



Chartered  
Insurance  
Institute

# AF5

## Advanced Diploma in Financial Planning

Unit AF5 – Financial planning process

February 2024 examination

### SPECIAL NOTICES

All questions in this paper are based on English law and practice applicable in the tax year 2023/2024, unless stated otherwise in the question, and should be answered accordingly.

It should be assumed that all individuals are domiciled and resident in the UK unless otherwise stated.

## Unit AF5 – Financial planning process

### Instructions to candidates

#### Read the instructions below before answering any questions

- **Three hours** are allowed for this paper which carries a total of 160 marks.
- You are strongly advised to attempt **all** tasks to gain maximum possible marks. The number of marks allocated to each task is given next to the task and you should spend your time in accordance with that allocation.
- **In this examination you should use the fresh copy of the fact-find provided after the tax tables. You are not allowed to bring into the examination the pre-released copy of the fact-find.**
- **Client objectives are provided on the next page and you should read them carefully before attempting the tasks.**
- Read carefully all tasks and information provided before starting to answer. Your answer will be marked strictly in accordance with the task set.
- Tax tables are provided at the end of the question paper.
- The fact-find is also included at the end of the tax tables.

**Subject to providing sufficient detail you are advised to be as brief and concise as possible, using note format and short sentences.**

## **CLIENTS' FINANCIAL OBJECTIVES**

**You have now been able to determine from the information in the fact-find that your clients have the following financial objectives:**

### **Immediate objectives**

- Improve the tax-efficiency of their current arrangements.
- Consider the merits of accepting the additional benefits from Neil's employer.
- Review their existing pension fund choices.

### **Longer-term objectives**

- Ensure they have sufficient assets to enable them to retire in 10 years' time.
- Set up a regular savings plan.
- Ensure the use of all tax allowances to improve their future arrangements.

**Attempt ALL tasks****Time: 3 hours****PLEASE ENSURE YOU ANSWER EACH QUESTION IN THE CORRECT ANSWER BOX**

1. (a) State the additional information you would require in order to advise Neil and Helen on the suitability of their current arrangements to meet their retirement objectives. (15)
- (b) Identify a range of actions that a financial adviser could take when dealing with Neil and Helen to ensure that they comply with the Consumer Understanding requirement under FCA Consumer Duty rules. (10)
2. (a) Explain to Neil and Helen why it is important for them to request a State Pension forecast and state the information this could provide to them. (8)
- (b) Explain in detail to Neil how increasing his current level of employee pension contributions will improve his Income Tax position. (10)
3. (a) Recommend and justify a range of actions that Neil and Helen could take to improve their Income Tax and Capital Gains Tax position. (16)
- Candidates will be rewarded for supporting their recommendations with relevant evidence and demonstrating how their recommendations work holistically to meet their client's objectives.*
- (b) Outline to Neil and Helen the tax treatment of the Offshore Investment Bond and how it might be used in the future. (12)
4. (a) Explain to Neil and Helen how a cashflow model could be used to assist them in assessing the affordability of retiring in 10 years' time. (10)
- (b) Identify the key reasons why their existing pension fund investment choices may not be suitable for their long-term needs. (9)

**PLEASE ENSURE YOU ANSWER EACH QUESTION IN THE CORRECT ANSWER BOX**

5. (a) Neil has been offered the opportunity to join his Employer's Share Incentive Plan (SIP).  
Explain to Neil why joining the SIP might be suitable to assist them in their retirement planning objective. (10)
- (b) Identify the additional information you would require in respect of Neil's new employer's range of optional employer-sponsored protection benefits in order to assess their suitability for the family needs. (10)
6. (a) Outline to Neil and Helen how a Mutual Will operates and explain why they should review the suitability of their existing Wills with their solicitor. (8)
- (b) State the key advantages for Neil and Helen of making a lump sum investment of £20,000 each into a Stocks & Shares ISA for the new tax year, instead of making regular monthly investments. (7)
7. (a) Explain to Neil and Helen any Capital Gains Tax implications that might arise, should they decide to sell and downsize their property. (10)
- (b) Explain to Neil and Helen why they may wish to consider selling some of Neil's individual equities. (10)
8. (a) Identify the key issues that should be considered when reviewing Neil's existing investment in the Asia Pacific Emerging Market Equity Funds. (8)
- (b) Identify **seven** key issues that you would discuss with Neil and Helen in respect of their retirement planning objectives at your next review meeting. (7)
- Total marks: 160**

