



Chartered
Insurance
Institute

AF5 FACT-FIND - March 2021

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

PART 1: BASIC DETAILS					
	Client 1	Client 2			
Surname	Williams	Williams			
First name(s)	Harry	Pauline			
Address	Warwick	Warwick			
Date of birth	14.10.1946	01.07.1947			
Domicile	UK	UK			
Residence	UK	UK			
Place of birth	London	Cardiff			
Marital status	Married	Married			
State of health	Poor	Good			
Family health	Good	Good			
Smoker	No	No			
Hobbies/Interests	Sport, walking	Swimming, walking			
Notes:					
<p>Harry and Pauline retired when Harry reached his 65th birthday and have always managed their finances themselves.</p> <p>Harry suffered a heart attack recently but is expected to make a good recovery. Harry wishes to review their finances to ensure that they are making best use of their assets. Harry and Pauline have appointed you to look at their financial affairs and provide advice on how they might improve their current financial position.</p>					
PART 2: FAMILY DETAILS					
Children and other dependants					
Name	Relationship	Age	Health	Occupation	Financially dependent?
Andrew	Son	48	Good	Researcher	No
Emily	Daughter	45	Good	Dentist	No
Notes:					
<p>Andrew and Emily are both married with three children each. Emily is currently separated from her husband and is considering a divorce within the next year.</p>					

PART 3: EMPLOYMENT DETAILS		
Employment	Client 1	Client 2
Occupation	Retired Engineer	Retired Training Manager
Job title		
Business name		
Business address		
Year business started		
Remuneration		
Salary		
State Pensions	£11,300	£9,400
Overtime		
Benefits		
Benefits-in-kind		
Pension Scheme		
Life cover		
Private Medical Insurance		
Income Protection Insurance		
Self-Employment		
Net relevant earnings		
Accounting date		
Partnership/Sole trader		
Other Earned Income		
Notes:		
Harry and Pauline retired when Harry reached his 65 th birthday.		
Previous Employment		
	Client 1	Client 2
Previous employer		
Job title		
Length of service		
Pension benefits	See Part 11	See Part 11
Notes:		

PART 4: OTHER PROFESSIONAL ADVISERS

	Client 1	Client 2
Accountant	Fawsley & Co	Fawsley & Co
Bank	Access Bank	Access Bank
Doctor	Dr Knowles	Dr Knowles
Financial Adviser		
Solicitor	Henson Davies LLP	Henson Davies LLP
Stockbroker		
Other		

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

	Client 1		Client 2		Joint	
	Monthly £	Annually £	Monthly £	Annually £	Monthly £	Annually £
State Pensions		11,300		9,400		
Pensions/Annuities	4,315		600			
Salary (gross)						
Benefits-in-kind						
Savings income (interest)		730		4,090		
Rental (gross)						
Dividends		12,200				

In addition to their State Pension income, Harry receives monthly income from his self-invested personal pension (SIPP) and his defined benefit pension. Pauline also receives income from her annuity.

Pauline's savings interest is derived from her cash accounts as well as from the income from her UK Corporate Bond fund ISA.

Harry's dividend income is derived from both his ISA and Non-ISA holdings.

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

Notes:

Expenditure

Household Expenditure	Monthly £			Annually £		
	Client 1	Client 2	Joint	Client 1	Client 2	Joint
Mortgage/Rent						
Council tax			325			
Buildings and contents insurance						360
Gas, water and electricity			185			
Telephone			60			
TV licence and satellite			85			
Property maintenance						2,000
Regular Outgoings						
Life assurance (see Part 8)			170			
Health insurance (see Part 9)						
Savings Plans (see Part 10)						
Car tax, insurance and maintenance				1,400	950	
Petrol and fares	200	120				
Loans						
School fees						
Childcare						
Further education						
Subscriptions						
Food, drink, general housekeeping			800			
Pension contributions (see Part 11)						
Other Expenditure						
Magazines and newspapers	40					
Entertainment			300			
Clubs and sport				600	600	
Spending money	400	400				
Clothes				1,000	1,000	
Other (Holidays)						2,000
Total Monthly Expenditure	640	520	1,925			
Total Annual Expenditure	7,680	6,240	23,100	3,000	2,550	4,360
Total Outgoings						46,930

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

Notes:

Harry and Pauline do not envisage any lump sum expenditure until Harry is fully recovered from his recent heart attack.

PART 6: ASSETS

	Assets	Client 1 £	Client 2 £	Joint £	Income (Gross) £
1.	Main residence			700,000	
2.	Contents/car			65,000	
3.	Current account			15,200	
4.	Fixed-Term Deposit Savings Account	16,000	16,000		320
5.	Cash ISA – Instant Access	95,000			570
6.	Cash ISA – Fixed Term		40,000		480
7.	National Savings and Investments Premium Bonds	50,000	50,000		
8.	Individual Shareholdings – UK shares (various)	240,000			6,000
9.	Investment Trust – Global Equity	120,000			2,400
10.	Stocks and shares ISAs – UK Corporate Bond fund		115,000		3,450
11.	Stocks and shares ISAs – UK & Global Tracker funds	190,000			3,800

Notes:

Harry and Pauline's home is mortgage-free and owned as joint tenants.

