

FACT-FIND

April 2015

You are a financial adviser authorised under the Financial Services and Markets (FSMA) Act 2000. You completed the following fact-find when you met Mr and Mrs Jones recently.

PART 1: BASIC DETAILS		
	Client 1	Client 2
Surname	Jones	Jones
First name(s)	Peter	Sue
Address	15 Skelton Drive, Southampton	15 Skelton Drive, Southampton
Date of birth	11.11.1962	14.12.1963
Domicile	UK	UK
Residence	UK	UK
Place of birth	UK	UK
Marital status	Married	Married
State of health	Good	Good
Family health	Good	Good
Smoker	No	No
Hobbies/Interests	Golf	Cycling

Notes:

PART 2: FAMILY DETAILS

Children and other dependants

Name	Relationship	Age	D.O.B	Health	Occupation	Financially dependent?
Sally	Daughter	17	16.08.1997	Good	N/A	Yes
Amy	Daughter	16	23.07.1998	Good	N/A	Yes

Notes:
<p>Sally plans to go to university this year and Amy intends to go to university in two years' time.</p> <p>Peter's mother, aged 71, has recently moved into a residential care home following a diagnosis of dementia. She is in relatively poor health. Peter has taken over management of her financial affairs via a registered Lasting Power of Attorney. She is not entitled to any state assistance with her care fees as she has capital of £400,000 following the sale of her house. Peter's mother has an annual income shortfall of £15,000 to pay for the care fees. Peter is looking into various options for funding care fees as he wants to guarantee that the fees can be paid for his mother's lifetime.</p>

PART 3: EMPLOYMENT DETAILS		
	Client 1	Client 2
Employment		
Occupation	Engineer	Teacher
Job title	Managing Director	Teacher
Business name	PSJ Components Ltd	Hawthorns School
Business address	Unit 12, ABC Industrial Estate, Southampton	Beech Avenue, Southampton
Year business started	2005	
Remuneration		
Salary	£67,000	£27,000
Dividends (net)	£25,000	Nil
State Pensions	Nil	Nil
Overtime	Nil	Nil
Benefits		
Benefits-in-kind	£2,000 p.a.	No
Pension scheme (see Part 11)	Yes	Yes
Life cover	Yes	Yes
Private Medical Insurance	Yes	No
Permanent Health Insurance	No	No
Self Employment		
Net relevant earnings	N/A	N/A
Accounting date	N/A	N/A
Partnership/Sole trader	N/A	N/A
Other Earned Income		
Notes:		
<p>Peter has 100% shareholding in PSJ Components Ltd which has 15 full-time employees.</p> <p>Peter's company offers all employees membership of a defined contribution group personal pension scheme. His company has a staging date for auto-enrolment of May 2016. The company also provides a group private medical insurance for employees and their families.</p> <p>Peter is planning to retire at age 60 after his daughters have left university.</p>		
	Client 1	Client 2
Previous Employment		
Previous employer	RT Utilities Ltd	
Job title	Engineer	
Length of service	18 years	
Pension benefits (see Part 11)	Group Personal Pension	
Notes:		

PART 4: OTHER PROFESSIONAL ADVISERS

	Client 1	Client 2
Accountant	Fawsley & Co	Fawsley & Co
Bank	Armitage Bank	Armitage Bank
Building Society		
Doctor	Dr Newton	Dr Newton
Estate Agent		
Financial Adviser		
Insurance Agent		
Solicitor	Lewis LLP	Lewis LLP
Stockbroker		
Other		

Notes:**PART 5: INCOME AND EXPENDITURE****Income**

	Client 1		Client 2		Joint	
	Monthly £	Annually £	Monthly £	Annually £	Monthly £	Annually £
State Pensions						
Private Pensions						
Salary		67,000		27,000		
Benefits-in-kind		2,000				
Investment income (gross)		7,850		4,300		
Rental (gross)						
Dividend (net)		25,000				

Notes:

The investment income is derived from Peter and Sue's investment portfolio and Peter's Easy Access savings account. The dividend income is from Peter's shareholding in PSJ Components Ltd.