## INCOME TAX

RATES OF TAX	2022/2023	2023/2024
Starting rate for savings*	0%	0%
Basic rate	20%	20%
Higher rate	40%	40%
Additional rate	45%	45%
Starting-rate limit	£5,000*	£5,000*
Threshold of taxable income above which higher rate applies	£37,700	£37,700
Threshold of taxable income above which additional rate applies	£150,000	£125,140
High income child benefit charge:	1% of benefit per £100 of adjusted net income between £50,000 – £60,000	
<i>*Only applicable to savings income that falls within the first £5,000 of income in excess of the personal allowance.</i>		
Personal savings allowance (for savings income):		
Basic rate taxpayers	£1,000	£1,000
Higher rate taxpayers	£500	£500
Additional rate taxpayers	Nil	Nil
Dividend Allowance	£2,000	£1,000
Dividend tax rates		
Basic rate	8.75%	8.75%
Higher rate	33.75%	33.75%
Additional rate	39.35%	39.35%
Trusts		
Standard rate band	£1,000	£1,000
Rate applicable to trusts		
- dividends	39.35%	39.35%
- other income	45%	45%
<b>MAIN PERSONAL ALLOWANCES AND RELIEFS</b>		
Income limit for Personal Allowance §	£100,000	£100,000
Personal Allowance (basic) §	£12,570	£12,570
Married/civil partners (minimum) at 10% †	£3,640	£4,010
Married/civil partners at 10% †	£9,415	£10,375
Marriage Allowance	£1,260	£1,260
Income limit for Married Couple's Allowance †	£31,400	£34,600
Rent a Room scheme – tax free income allowance	£7,500	£7,500
Blind Person's Allowance	£2,600	£2,870
Enterprise Investment Scheme relief limit on £2,000,000 max**	30%	30%
Seed Enterprise Investment relief limit on £200,000 max	50%	50%
Venture Capital Trust relief limit on £200,000 max	30%	30%
<i>§ the Personal Allowance reduces by £1 for every £2 of income above the income limit irrespective of age (under the income threshold).</i>		
<i>† where at least one spouse/civil partner was born before 6 April 1935.</i>		
<i>** Investment above £1,000,000 must be in knowledge-intensive companies.</i>		
Child Tax Credit (CTC)		
- Child element per child (maximum)	£2,935	£3,235
- family element	£545	£545
Threshold for tapered withdrawal of CTC	£17,005	£18,725

## NATIONAL INSURANCE CONTRIBUTIONS

### Class 1 Employee Weekly

Lower Earnings Limit (LEL)	£123
Primary threshold	£242
Upper Earnings Limit (UEL)	£967

### Total earnings £ per week CLASS 1 EMPLOYEE CONTRIBUTIONS

Up to 242.00*	Nil
242.00 – 967.00	12%
Above 967.00	2%

*\*This is the primary threshold below which no NI contributions are payable. However, the lower earnings limit is £123 per week. This £123 to £242 band is a zero-rate band introduced in order to protect lower earners' rights to contributory State benefits e.g. the New State Pension.*

### Total earnings £ per week CLASS 1 EMPLOYER CONTRIBUTIONS

Below 175.00**	Nil
Over £175.00	13.8%

*\*\* Secondary threshold.*

### CLASS 2 (self-employed)

Flat rate per week	£3.45
Small profits threshold per year	£6,725
Lower profits limit per year	£12,570

### Class 3 (voluntary)

Flat rate per week £17.45.

### Class 4 (self-employed)

9% on profits between £12,570 and up to £50,270.  
2% on profits above £50,270.

