

How much capital...



...do you need?

At Lakin Clark Financial Planning Ltd, we try to be as scientific as possible when it comes to calculating your financial-planning requirements.

Sometimes, however, it helps to use a quick ready-reckoner in order to arrive at a ballpark figure which can put your planning in context.

So here's the big question: how much capital do you need - if you were to retire, or in order *not* to have to work? Try the following approach for size:

1

Normal Living Expenses

Overhead	£pa
Mortgage, Rent etc	
Utilities	
Council tax, Income Tax	
Insurances	
Motoring expenses	
Clothing	
Food, dining out etc	
Holidays	
Savings	
Gifts etc	
TOTAL	

2

Anticipated 'extras'

Overhead	£pa
Replace/Upgrade car	
Special events	
Holiday home	
Long Term Care costs	
Other	
Other	
TOTAL	

3

Anticipated Savings

Overhead	£pa
Mortgage savings	
Commuting savings	
Other	
Other	
Other	
TOTAL	



Add the totals from tables **1** & **2** and then deduct total from table **3**

Multiply the resulting figure by **20**



This is the amount of capital you will need to live off, excluding the value of illiquid assets such as your home.

So, how far along the road to financial independence are you?

Do you know what strategies you should employ in order to ensure that you get there?

At Lakin Clark Financial Planning Ltd, we have the tools and all other available means to help turn your goals into reality - why not give us a call?



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