



**AF5 – FINANCIAL PLANNING PROCESS
FACT-FIND - April 2019**

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 Grant and Miss Jones recently.

PART 1: BASIC DETAILS

	Client 1	Client 2
Surname	Grant	Jones
First name(s)	Tom	Sally
Address	Shelby Way, Lincoln	Shelby Way, Lincoln
Date of birth	03.03.1971	05.02.1972
Domicile	UK	UK
Residence	UK	UK
Place of birth	Lincoln	Norwich
Marital status	Unmarried	Unmarried
State of health	Good	Good
Family health	Good	Good
Smoker	No	No
Hobbies/Interests	Rugby, Golf	Voluntary work and writing

Notes:

Tom and Sally have lived together for 22 years but have never married. They have one daughter, Hannah. Sally recently gave up her voluntary work to concentrate on her ambition of becoming a professional writer. Both are in very good health and both Tom and Sally's parents are alive and in good health.

PART 2: FAMILY DETAILS

Children and other dependants

Name	Relationship	Age	D.O.B	Health	Occupation	Financially dependent?
Hannah	Daughter	19	11.01.2000	Good	Student	Yes

Notes:

Hannah is studying at university and lives at home with her parents.

PART 3: EMPLOYMENT DETAILS		
Employment	Client 1	Client 2
Occupation	Industrial Chemist	Writer
Job title	Managing Director	
Business name	Lincoln Specialist Paints Ltd	
Business address	Lincoln	
Year business started	2009	
Remuneration		
Salary	£60,000	£0
State Pensions		
Overtime		
Benefits		
Benefits-in-kind	N/A	
Pension Scheme	See Part 11	
Life cover	N/A	
Private Medical Insurance	N/A	
Income Protection Insurance	N/A	
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>Tom is the sole owner and Managing Director of Lincoln Specialist Paints Ltd which he set up in 2009. He has 10 employees and the business has been very successful. He relies heavily on his sales manager who has worked with him since he set up the company. Tom has a qualifying workplace pension scheme for his employees which meets the full auto-enrolment requirements. Tom takes ad hoc dividends from the company several times a year.</p> <p>Sally has not earned any income since she gave up work in April 2012 to work in the voluntary sector. She has now stopped her voluntary work to enable her to pursue her interest in writing.</p>		
Previous Employment		
	Client 1	Client 2
Previous employer	Easte Chemicals	Lincoln Evening Standard
Job title	Technical Manager	Journalist
Length of service	17 years	8 years
Pension Scheme	See Part 11	See Part 11
Notes:		
Tom and Sally have preserved pension benefits from their previous employers (see Part 11).		

PART 4: OTHER PROFESSIONAL ADVISERS

	Client 1	Client 2
Accountant		
Bank	Securebank	Securebank
Doctor		
Financial Adviser		
Solicitor	Briggs LLP	Briggs 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 (gross)	5,000					
Benefits-in-kind						
Investment income (gross)		2,940				400
Rental (gross)						
Dividends		25,000				

Notes:

The investment income is earned from Tom and Sally's joint deposit account and Tom's Corporate Bond holdings. The income from the Corporate Bond holdings is reinvested back into the same funds.

The dividend income is from Tom's company.

	Client 1	Client 2
Income Tax	£	£
Personal allowances		
Taxable income		
Tax		
National Insurance		
Net Income		

Notes:

Expenditure

	Monthly £			Annually £		
	Client 1	Client 2	Joint	Client 1	Client 2	Joint
Household Expenditure						
Mortgage/Rent			525			
Council tax						2,000
Buildings and contents insurance						560
Gas, water and electricity						980
Telephone			50			
TV licence and satellite			55			
Property maintenance						700
Regular Outgoings						
Life assurance (see Part 8)			68			
Health insurance (see Part 9)						
Savings Plans (see Part 10)						
Car tax, insurance and maintenance	150	40				
Petrol and fares	250	50				
Loans						
School fees						
Childcare						
Further education						
Subscriptions						
Food, drink, general housekeeping			700			
Pension contributions (see Part 11)	200					
Other Expenditure						
Magazines and newspapers						
Entertainment						800
Clubs and sport				1,400	300	
Spending money						2,000
Clothes				600	900	
Financial support for Hannah						2,400
Other (Holidays)						3,600
Total Monthly Expenditure	600	90	1,398			
Total Annual Expenditure	7,200	1,080	16,776	2,000	1,200	13,040
Total Outgoings						41,296

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

Notes:

Tom and Sally provide their daughter Hannah with financial support of £2,400 per annum to cover her expenses until she graduates from university in 2021. Hannah has taken out a student loan to pay her tuition fees and Tom and Sally have told Hannah that she must repay this herself when she starts work.

Tom and Sally are considering the purchase of a buy-to-let property in their joint names in Lincoln for Hannah to live in during her final years at university. Once Hannah has graduated, they will retain the property for the long-term as part of their investment portfolio. They do not wish to use any of their investment holdings to fund the initial purchase of this property.

