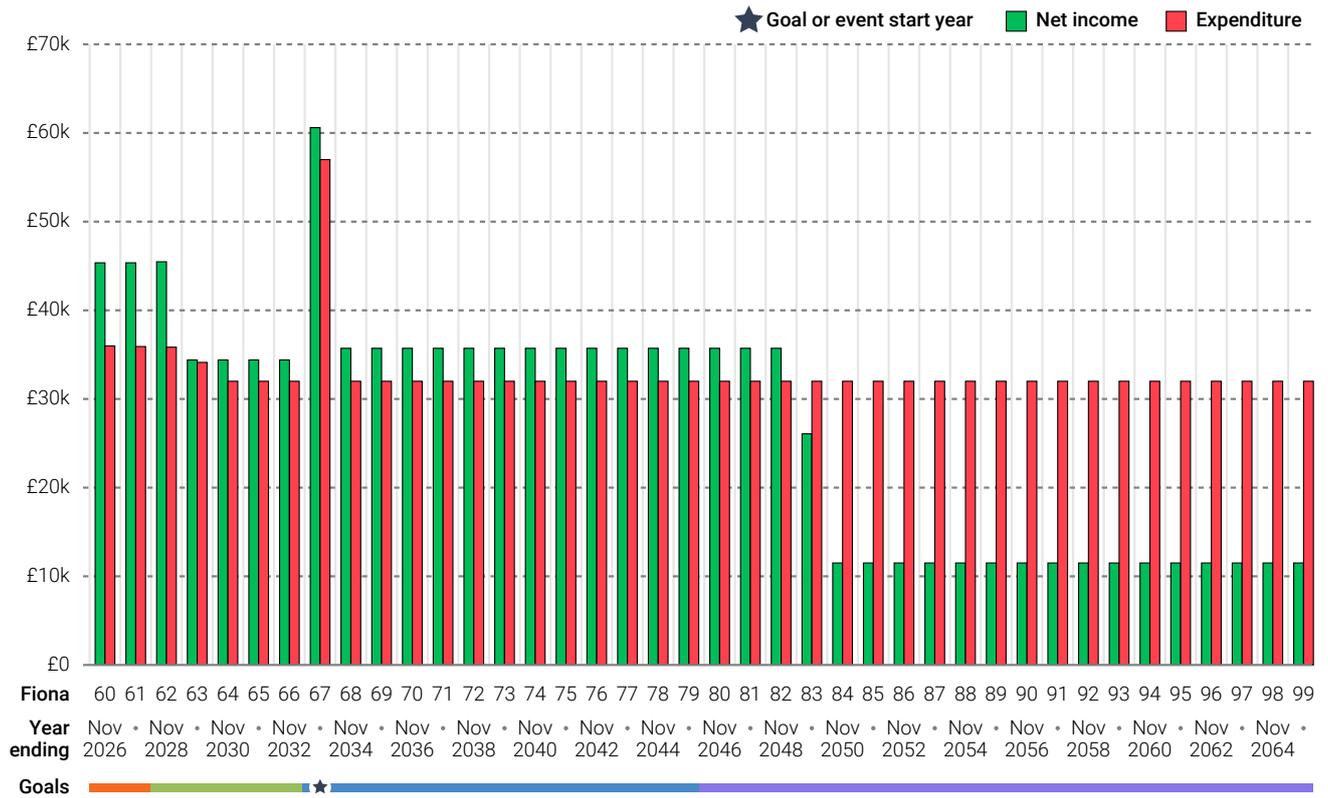
Incomes	Base scenario	Go part time at 62
TYPE: SALARY OR WAGES (GROSS) Full Time Income	ANNUAL INCREASE: PRICE INFLATION £5,000 monthly (Jan 2024 - Dec 2032)	ANNUAL INCREASE: PRICE INFLATION £5,000 monthly (Jan 2024 - Dec 2027)
TYPE: SALARY OR WAGES (GROSS) Part time salary	Not included in this scenario	ANNUAL INCREASE: PRICE INFLATION £2,083 monthly (Jan 2028 - Dec 2032)
Arrangements	Base scenario	Go part time at 62