## PENSIONS

TAX YEAR	LIFETIME ALLOWANCE
2006/2007	£1,500,000
2007/2008	£1,600,000
2008/2009	£1,650,000
2009/2010	£1,750,000
2010/2011	£1,800,000
2011/2012	£1,800,000
2012/2013 & 2013/2014	£1,500,000
2014/2015 & 2015/2016	£1,250,000
2016/2017 & 2017/2018	£1,000,000
2018/2019	£1,030,000
2019/2020	£1,055,000
2020/2021 – 2023/2024*	£1,073,100

*\*Lifetime allowance charge removed after 5 April 2023. Any excess over the lifetime allowance that would have been subject to a lifetime allowance charge of 55% prior to 2023/2024 will be taxable as the member's pension income via PAYE.*

Maximum tax-free pension commencement lump sum in 2023/2024 is £268,275 unless a higher amount is protected.

### ANNUAL ALLOWANCE

TAX YEAR	ANNUAL ALLOWANCE
2014/2015 – 2022/2023	£40,000*
2023/2024	£60,000**

*\*From 6 April 2016 the annual allowance is reduced for those with income above a certain level. Between 2020/21 and 2022/23 the annual allowance will be reduced by £1 for every £2 of 'adjusted income' over £240,000 to a minimum of £4,000 if 'threshold income' is also over £200,000.*

*\*\*Reducing by £1 for every £2 of 'adjusted income' over £260,000 to a minimum of £10,000 if 'threshold income' is also over £200,000.*

### ANNUAL ALLOWANCE CHARGE

20% – 45% determined by the member's taxable income and the amount of total pension input in excess of the annual allowance or money purchase annual allowance.

MONEY PURCHASE ANNUAL ALLOWANCE	2022/2023	2023/2024
	£4,000	£10,000



## CAPITAL GAINS TAX

ANNUAL EXEMPTIONS	2022/2023	2023/2024
Individuals, estates etc	£12,300	£6,000
Trusts generally	£6,150	£3,000
Chattels proceeds (restricted to five thirds of proceeds exceeding limit)	£6,000	£6,000
TAX RATES		
Individuals:		
Up to basic rate limit	10%	10%
Above basic rate limit	20%	20%
Surcharge for residential property and carried interest	8%	8%
Trustees and Personal Representatives:		
Residential property	28%	28%
Other chargeable assets	20%	20%
Business Asset Disposal Relief*	10%	10%
Lifetime limit	£1,000,000	£1,000,000

*\*For trading businesses and companies (minimum 5% employee or director shareholding) if held for at least two years.*

## INHERITANCE TAX

RATES OF TAX ON TRANSFERS	2022/2023	2023/2024			
Transfers made on death					
- Up to £325,000	Nil	Nil			
- Excess over £325,000	40%	40%			
- Reduced rate (where appropriate charitable contributions are made)	36%	36%			
Transfers					
- Lifetime transfers to and from certain trusts	20%	20%			
<b>MAIN EXEMPTION</b>					
Transfers to					
- UK-domiciled spouse/civil partner	No limit	No limit			
- non-UK-domiciled spouse/civil partner (from UK-domiciled spouse)	£325,000	£325,000			
- main residence nil rate band*	£175,000	£175,000			
- UK-registered charities	No limit	No limit			
<i>*Available for estates up to £2,000,000 and then tapered at the rate of £1 for every £2 in excess until fully extinguished.</i>					
Lifetime transfers					
- Annual exemption per donor	£3,000	£3,000			
- Annual small gifts exemption per donor	£250	£250			
Wedding/civil partnership gifts by					
- parent	£5,000	£5,000			
- grandparent/bride and/or groom	£2,500	£2,500			
- other person	£1,000	£1,000			
100% relief: businesses, unlisted/AIM companies, certain farmland/building					
50% relief: certain other business assets					
Reduced tax charge on gifts within 7 years of death:					
- Years before death	0-3	3-4	4-5	5-6	6-7
- Inheritance Tax payable	100%	80%	60%	40%	20%
Quick succession relief:					
- Years since IHT paid	0-1	1-2	2-3	3-4	4-5
- Inheritance Tax relief	100%	80%	60%	40%	20%