	Client 1	Client 2
Income Tax	£	£
Personal allowances		
Taxable income	104,628	31,300
Tax		
National Insurance		
Net Income		

Notes:

Expenditure

Household Expenditure	Monthly £			Annually £		
	Client 1	Client 2	Joint	Client 1	Client 2	Joint
Mortgage/Rent			600			
Council tax			140			
Buildings and contents insurance						600
Gas, water and electricity						2,000
Telephone						800
TV licence and satellite			60			
Property maintenance						3,000
Regular Outgoings						
Life assurance (see Part 8)	25		130			
Health insurance (see Part 9)						
Savings Plans (see Part 10)	1,000					
Car tax, insurance and maintenance				980	750	
Petrol and fares	300	150				
Loans						
Hire purchase						
School fees						
Childcare						
Further education						
Subscriptions						
Food, drink, general housekeeping			1,000			
Pension contributions (see Part 11)	223 (net)	149 (net)				
Other Expenditure						
Magazines and newspapers			30			
Entertainment			250			
Clubs and sport				1,500		
Spending money						5,000
Clothes						2,500
Maintenance						
Other (Holidays)						10,000
Total Monthly Expenditure	1,548	299	2,210			
Total Annual Expenditure	18,576	3,588	26,520	2,480	750	23,900
Total Outgoings						75,814
Notes:						

Do you foresee any major/lump sum expenditure in the next two years?

Notes:

Peter and Sue would like to fund the university costs for both Sally and Amy but would consider using a student loan to fund a portion of the university costs.

PART 6: ASSETS

	Asset	Client 1 £	Client 2 £	Joint £	Income (Gross) £
1.	Main residence			500,000	
2.	Contents/car			80,000	
3.	Current account – Armitage Bank	10,000	3,000	15,000	Nil
4.	Easy Access Savings Account – Armitage Bank	35,000			350
5.	Stocks & Shares NISAs – UK Growth funds	16,500	16,500		Nil
6.	Unit Trusts/OEICs – emerging market Equity funds	125,000			2,400
7.	Unit Trusts/OEICs – UK fixed-interest Security funds	86,000	86,000		8,600
8.	Unit Trusts/OEICs – UK Equity Income funds	20,000			800
9.	Shares in PSJ Components Ltd	500,000			27,778

Notes:

The main residence is held as joint tenants.

Peter and Sue's Unit Trust portfolios are held in a range of emerging market Equity funds and fixed-interest Security funds which they purchased a number of years ago on the advice of a friend. Peter and Sue's holdings in the fixed-interest Security funds are identical and the gross income is £4,300 per annum each. Peter and Sue do not monitor these portfolios and the values are an estimate based on the last annual statements. They believe these holdings have increased significantly in value since they were originally purchased.

Peter's holding in the UK Equity Income funds is a regular savings plan for Sally and Amy's university fees.

Peter and Sue's stocks and shares NISAs are invested in UK Growth funds (accumulation units).

Peter's accountant has recently valued PSJ Components Ltd and believes that his shares are worth approximately £500,000.

PART 7: LIABILITIES

Mortgage Details	Client 1	Client 2	Joint
Lender			Armitage Bank
Type of mortgage			Interest only
Amount outstanding			£240,000
Start date			September 2008
Term/maturity			14 years
Monthly payment			£600
Interest rate			Tracker
Life policies (see Part 8)			

Notes:

The mortgage rate tracks the Bank of England base rate plus 2.5% for the term of the mortgage.

Peter and Sue intend to repay the mortgage from the proceeds of the endowment and the eventual sale of Peter's business.

Other Loans	Client 1	Client 2	Joint
Lender			
Type of loan			
Amount outstanding			
Start date			
Term/maturity			
Monthly payment			
Interest rate			
Payment protection			

Notes:

Peter and Sue do not have any loans.

Other Liabilities (e.g. tax)**Notes:**

Peter has to pay additional Income Tax on his dividend income via self-assessment. He puts this money aside in his Easy Access savings account each year.

PART 8: LIFE ASSURANCE POLICIES

	Life/Lives assured	Ownership	Sum assured £	Premium £	Term	Start date	In trust?	Surrender Values £
1.	Joint	Joint	120,000	130 p.m.	25 years	1994	No	65,000
2.	Peter	Peter	100,000	25 p.m.	14 years	2005	No	N/A

Notes:

Peter and Sue took out an endowment policy when they bought their first home. This is a conventional low-cost with-profits endowment and they have retained this policy when they moved house to take advantage of the life cover element. Peter and Sue have recently been contacted by their insurance company notifying them of a projected shortfall at maturity.

Peter took out an additional life policy to cover a start-up loan for his business. The loan has been fully re-paid but Peter has retained the policy to provide additional cover for the family.

PART 9: HEALTH INSURANCE POLICIES

Type	Life Covered	Current Sum Assured £	Start Date	Term/Review	Deferred Period	Premium £
Private Medical Insurance	Peter, Sue, Sally and Amy		2005	Age 65		

Notes:

The Private Medical Insurance cover is provided by Peter's company. It provides cover for the whole family although this cover will cease for Sally and Amy when they reach age 18.