TYPE: SELF INVESTED PERSONAL PENSION ARC SIPP (AEGON ARC) Ref: SIPP1234 Value: £488,362	Withdrawals	
	TYPE: CRYSTALLISATION & PCLS CRYSTALLISATION: 100% PCLS VALUE: £21,000 (CAPPED AT 25%) PCLS DESTINATION: WALLET Forecasted (Jan 2033)	TYPE: CRYSTALLISATION & PCLS CRYSTALLISATION: £200,000 ONE-OFF PCLS VALUE: £10,000 (CAPPED AT 25%) PCLS DESTINATION: WALLET Forecasted (Jan 2028)
	Not included in this scenario	TYPE: FLEXI-ACCESS DRAWDOWN ANNUAL INCREASE: PRICE INFLATION £1,342 monthly (Jan 2028 - Dec 2032)
	Not included in this scenario	TYPE: CRYSTALLISATION & PCLS CRYSTALLISATION: £288,362 ONE-OFF ANNUAL INCREASE: N/A PCLS VALUE: £25,000 (CAPPED AT 25%) PCLS DESTINATION: WALLET Forecasted (Jan 2033)

Go part time at 62: Income and expenditure forecast

Chart settings:

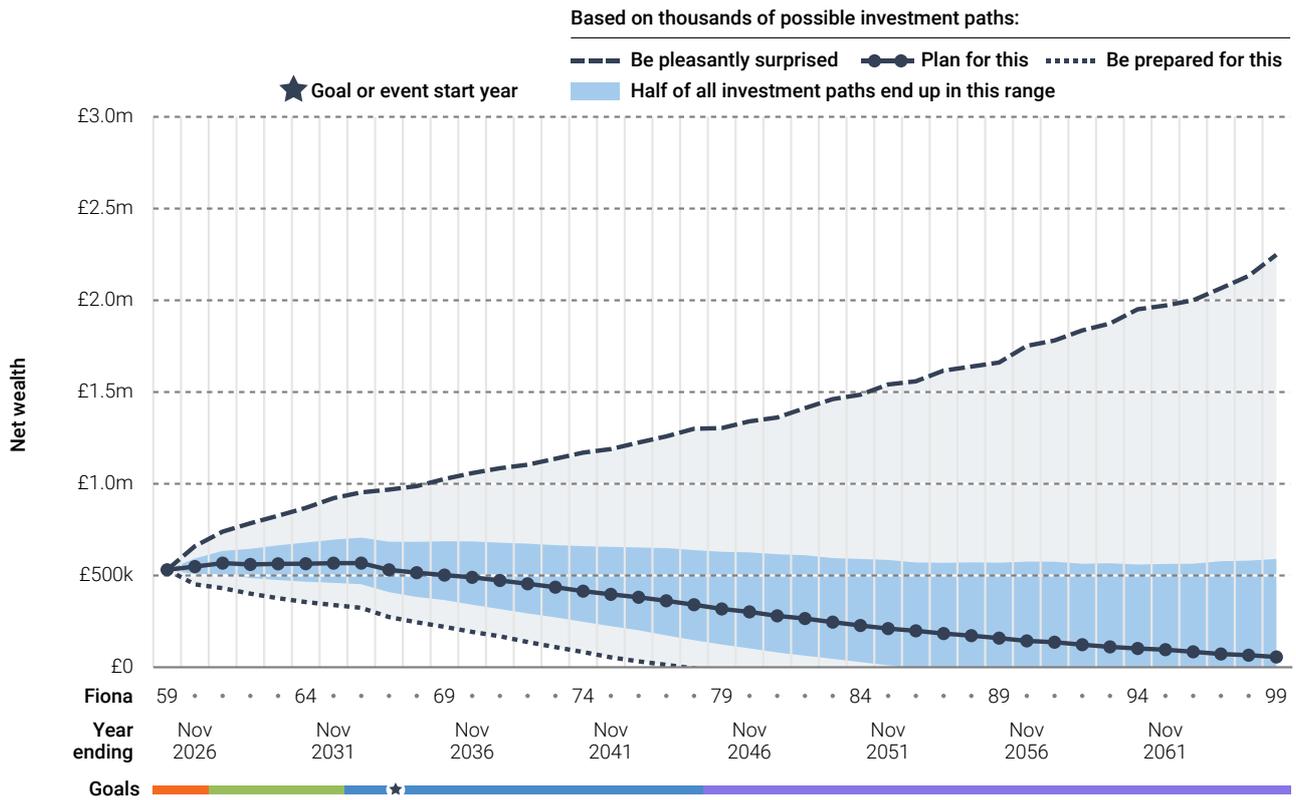
- **Growth:** Plan for average growth.
- **Surplus:** In years where you've already covered your expenditure and have money left over, we assume you spend the surplus on things outside of this plan.



