

Establishing a SIPP with a commercial property.

A fee case study

The facts

Mrs Gordon's Financial Adviser recommends that she consolidates two of her existing personal pensions and transfer these in cash to a full asset SIPP to purchase a commercial property. Her SIPP will need to borrow up to the maximum of 50% of her SIPP fund value. There is no VAT on the property. Mrs Gordon wants to manage her own property and use her own solicitor.



The fees

Mrs Gordon will pay the following fees:

Year 1

Establishment	£350
Two transfers at £75 each	£150
Standard administration	£714

Commercial property:

Property purchase ¹	£990
Borrowing funds from lender ²	£315
HMRC Scheme return	£70
Environmental report	£154
Annual property administration ³	£Time cost

Total fees in Year 1 £2,743¹ + Property administration³

Year 2

Standard administration	£714
HMRC Scheme return	£70
Annual property administration ³	£Time cost

Total fees in Year 2 £784 + Property administration³

¹ Fees for property purchase are on a time cost basis with a minimum charge of £990.

² If borrowing is required, additional fees are charged from £315.

³ Dentons will charge time-cost fees for issuing rental invoices, reconciling rental receipts, liaising with member trustees/ advisers regarding property insurance, and for any other property administration, as required.

Dentons will arrange for the property to be insured under our block policy arrangement unless alternative arrangements are required or the property is a leasehold and the freeholder arranges the insurances.

Clients can manage their own property or appoint a property manager. Dentons does not provide property management services.

We will charge additional fees if we have to chase or follow up any outstanding items or assist with the management of the property.

All fees shown are for illustrative purposes only and should not be relied on for a client's individual circumstances.

Please note

- Establishment fee is deducted once the full asset SIPP is set up and funds have been transferred into the SIPP
- Standard administration fees are normally deducted six months in arrears: this can be paid personally rather than being deducted from the default bank account
- All other fees are normally deducted six months in arrears
- We reserve the right to review our fees when necessary and to collect fees on a more frequent basis if required
- Fees will increase annually on 1st January
- All fees are subject to VAT.

Please contact your Business Development Manager, Sales & Marketing or your Dentons Pension Consultant for a fee estimate.

Notes

- This case study is for Financial Adviser use only and not for use by retail clients
- All fees shown are for illustrative purposes only and should not be relied on for a client's individual circumstances
- Please contact your Business Development Manager, Sales & Marketing or your Dentons Pension Consultant for a fee estimate
- All statements concerning the tax treatment of products and their benefits are based on our understanding of the current law and HM Revenue & Customs (HMRC) rules. These are for general guidance only and do not constitute professional advice. The tax treatment depends on individual client circumstances and may be subject to change. Whilst every effort has been made to ensure accuracy, no liability can be accepted for any errors or omissions
- If VAT may be applicable, you should seek specialist advice
- Dentons will not provide advice on the suitability of investments but reserves the right to refuse to hold any proposed investment in the scheme
- Whilst the names used in this case study are fictitious, the processes described have been used in actual cases
- Every care has been taken to ensure that the information provided is correct and in accordance with our understanding of current law and HMRC rules, which are both subject to change.



Dentons Pension Management Limited
Sutton House, Weyside Park
Catteshall Lane, Godalming
Surrey GU7 1XE

T 01483 521 521
F 01483 521 515
E enquiries@dentonspensions.co.uk
W www.dentonspensions.co.uk

Dentons Pension Management Limited, Denton & Co. Trustees Limited, NTS Trustees Limited, TP Trustees Limited, Sippchoice Trustees Limited, Fairmount Trustee Services Limited and M.A.B. Trustee Company Limited are registered in England & Wales under numbers 02352951, 01939029, 01407848, 02604059, 06869793, 01909678 and 01604556 respectively. Registered office at Sutton House, Weyside Park, Catteshall Lane, Godalming, Surrey, GU7 1XE.

Dentons Pension Management Limited is authorised and regulated by the Financial Conduct Authority, register number 461094.

VAT number for Dentons Pension Management Limited is 863 1639 14.

DPM.FeeCaseStudy.CommProp.0125