## MAIN SOCIAL SECURITY BENEFITS

		2022/2023	2023/2024
		£	£
Child Benefit	First child	21.80	24.00
	Subsequent children	14.45	15.90
	Guardian's allowance	18.55	20.40
Employment and Support Allowance	Assessment Phase		
	Age 16 - 24	Up to 61.05	Up to 67.20
	Aged 25 or over	Up to 77.00	Up to 84.80
	Main Phase		
	Work Related Activity Group Support Group	Up to 107.60 Up to 117.60	Up to 84.80* Up to 129.50
Attendance Allowance	Lower rate	61.85	68.10
	Higher rate	92.40	101.75
Basic State Pension	Category A full rate	141.85	156.20
	Category B full rate	85.00	93.60
New State Pension	Full rate	185.15	203.85
Pension Credit	Standard minimum guarantee - single	182.60	201.05
	Standard minimum guarantee - couple	278.70	306.85
	Maximum savings ignored in calculating income	10,000.00	10,000.00
Bereavement Support Payment	Higher rate – First payment	3,500.00	3,500.00
	Higher rate – monthly payment	350.00	350.00
	Lower rate – First payment	2,500.00	2,500.00
	Lower rate – monthly payment	100.00	100.00
Jobseeker's Allowance	Age 18 - 24	61.05	67.20
	Age 25 or over	77.00	84.80
Statutory Maternity, Paternity and Adoption Pay		156.66	172.48

*\*If a claim has begun before 3<sup>rd</sup> April 2017 the individual will also be awarded the Work Related Activity Component payment which in 2023/2024 is £33.70, so total awarded for these individuals may be up to £118.50.*

**CORPORATION TAX**

	2022/2023	2023/2024
Small profit rate - for taxable profits below £50,000	N/A	19%
Marginal rate – for taxable profits between £50,001 - £250,000	N/A	26.5%
Standard rate - for taxable profits above £250,000	19%	25%

**VALUE ADDED TAX**

	2022/2023	2023/2024
Standard rate	20%	20%
Annual registration threshold	£85,000	£85,000
Deregistration threshold	£83,000	£83,000

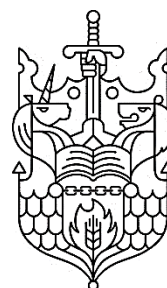
**STAMP DUTY LAND TAX**

	Residential
Value up to £250,000	0%
£250,001 - £925,000	5%
£925,001 - £1,500,000	10%
£1,500,001 and over	12%

**Additional Stamp Duty Land Tax (SDLT) rules apply as follows:**

- *First-time buyers benefit from SDLT relief on first £425,000 for properties up to £625,000 when purchasing their main residence. On purchases up to £425,000, no SDLT is payable. On purchases between £425,001 and £625,000, a flat rate of 5% is charged on the balance above £425,000.*
- *Additional SDLT of 3% may apply to the purchase of additional residential properties purchased for £40,000 or greater.*
- *SDLT may be charged at 15% on interests in residential dwellings costing more than £500,000 purchased by certain corporate bodies or non-natural persons.*
- *SDLT is payable in England and Northern Ireland only. Land Transaction Tax (LTT) is payable in Wales and Land and Buildings Transaction Tax (LBTT) is payable in Scotland. The rates for LTT and LBTT are different to the rates shown above.*

	Non residential
Value up to £150,000	0%
£150,001 and £250,000	2%
£250,001 and over	5%



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## AF5 FACT-FIND – February 2024

You are a financial adviser authorised under the Financial Services and Markets Act 2000 (FSMA). You completed the following fact-find when you met Neil and Helen Winters.