Go part time at 62: Wealth forecast

Chart settings:

- **Surplus:** In years where you've already covered your expenditure and have money left over, we assume you spend the surplus on things outside of this plan.



6. Next steps

As part of our ongoing review service, we explain the next steps to take to ensure you have the best chance of meeting your goals.

This report shows a full forecast of your finances over your lifetime in different scenarios. You should review the report to ensure you understand how your finances are affected by the choices you make now and come back to me with any questions or comments.

We will review your financial forecast regularly to ensure you have the best chance of meeting your plans and goals for the future.

Once you are happy with this report, please sign and return a copy to me and retain the other copy for your records.

Appendices



A: About your base scenario

Lots of information is used to create your base scenario. Below are details of your current and expected income and expenditure, your planned contributions and withdrawals and your shortfall priority. Do let me know if anything is incorrect or missing so I can ensure my advice to you is based on the most accurate information.

Your base scenario incomes

These are sources of regular income you are currently receiving or expect to receive in the future.

Name	Type	Amount	Annual increase	Frequency	Starting	Ending
Full Time Income	Salary or wages (gross)	£5,000	Price inflation	Monthly	Dec 2025	Dec 2032
State pension for Fiona	State pension (gross)	£959	Price inflation	Monthly	Jan 2033	Rest of life

Your base scenario expenditures

These are the key day-to-day and one-off expenses you expect to have to meet out of your income.

Name	Amount	Annual increase	Frequency	Starting	Ending
Fixed monthly outgoings	£2,667	Price inflation	Monthly	Dec 2025	Rest of life
HomeSaver (Direct Line)	£85	Price inflation	Monthly	Dec 2025	May 2029
Mortgage on main house	£350	0.00%	Monthly	Apr 2029	May 2029
Barclaycard	£250	0.00%	Monthly	May 2029	Jun 2029
Mortgage on holiday home	£250	0.00%	Monthly	Mar 2031	Apr 2031
Big family holiday	£25,000		One-off	Jan 2033	

Your base scenario planned withdrawals

The withdrawals listed don't include any additional withdrawals made in the forecast to handle shortfalls. Note that the planned withdrawals are only made in the forecast if there is money is there to fund them.

	Type	Amount	Frequency	Starting	Ending
ARC SIPP (AEGON ARC) Ref: SIPP1234					
	Crystallisation & PCLS	Crystallisation: 100.00% PCLS: £21,000.00 (capped at 25%)	One-off	Jan 2033	

	Type	Amount	Frequency	Starting	Ending
	Flexi-access drawdown	£2,500	Monthly	Jan 2033	Rest of life

Your base scenario shortfall priorities

In some months, you may spend more money than you have available in your wallet. We can simulate taking withdrawals from your portfolio to cover the shortfall. When this happens, money is taken from your portfolio in this order:

Arrangement	Owner	Priority
Savings Account (Santander) Ref: Saver456	Fiona	1st
Prudential Individual Savings Account (Prudential) Ref: ISA1234	Fiona	2nd
ARC SIPP (AEGON ARC) Ref: SIPP1234	Fiona	3rd