PART 10: REGULAR SAVINGS

Type	Company	Ownership	Fund	Amount Saved £	Sum Assured	Maturity Date	Current Value £
Unit Trust		Peter	UK Equity Income	1,000 p.m.	N/A	N/A	£20,000

Notes:

Peter has set up a regular savings plan to help fund the university fees for his two daughters. This is held in his sole name and is invested into an actively-managed UK Equity Income fund. Peter intends to fund this plan until Amy graduates in six years.

PART 11: PENSION DETAILS**Occupational pension scheme**

	Client 1	Client 2
Member of employer's scheme		Yes
Type of scheme		Final salary occupational scheme
Date joined		1990
Retirement age		60
Pension benefits		Defined Benefit
Death benefits		3 x average salary
Dependant's benefits		Yes
Contracted-in/out		Contracted-out
Contribution Level (employee)		8.3%
Contribution Level (employer)		
Fund type		
Fund value		

Notes:

Sue is a member of the Teachers' pension scheme which provides benefits of 3/80^{ths} lump sum and 1/80th pension for each year of pensionable service.

Additional Voluntary Contributions (including free standing additional voluntary contributions).

	Client 1	Client 2
Type		
Company		
Fund		
Contribution		
Retirement date		
Current value		
Date started		

Notes:

Peter and Sue do not have any additional voluntary contribution schemes.

Personal Pensions

	Client 1	Client 2
Member of employer's Group Personal Pension (GPP) scheme	Yes	No
Type of scheme	Defined contribution GPP	
Date joined	2005	
Retirement age	65	
Pension benefits	Defined contribution	
Death benefits	Return of fund	
Dependant's benefits	None	
Contracted-in/out	Contracted-in	
Contribution level (employee)	£223 per month (net)	
Contribution level (employer)	£279 per month	
Fund type	Cautious lifestyle fund	
Fund value	£95,000	

Notes:

Peter's GPP is invested in the default option for the scheme. Peter does not monitor the performance of the pension fund.

As Sue has a guaranteed pension from her employment, Peter is considering the options in respect of the pre-retirement death benefits on his pension. Peter has not yet completed a nomination on this pension.

Previous pension arrangements

	Client 1	Client 2
Type	Personal Pension	
Company	RT Utilities Ltd	
Fund	With-profit	
Contributions	£105,000	
Retirement date	65	
Current value	£118,000	
Date started	1989	

Notes:

Peter's personal pension is a preserved defined contribution scheme from his previous employment with RT Utilities Ltd. Peter has received a recent statement from the pension provider indicating that there is no longer an exit penalty on transfer from this policy. With-profits is the only fund available under this policy.

State Pension

	Client 1	Client 2
Basic pension		
SERPS/S2P		
Graduated pension		
Total		

Notes

Peter and Sue have not checked their entitlement to State Pension benefits.

PART 12: INHERITANCES

Wills	Client 1	Client 2
Do you have a current Will?	Yes	Yes

Notes:

Peter and Sue have recently updated their Wills. These are mirror Wills leaving everything to the surviving spouse on first death and to their children in equal shares on second death.

Trusts	Client 1	Client 2
Are you a beneficiary under a trust?	No	No
If yes, give details.		
Are you a trustee?	No	No
If yes, give details.		

Notes:

Gifts	Client 1	Client 2
Give details of gifts made and received.	None	None

Notes:

Inheritances	Client 1	Client 2
Give details of any inheritances received or expected	£400,000	

Notes:

Peter is expecting an inheritance of up to £400,000 from his mother who is now living in a care home. Peter's father died several years ago and left his full estate to Peter's mother. The final value of the inheritance will depend on the care home costs.

Peter is the sole beneficiary of his mother's Will which was set up a number of years ago.

Sue's parents died several years ago. Peter and Sue are not expecting any inheritances from any other sources.

PART 13: ATTITUDE TO RISK

What level of risk are you prepared to take to achieve your financial objectives?

Notes:
Peter has a medium attitude to risk.
Sue has a low to medium attitude to risk.

PART 14: BUSINESS RECORDS

Compliance		
Date fact-find completed	01.04.2015	
Client agreement issued	01.04.2015	
Data Protection Act	01.04.2015	
Money laundering	01.04.2015	
Consultations		
Dates of meetings	01.04.2015	
Marketing		
Client source		
Referrals		
Documents		
Client documents held		
Date returned		
Letters of authority requested	03.04.2015	

Notes:

PART 15: OTHER INFORMATION

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