PART 1: BASIC DETAILS		
	Client 1	Client 2
Surname	Winters	Winters
First name(s)	Neil	Helen
Address	London	London
Date of birth	12.12.1970	05.10.1972
Domicile	UK	UK
Residence	UK	UK
Place of birth	Manchester	London
Marital status	Married	Married
State of health	Good	Good
Family health	Good	Good
Smoker	No	No
Hobbies/Interests	Travel, Sport	Travel, Theatre
<b>Notes:</b>		
<p>Neil and Helen had been working for overseas companies across the Asia Pacific region for the past six years. They returned to live in the UK in August 2023. They now intend to remain in the UK, and both have recently started working for new employers.</p> <p>Neil and Helen have appointed you to review their current financial arrangements and assess the suitability of their arrangements to enable them to retire fully in 10 years' time.</p>		

PART 2: FAMILY DETAILS					
Children and other dependants					
Name	Relationship	Age	Health	Occupation	Financially dependent?
Samuel	Son	17	Good	N/A	Yes
Anna	Daughter	16	Good	N/A	Yes
<b>Notes:</b>					
Samuel and Anna both attend private schools and are intending to go to university at age 18.					

<b>PART 3: EMPLOYMENT DETAILS</b>		
<b>Employment</b>	<b>Client 1</b>	<b>Client 2</b>
Occupation	Marine Engineer	Office Manager
Job title	Operations Director	Manager
Business name	Offshore Marine SVS UK	Dalkeith Consultants Ltd
Business address		
Year business started		
Salary (gross per annum)	£120,000	£40,000
State Pensions		
Overtime (gross per annum)		
Benefits-in-kind		
Pension Scheme	See Part 11	See Part 11
Life cover	See Part 8	See Part 8
Private Medical Insurance		
Income Protection Insurance		
<b>Self-Employment</b>		
Net relevant earnings		
Accounting date		
Partnership/Sole trader		
<b>Other Earned Income</b>		
<b>Notes:</b>		
<p>Neil and Helen have both joined their new employer's qualifying workplace pension schemes (see Part 11). Neil has been offered a range of optional employer-sponsored protection benefits, including Group Income Protection and Group Private Medical Insurance.</p> <p>Neil has been offered the option to join the Employer's Share Incentive Plan (SIP).</p> <p>Neil is unsure if any of these benefits will meet the family needs and has asked for your advice.</p>		
<b>Previous Employment</b>		
	<b>Client 1</b>	<b>Client 2</b>
Previous employer	Maritime SVS Europe Ltd	Groom Park Consultants Ltd
Job title	Marine Engineer	Assistant Manager
Length of service	20 years	20 years
Pension benefits	See Part 11	See Part 11
<b>Notes:</b>		
<p>Neil and Helen did not receive any pension or other benefits in addition to their salaries whilst working overseas.</p> <p>Helen took a five-year career break after Samuel and Anna were born.</p>		

**PART 4: OTHER PROFESSIONAL ADVISERS**

	Client 1	Client 2
Accountant		
Bank	Accent Bank	Accent Bank
Doctor		
Financial Adviser		
Solicitor	Hendry Davies LLP	Hendry Davies LLP
Stockbroker		
Other		
<b>Notes:</b>		

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

	Client 1		Client 2		Joint	
	Monthly £	Annually £	Monthly £	Annually £	Monthly £	Annually £
State Pensions						
Pensions/Annuities						
Salary (gross)		120,000		40,000		
Overtime (gross)						
Benefits-in-kind						
Savings income (interest)						7,200
Rental (gross)						
Dividends		5,400				

**Notes:**

	Client 1	Client 2
<b>Income Tax</b>	£	£
Personal allowances		
Taxable income		
Tax		
National Insurance		
<b>Net Income</b>		

**Notes:**

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<b>Expenditure</b>						
	<b>Monthly £</b>			<b>Annually £</b>		
<b>Household Expenditure</b>	<b>Client 1</b>	<b>Client 2</b>	<b>Joint</b>	<b>Client 1</b>	<b>Client 2</b>	<b>Joint</b>
Mortgage/Rent						
Council tax			350			
Buildings and contents insurance						240
Gas, water and electricity			250			
Telephone/Mobile	40	40	60			
TV licence and satellite			70			
Property maintenance						2,000
<b>Regular Outgoings</b>						
Life assurance (see Part 8)						
Income Protection insurance (see Part 9)						
Savings Plans						
Car tax, insurance and maintenance				1,500	1,100	
Petrol and fares	200	160				
Loans						
School fees						30,000
Childcare						
Further education						
Subscriptions						
Food, drink, general housekeeping			800			
Pension contributions (see Part 11)	480	160				
<b>Other Expenditure</b>						
Magazines and newspapers						468
Entertainment			60			
Clubs and sport	75	75				
Spending money						6,000
Clothes				1,000	1,600	
Other (Holidays)						8,000
<b>Total Monthly Expenditure</b>	795	435	1,590			
<b>Total Annual Expenditure</b>	9,540	5,220	19,080	2,500	2,700	46,708
<b>Total Outgoings</b>						<b>85,748</b>