Your minimum pension age

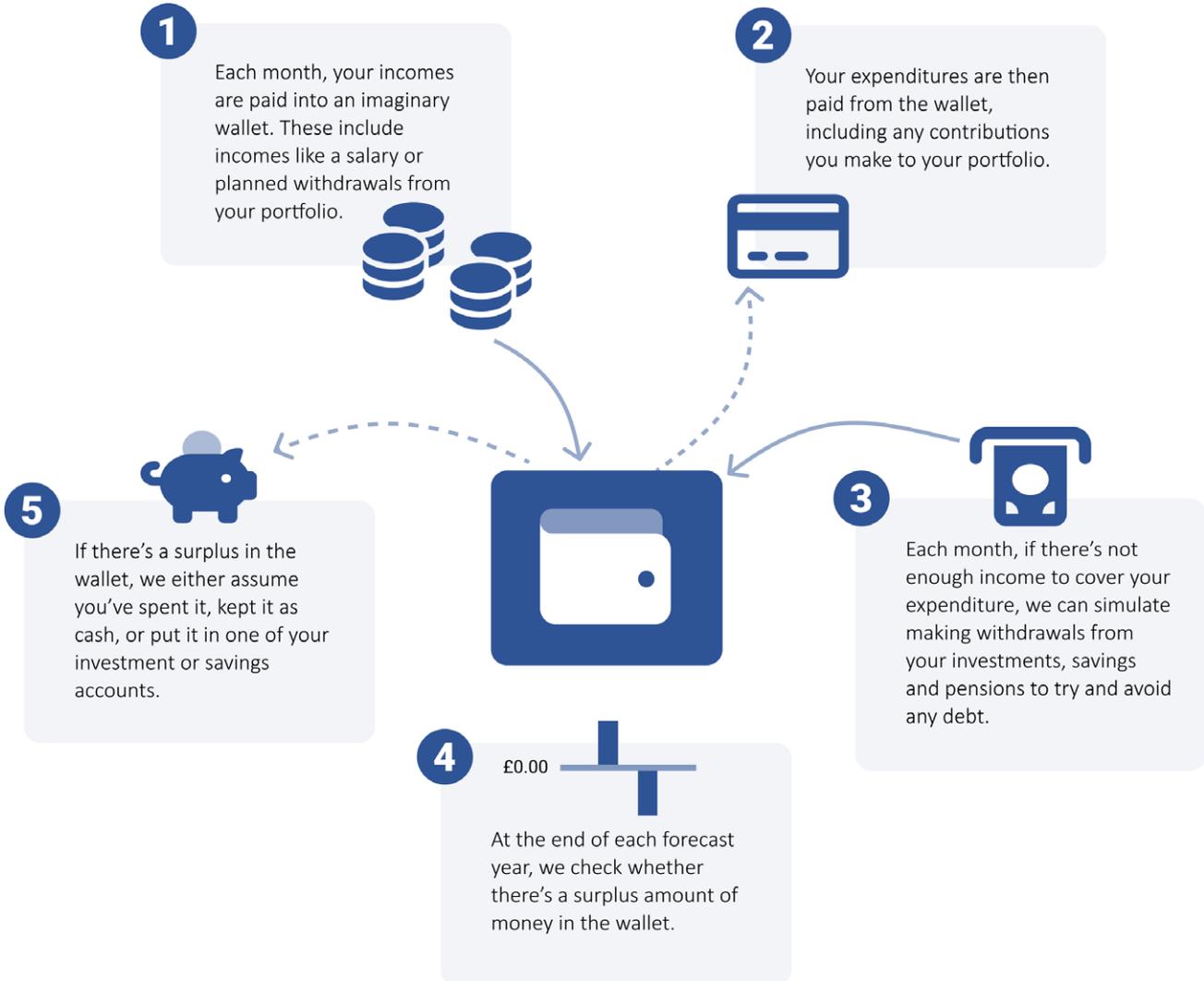
The minimum pension age is the earliest money can be taken out of each of your pensions. Sometimes different pensions can have different minimum pension ages.