PART 6: ASSETS

	Asset	Client 1 £	Client 2 £	Joint £	Income (Gross) £
1.	Main residence			850,000	
2.	Contents/car			90,000	
3.	Current account - Securebank	6,000	2,000		
4.	Deposit Savings Account - Securebank			40,000	400
5.	Cash ISAs	25,000	25,000		
6.	Stocks and shares ISAs - Tom	170,000			
7.	Stocks and shares ISAs - Sally		130,000		
8.	Unit Trusts - Sterling Corporate Bond funds	98,000			2,940

Notes:

Tom and Sally own their main residence as joint tenants.

Tom and Sally have Cash ISAs but they do not know the current rates of interest on these accounts.

Tom and Sally have stocks and shares ISAs invested in a range of UK and Global Equity funds held in accumulation units. Although their ISA funds have performed well, Tom and Sally have asked you to confirm that these funds are suitable for them moving forwards. Tom and Sally have not used their full ISA allowances for the current tax year.

Tom has also purchased several Sterling Corporate Bond funds in 2011 for £76,000. He believed these would offer good growth potential over the long-term. He has reinvested the income generated by these holdings back into the funds.

Tom has not made any withdrawals from the Sterling Corporate Bond funds.

PART 7: LIABILITIES

Mortgage Details	Client 1	Client 2	Joint
Lender			Securebank
Type of mortgage			Interest-only
Amount outstanding			£350,000
Start date			2002
Term/maturity			25 years
Monthly payment			£525
Interest rate			1.8%
Life policies (see Part 8)			

Notes:

Tom and Sally have a joint interest-only mortgage with Securebank for £350,000. They intend to repay this using a combination of their pensions and investments.

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

Notes:

Tom and Sally have no outstanding loans.

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

Tom's accountant estimates that he will have an Income Tax liability of approximately £8,000 to be paid in January 2020. Tom is keen to explore ways of mitigating his tax liability.

PART 8: LIFE ASSURANCE POLICIES

	Life/Lives assured	Ownership	Sum assured £	Premium £	Term	Start date	In trust ?	Surrender Values £
1.	Joint	Joint	350,000	68 per month	25 years	2002	No	N/A

Notes:

Tom and Sally have a joint life first death level term policy to cover their mortgage with Securebank.

PART 9: HEALTH INSURANCE POLICIES

Type	Life Covered	Current Sum Assured £	Start Date	Term/Review	Deferred Period	Premium £

Notes:

Tom and Sally do not have any Health Insurance policies.

PART 10: REGULAR SAVINGS

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

Notes:

Tom and Sally do not make any regular savings but instead make ad hoc investments into their stocks and shares ISAs.

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

	Client 1	Client 2
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:

Tom and Sally do not have any occupational pension schemes.

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

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

Notes:

Tom and Sally do not have any Additional Voluntary Contribution schemes.

Personal Pensions

	Client 1	Client 2
Type	Group Personal Pension Scheme	
Company	Monarch Life	
Fund	Global Equity Tracker fund	
Contributions	5% employee/5% employer	
Retirement date	65	
Current value	£110,000	
Date started	2009	

Notes:

Tom is a member of the qualifying workplace pension scheme. This meets auto-enrolment requirements and both he and the company make 5% monthly contributions to the scheme. Tom is considering increasing his employer contribution in the near future. This plan is nominated for Sally.

Previous pension arrangements

	Client 1	Client 2
Employer	Easte Chemicals	Lincoln Evening Standard
Type of scheme	Group Personal Pension	Group Personal Pension
Date joined scheme	September 1992	August 2004
Date left	January 2009	April 2012
Current value	£78,000	£47,000

Notes:

Tom and Sally have pension plans from their previous employments. Both of these plans are defined contribution personal pension plans.

Tom's plan is invested in a UK Tracker fund and Sally's plan is invested in the default Fixed-Interest fund. Tom and Sally have nominated each other to receive the benefits of their respective plans in the event of death.

State Pension

	Client 1	Client 2
Basic Pension		
Total		

Notes

Neither Tom nor Sally have checked their State Pension entitlement. Sally may not have a full entitlement to the State Pension as she took extended maternity leave when Hannah was born and has had no earnings for the past seven years.

PART 12: INHERITANCES

Wills	Client 1	Client 2
Do you have a current Will?	No	No

Notes:

Tom and Sally are planning to write Wills in the near future. They do not have any Lasting Powers of Attorney in place.

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 expected.	None	None

Notes:

Both Tom and Sally’s parents are in good health and they have no expectation of receiving any inheritance for many years.

PART 13: ATTITUDE TO RISK

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

Notes:

Tom and Sally are both adventurous investors.

This has been discussed and verified by the recent completion of an attitude to risk questionnaire.

Neither Tom nor Sally have any particular concerns about ethical or socially responsible investments.

PART 14: BUSINESS RECORDS

Compliance		
Date fact-find completed	01.04.19	
Client agreement issued	01.04.19	
Data Protection Act	01.04.19	
Money laundering	01.04.19	
Consultations		
Dates of meetings		
Marketing		
Client source		
Referrals		
Documents		
Client documents held		
Date returned		
Letters of authority requested		

Notes:

PART 15: OTHER INFORMATION