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

**Notes:**

Neil and Helen will continue to pay the children's private school fees for the next two years. These are £15,000 per child per year. Samuel's school fees will cease in July 2024 and Anna's fees will cease in July 2025.

Neil and Helen do not intend to pay university tuition fees for their children but will provide limited financial support only.



**PART 6: ASSETS**

	Assets	Client 1 £	Client 2 £	Joint £	Income (Gross) £
1.	Main residence			850,000	
2.	Contents/car			75,000	
3.	Current account			15,000	
4.	Deposit Account – Variable Rate			160,000	7,200
5.	Stocks and shares ISAs – Asia Pacific Emerging Market Equity Funds (accumulation units)	95,000			
6.	Stocks and shares ISAs – Global Sustainable Equity Funds (accumulation units)		65,000		
7.	UK individual equities	180,000			5,400
8.	Offshore Investment Bond – Global Managed Equity Fund			250,000	

**Notes:**

Neil and Helen did not use their ISA allowances whilst they were overseas but used their ISA allowances for the current tax year when they returned to the UK in August 2023.

They invested a lump sum of £195,000 in an Offshore Investment Bond in June 2020.

Neil's individual share portfolio was inherited from his late father a few years ago with a probate value of £240,000. Neil has asked for your advice on the merits of retaining the share portfolio.

Neil and Helen are considering downsizing their property when Anna leaves for university. They are planning to travel extensively in retirement and do not wish to maintain a large property in the UK. They rented out their property for the six-year period whilst they were overseas. This enabled them to pay off their mortgage from the rental income.

**PART 7: LIABILITIES**

<b>Mortgage Details</b>	<b>Client 1</b>	<b>Client 2</b>	<b>Joint</b>
Lender			
Type of mortgage			
Amount outstanding			
Start date			
Term/maturity			
Monthly payment			
Interest rate			
Life policies (see Part 8)			

**Notes:**

Neil and Helen have paid off their mortgage but are now considering downsizing to release funds to invest for their retirement.

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

**Notes:**

Neil and Helen do not have any loans.

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

Neil and Helen do not have any other liabilities.

**PART 8: LIFE ASSURANCE POLICIES**

Life/Lives assured	Ownership	Sum assured £	Premium £	Term	Start date	In trust?	Surrender Values £
Neil	Employer (DIS)	360,000	N/A			Yes	N/A
Helen	Employer (DIS)	120,000	N/A			Yes	N/A

**Notes:**

Both Neil and Helen are members of their employer's death-in-service (DIS) schemes which will pay out 3 times salary on death. Both benefits are currently nominated for the survivor.

Neil and Helen have no other life cover.

**PART 9: HEALTH INSURANCE POLICIES**

Type	Life Covered	Current Sum Assured £	Start Date	Term/Review	Deferred Period	Premium £
Income Protection						
Private Medical Insurance						

**Notes:**

Neil has been offered the option of joining his new employer's Group Income Protection scheme as well as the Group Private Medical Insurance scheme.

He is unsure if he will accept either of these benefits due to his concerns over their suitability and any potential benefit-in-kind tax charges.

**PART 10: REGULAR SAVINGS**

Type	Company	Ownership	Fund	Amount Saved £	Sum Assured	Maturity Date	Current Value £

**Notes:**

Neil and Helen have not yet started a programme of regular savings but are keen to do so. Neil is considering the merits of joining his employer's Share Incentive Plan (SIP).