Arrangement	Owner	Minimum pension age
ARC SIPP (AEGON ARC) Ref: SIPP1234	Fiona	55

B: Your forecast explained

How we forecast what might happen in the future with your finances

In this report we have looked at several forecasts of what your finances might look like in different scenarios. It's impossible to know for sure what will happen with investment markets in the future, so we forecast thousands of potential outcomes based on how much risk you take and how much the value of your portfolio is likely to go up and down. This helps us to identify the likely range of outcomes and therefore how long your portfolio can sustain your lifestyle. In addition to the rise and fall of your portfolio value, we also model your incomes and expenditures as described in the image below.



The forecasts are shown in "real" terms, which means that we show you what your future income and wealth would be worth in today's money. The rate of annual inflation (how much the prices of goods and services rise) we apply, is based on the Bank of England target rate.

We expect that published inflation figures will be different to the target rate as this is a short-term measure of inflation over the past year, however in the long-term, the Bank of England is committed to meeting its target and inflation should be assumed to be at the targeted rate. Published inflation is calculated from the change in the cost of goods over the past year, and so this level of inflation is already accounted for in the value of your expenditure, and the income you are receiving.

Regarding your income and expenditure, we assume a set static rate of annual inflation each year, shown in the appendices of this report, and apply this to your incomes and expenditures every month. This means that any incomes and expenditures with an increase rate of "Price Inflation" will appear to have the same value year on year when looking at a bar chart.

Regarding your investment portfolio, we show you a net rate of growth, with the effect of inflation already allowed for. This means that the inflation rate applied to your savings and investments is variable, like the growth rates. When you are looking at the growth of your savings and investments, a year showing particularly low growth may reflect low investment growth, or a high rate of growth that has been eroded by high level of inflation.

In all the forecasts, income tax has been calculated based on the current tax year's standard UK tax rates and bands, excluding Scotland.

Assumptions

Your forecasts have been constructed based on the following assumptions:

- Standard UK tax rates and bands (excluding Scotland) have been used when calculating your net income (i.e. after tax). Unless stated otherwise, all figures are quoted in 'real' terms - i.e. what your future income would be worth in today's money.
- Forecasts of your portfolio growth use a variable rate of inflation that can be different month-to-month and across the different projections.
- Forecasts of your planned income and expenditure use a set rate of inflation. The rates applied can be seen in earlier pages of this report and will either be a specific number, or one of the following two options:
 - Where you see the rate of inflation quoted as 'Price inflation', this is based on the Bank of England target rate. More information on the Bank of England target rate can be found here <https://www.bankofengland.co.uk/monetary-policy/inflation>. The rate applied is 2.50%.
 - Where you see the rate of inflation quoted as 'Earnings inflation', this is set at 4.00%.
- Other than income tax, no other personal tax has been included in our calculations. It is possible that you may be liable for additional taxes, such as capital gains tax on any profits you make on selling an investment. We will always look to advise you on the tax implications of any change to your financial plan, based on your financial position.
- National insurance contributions are paid monthly from all applicable incomes until state pension age is reached.
- Pensions are only used to provide income from the minimum pension age onwards. This age can vary from pension to pension and is listed in the appendix 'About your base scenario'.
- Any allowances or limits to savings, investments, and pensions have not been modelled in any forecasts.
- The likely future growth of your investments has been determined using the risk profile listed. For each risk profile, an average growth rate and level of volatility are assigned, based on the assumptions developed by independent risk-profiling specialists Dynamic Planner, shown in the table below.

Dynamic Planner risk profile	Assumed average growth rate	Assumed average volatility
Risk profile 1	-2.37%	0.01%
Risk profile 2	-0.20%	3.16%
Risk profile 3	1.20%	5.27%
Risk profile 4	2.22%	7.42%
Risk profile 5	3.18%	9.44%
Risk profile 6	3.95%	11.54%
Risk profile 7	4.87%	13.64%
Risk profile 8	5.31%	15.80%
Risk profile 9	5.83%	17.87%
Risk profile 10	6.33%	19.53%

C: Glossary of terms

ANNUAL REVIEW

The yearly assessment of your financial plan by your adviser to check that it is still suitable and performing as expected.