Harry and Pauline have used their ISA allowance for the current Tax Year.

Harry has built up a portfolio of individual equities over a number of years. Some of these equities are showing large capital gains. These are all held in certificated form and following his recent heart attack, Harry is now finding these difficult to manage from an administrative point of view. He has asked you to advise him on the ongoing suitability of these shareholdings and how they can be managed more efficiently. The equities are invested in a large number of both UK blue chip, mid cap and smaller companies. The dividend income is paid out to Harry from these shareholdings.

Harry also holds an Investment Trust which was originally purchased in 2001. This had an original purchase cost of £40,000. Harry has noticed that this Investment Trust is currently trading at a premium to Net Asset Value.

PART 7: LIABILITIES

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

Notes:

Harry and Pauline do not have a mortgage.

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

Notes:

Harry and Pauline do not have any loans.

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

Harry settles his tax bill via self-assessment each year.

PART 8: LIFE ASSURANCE POLICIES

Life/Lives assured	Ownership	Sum assured £	Premium £	Term	Start date	In trust?	Surrender Values £
Joint	Joint	200,000	170 per month	WOL	14.05.11	Yes	1,400

Notes:

Harry and Pauline have a Joint Life Last Survivor Whole of Life policy on a reviewable basis that was set up in 2011. This is due for a premium review in May 2021 and they are aware that the premium is likely to increase significantly at this point.

They have asked you to advise them on the continuing suitability of this policy for their needs.

PART 9: HEALTH INSURANCE POLICIES

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

Notes:

Harry and Pauline do not have any Health Insurance policies.

PART 10: REGULAR SAVINGS

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

Notes:

Harry and Pauline do not make any regular savings.

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

	Client 1	Client 2
Member of employer's scheme		
Type of scheme	Defined Benefit Scheme	
Date joined	1973	
Retirement age	65	
Pension benefits	£15,780 per annum (gross)	
Death benefits	None	
Dependant's benefits	Two-thirds spouse's pension	
Contracted-in/out	Contracted-in	
Contribution Level (employee)		
Contribution Level (employer)		
Fund type		
Fund value		

Notes:

Harry has an occupational pension from a former employer. This has been in payment since his 65th birthday and increases each year with RPI inflation. On Harry's death, Pauline would receive a spouse's pension of two-thirds of Harry's pension on the date of his death.

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

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

Notes:

Harry and Pauline do not have any Additional Voluntary Contribution schemes.

Personal Pensions

	Client 1	Client 2
Type	Self-invested personal pension (SIPP)	
Company	Assure Life	
Fund	Global Equity/UK Equity/Fixed-Interest	
Contributions		
Retirement date		
Current value	£630,000	
Date started		

Notes:

Harry has a SIPP from which he draws a regular income of £3,000 (gross) per month via Flexi-Access Drawdown to supplement his and Pauline's retirement income needs. Harry is concerned about the long-term sustainability of the SIPP as the growth on the plan has been poor over the past few years. Harry would like to review his income options in respect of his SIPP.

Harry has completed a nomination of beneficiary for the SIPP in favour of Pauline.

Previous pension arrangements

	Client 1	Client 2
Employer		
Type of scheme		Annuity
Date joined scheme		
Date left		
Current Value		N/A

Notes:

Pauline has a lifetime annuity which was set up on her retirement from her former employer's Group Personal Pension plan. This pays a monthly income of £600 (gross) and is on a level basis. This does not provide any spouse's benefit for Harry on Pauline's death.

State Pension

	Client 1	Client 2
State Pension	£11,300	£9,400

Notes

Harry and Pauline have been receiving their State Pension for many years.

PART 12: INHERITANCES

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

Notes:

Harry and Pauline have Wills. These are mirror Wills leaving all assets to each other on first death and then to the 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 expected	None	None

Notes:

PART 13: ATTITUDE TO RISK

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

Notes:

Harry and Pauline have completed a full risk-profiling assessment. They have both been identified as medium-risk investors. Harry previously considered himself to be an adventurous investor, but he is no longer comfortable with very high levels of risk following his recent health problems.

Based on their assets and their guaranteed sources of income, Harry and Pauline have a high capacity for loss.

Harry and Pauline have advised you that they are not concerned about ethical investing.

PART 14: BUSINESS RECORDS**Compliance**

Date fact-find completed	28.01.21	
Client agreement issued	28.01.21	
Data Protection Act	28.01.21	
Money laundering	28.01.21	

Consultations

Dates of meetings	28.01.21	
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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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