Pension transfers

AF7: 2019–20 edition

Web update 1: 16 October 2019

Please note the following update to your 2019–20 edition of the **AF7** study text.

Chapter 5, section A1, page 5/3

Please delete the final sentence of the final paragraph.

Chapter 5, section A1, example 5.1, page 5/4

The 'formula method' table should read as follows (corrections in **bold**):

> **Example 5.1**
> In June 2012 John crystallised benefits valued at £600,000, and in May 2014 he crystallised a further £625,000.

Formula method			
	Event 1	Event 2	Total
Amount of BCE	£600,000	£625,000	
LTA in year of BCE	£1,500,000	£1,250,000	
Revalued amount	$£600,000 \times \dfrac{£1.055m}{£1.5m} = £422,000$	$£625,000 \times \dfrac{£1.055m}{£1.25m} = £527,500$	**£949,500**
Remaining LTA	**£1.055m – £ 949,500 = £105,500**		