ARRANGEMENT

A word we use to describe a 'vehicle' for your money. This could be a pension, an investment, or high-street savings and cash accounts.

ANNUAL ASSUMED CHARGES

Charges payable on the investments and pensions in your portfolio. The charge is given as an annual percentage but is paid monthly. The charges could cover any costs relating to funds, fund managers or platforms. As we are forecasting over a long period of time, the charges are illustrative and likely to vary.

CASH FLOW

The balance between your income and your expenditure. If your cash flow is positive, you are receiving more income than you spend. If it is negative, you are spending more than the income you receive.

CRYSTALLISATION

A pension is made up of an uncrystallised and crystallised pot. Money moves from the uncrystallised to crystallised pot as money is withdrawn from the pension. Money withdrawn from the uncrystallised pension can be tax free, but all the money withdrawn from the crystallised pension is taxable.

FORECAST

The combination of thousands of projections to show the most likely outcome.

FLEXI-ACCESS DRAWDOWN

Once you have retired you can choose to withdraw any amount from your pension. The rest of your pension remains invested.

GROSS INCOME

The income from your investments or salary before any relevant income tax is taken off.

INCOME TAX

A personal tax payable on salary and interest and other income earned on savings and investments.

INVEST SURPLUS

Invest surplus is a setting in the forecast. If applied, any surplus amounts will be invested either as cash or as though invested into a specific arrangement.

LIFE PHASE

The different phases of your life, from work to retirement - each of which will have its own priorities and financial-planning requirements.

LIFETIME ANNUITY

You can choose to pay some of your pension pot to an insurer who will pay you a guaranteed income for life.

MINIMUM PENSION AGE

This is the earliest age you can withdraw money from your pension.

NI CONTRIBUTIONS

National insurance contributions are a form of tax that is applied to earnings, including self-employed earnings.

NET INCOME

The income you receive from your investments or salary once income tax is taken off.

PENSION COMMENCEMENT LUMP SUM (PCLS)

Most people can take up to 25% of their pension pot as a tax-free lump sum at the start of retirement.

PORTFOLIO

An individual investor's collection of investments, pensions and cash accounts.

PRICE INFLATION

The rate at which the prices of goods and services rise each year.

PROJECTION

One potential investment journey that could occur based on your portfolio.

REAL TERMS

A monetary value that has been adjusted to consider the effects of inflation on its buying power.

RISK

The potential for an investment to fluctuate in value or lose money.

RISK PROFILE

An assessment of an investor's attitude to, and capacity for, investment risk, based on their personal circumstances and preferences. In your forecasts, we have set an assumed risk profile for each of your arrangements.

SCENARIO

A potential future situation.

SHORTFALL

If your expenditure exceeds your income, this is referred to as a shortfall. Where indicated, the forecast makes unplanned withdrawals from your portfolio to try to cover the shortfall and avoid debt.

SHORTFALL PRIORITY

The order in which the forecast, where indicated, takes money from your portfolio to make up any shortfall in your required income.

SURPLUS

Where your income exceeds your expenditure, you have a potential surplus amount of money that you could choose to use or save.

UNCRYSTALLISED FUNDS PENSION LUMP SUM (UFPLS)

This is one of the ways you can take money from your pension. Instead of taking a PCLS at the start of your retirement you spread your tax-free withdrawals over your lifetime. In general, 25% of each of your withdrawals will be tax free.

VOLATILITY

The tendency of investments and investment markets to fluctuate in value.

WALLET

In the inner workings of your forecast is a 'wallet'. This is an imaginary cash account. Your incomes and withdrawals are paid into the wallet and your expenditures and contributions are paid out of it.

I confirm that I have read and understand the full content of this report.

Client signature

Fiona Harris

Adviser signature

Kat Flanagan

Date

Date