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

	<b>Client 1</b>	<b>Client 2</b>
Member of employer's scheme		
Type of scheme		
Date joined		
Retirement age		
Pension benefits		
Death benefits		
Dependant's benefits		
Contracted-in/out		
Contribution Level (employee)		
Contribution Level (employer)		
Fund type		
Fund value		

**Notes:**

Neither Neil nor Helen has any occupational pension benefits.

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

	<b>Client 1</b>	<b>Client 2</b>
Type		
Company		
Fund		
Contribution		
Retirement date		
Current value		
Date started		

**Notes:**

Neither Neil nor Helen has any Additional Voluntary Contribution plans.

<b>Personal Pensions</b>		
	<b>Client 1</b>	<b>Client 2</b>
Type	Qualifying Workplace Pension scheme	Qualifying Workplace Pension scheme
Company	Monarch Life	Accent UK Life
Fund	Default fund – Managed fund	Default fund – Balanced Managed fund
Contributions	6% employee/6% employer	6% employee/3% employer
Retirement date	65	65
Current value	£1,200	£800
Date started	December 2023	November 2023
<b>Notes:</b>		
<p>Both Neil and Helen have joined their employer’s qualifying workplace pension schemes. As they have only just started their new jobs and are currently busy, they have chosen the default investment funds.</p> <p>Both schemes offer a wide range of passive and active investment funds. They have completed nominations for the schemes in favour of the survivor.</p>		
<b>Previous/other pension arrangements</b>		
	<b>Client 1</b>	<b>Client 2</b>
Employer	Maritime SVS Europe Ltd	Groom Park Consultants Ltd
Type of scheme	Group Personal Pension	Group Personal Pension
Date joined scheme	January 1997	March 1997
Date left scheme	June 2017	June 2017
Current value	£175,000	£65,000
<b>Notes:</b>		
<p>Neil’s previous pension is invested in a UK Cautious Managed fund. Helen’s pension is invested in a UK Corporate Bond fund. Neil and Helen were originally relatively cautious investors in earlier life as they had lower earnings and a limited understanding of investment risk and reward.</p> <p>They have not reviewed these pensions for several years.</p>		
<b>State Pension</b>		
	<b>Client 1</b>	<b>Client 2</b>
State Pension		
<b>Notes</b>		
Neil and Helen have never checked their State Pension records.		

<b>PART 12: INHERITANCES</b>		
<b>Wills</b>	<b>Client 1</b>	<b>Client 2</b>
Do you have a current Will?	Yes	Yes
<b>Notes:</b>		
Neil and Helen have Mutual Wills leaving all their assets to the survivor and then to the two children in equal shares. Both are keen to ensure that the children are guaranteed to receive the residual assets on second death.		
<b>Trusts</b>	<b>Client 1</b>	<b>Client 2</b>
Are you a beneficiary under a trust?	No	No
If yes, give details		
Are you a trustee?	No	No
If yes, give details		
<b>Notes:</b>		
<b>Gifts</b>	<b>Client 1</b>	<b>Client 2</b>
Give details of gifts made and received	None	None
<b>Notes:</b>		
<b>Inheritances</b>	<b>Client 1</b>	<b>Client 2</b>
Give details of any inheritances expected	None	None
<b>Notes:</b>		
Neil's parents died several years ago. Helen's parents are alive and in good health. Any inheritance is likely to be minimal and will not be received for many years so Neil and Helen do not wish to consider this in their planning.		

**PART 13: ATTITUDE TO RISK**

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

**Notes:**

Neil and Helen have been assessed as high-risk investors. Helen has an interest in Environmental, Social and Governance (ESG) investing but this is not a key consideration for her. This is not a consideration for Neil.

Neil and Helen have a medium to high capacity for loss.

**PART 14: BUSINESS RECORDS**

**Compliance**

Date fact-find completed	12.01.24	
Client agreement issued	12.01.24	
Data Protection Act	12.01.24	
Money laundering	12.01.24	

Dates of meetings	12.01.24	
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**Marketing**

Client source		
Referrals		

**Documents**

Client documents held		
Date returned		
Letters of authority requested		

**Notes:**

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**PART 15: OTHER INFORMATION**

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