

Comparison of Annuity Options

All details are input in Light Blue boxes

1. Input client details.

2. Input Annuity details; Purchase Price, whether annuity is Single or Joint Life, & % dependants income, increase rate And any guaranteed period

3. Input Single Life annuity figures, Level & Increasing

4. If dependants annuity included. Input; level and increasing amounts

5. Input inflation rate and select whether to show figures in today's values.

Shows life expectancy

6. Input assumed age of clients death for comparison purposes

Will then calculate & show comparison of;
• *Income* that was being received at assumed date of death

Will also calculate & show comparison of;
• *Cumulative* Income that was received at assumed date of death

7. Input number of years dependant then survives.

Will then calculate & show comparison of;
• *Income* that was being received by *dependant* at assumed date of death

Will also calculate & show comparison of;
• *Cumulative* Income that was received at *dependants* assumed date of death

Name	Mr X
Sex	Male
Age	60
Smoker	No
Purchase Price	100,000
Single Life or Joint Life?	Joint
Dependants rate	100%
Rate of increase	3.00%
Guaranteed period	10
1. Single Life - Level annuity	4,700
2. Single Life - 3.000% increasing	2,900
3. With 100% Dependents annuity.	4,100
4. With 100% Depc & 3.000% increase	2,300
Inflation rate	2.0%
Show inflation adjusted figures	No
Life expectancy age (1)	82.23
Assumed age of client at death	60
Single Life - level annuity	£4,700
Single Life - 3.000% increasing	£3,764
100% Dependents annuity.	£4,100
100% Depc & 3.000% increases.	£3,066
Cumulative	
Single Life - level annuity	£47,000
Single Life - 3.000% increasing	£33,245
100% Dependents annuity.	£41,000
100% Depc & 3.000% increases.	£29,810
Dependant dies years later	10
100% Dependents annuity.	£4,100
100% Depc & 3.000% increases.	£4,121
Cumulative	
100% Dependents annuity.	£82,000
100% Depc & 3.000% increases.	£53,145



This line chart shows comparison of income being received *each year* by client and dependant. Also shows crossover point when Increasing income exceeds level income

This line chart shows comparison of total *cumulative* income received by client and dependant. Also shows crossover point when cumulative Increasing income exceeds cumulative level income