



Chartered  
Insurance  
Institute

## AF5 FACT-FIND – September 2023

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

### PART 1: BASIC DETAILS

	Client 1	Client 2
Surname	Sims	Sims (Deceased)
First name(s)	Alexander (Alex)	Tanya
Address	Brighton	
Date of birth	01.05.1983	12.08.84
Domicile	UK	UK
Residence	UK	
Place of birth	Cardiff	Bristol
Marital status	Widower	
State of health	Good	
Family health	Good	
Smoker	No	
Hobbies/Interests	Photography, Theatre	

#### Notes:

Alex has contacted you for assistance in reviewing his financial affairs after the sudden death of his wife, Tanya two months' ago following a short illness.

Tanya's Will left her entire estate to Alex. This is currently being executed by their family solicitor and Alex is expecting this process to be completed in the next few months.

### PART 2: FAMILY DETAILS

#### Children and other dependants

Name	Relationship	Age	Health	Occupation	Financially dependent?
Thea	Daughter	13	Good	N/A	Yes
Cameron	Son	9	Good	N/A	Yes

#### Notes:

Alex has two children who are both at school.

PART 3: EMPLOYMENT DETAILS		
Employment	Client 1	Client 2
Occupation	Engineer	Consultant
Job title	Senior Project Engineer	Technology Consultant
Business name		
Business address		
Year business started		
Salary (gross per annum)	£90,000	£65,000
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	See Part 9	
<b>Self-Employment</b>		
Net relevant earnings		
Accounting date		
Partnership/Sole trader		
<b>Other Earned Income</b>		
<b>Notes:</b>		
<p>Alex has been employed at the same company for 15 years.</p> <p>Tanya worked full-time for her employer and had a range of employer-sponsored benefits including Death-in-Service and a Qualifying Workplace Pension Plan. (See Part 8 and Part 11).</p>		
<b>Previous Employment</b>		
Previous employer		
Job title		
Length of service		
Pension benefits		
<b>Notes:</b>		
<p>There are no benefits from former employers for either Alex or Tanya.</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		

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

	Client 1		Client 2		Joint	
	Monthly £	Annually £	Monthly £	Annually £	Monthly £	Annually £
State Pensions						
Pensions/Annuities						
Salary (gross)		90,000				
Overtime (gross)						
Benefits-in-kind						
Savings income (interest)		3,165				
Dividends				2,450*		

**Notes:**

Alex now receives the full interest from the Bank current and deposit accounts which have been transferred into his sole name following Tanya's death.

\*The dividend income from Tanya's unit trust forms part of her estate as the holding has not yet been transferred to Alex.

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

**Notes:**

**Expenditure**

	Monthly £			Annually £		
<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	183					
Buildings and contents insurance				380		
Gas, water and electricity				3,200		
Telephone/Mobile	40					
TV licence and satellite	80					
Property maintenance				2,000		
<b>Regular Outgoings</b>						
Life assurance (see Part 8)	30					
Savings Plans						
Car tax, insurance and maintenance				1,200		
Petrol and fares	180					
Loans						
School fees						
Childcare (current)	400					
Further education						
Subscriptions						
Food, drink, general housekeeping	600					
Pension contributions (see Part 11)	300					
<b>Other Expenditure</b>						
Magazines and newspapers						
Entertainment	200					
Clubs and sport				1,500		
Spending money	400					
Clothes						
Other (Holidays)				3,500		
<b>Total Monthly Expenditure</b>	2,413					
<b>Total Annual Expenditure</b>	28,956			11,780		
<b>Total Outgoings</b>						<b>40,736</b>

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

Alex is expecting a significant rise in his expenditure due to additional childcare costs. He is currently on compassionate leave from his employer on full pay. His employer has offered him the option of reducing his working hours with an amended salary of £70,000 p.a. gross.

**PART 6: ASSETS**

	Assets	Client 1 £	Client 2 £	Joint £	Income (Gross) £
1.	Main residence	400,000			
2.	Contents/car	45,000			
3.	Current account	25,000			125
4.	Deposit Savings Account – Fixed-Rate	76,000			3,040
5.	Stocks & Shares ISAs – UK Equity funds (accumulation units)	65,000			
6.	Stocks & Shares ISAs – Global Equity funds (accumulation units)		87,000		
7.	Unit Trust fund – UK Tracker fund (accumulation units)		70,000		2,450

**Notes:**

The family home and bank accounts were jointly held so these have now been transferred to Alex.

Tanya's Stocks & Shares ISA holdings are still held in her name.

Tanya held a Unit Trust invested in a UK Tracker fund which was funded by a gift of £40,000 from her parents. This is still held in her name.

**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:**

Alex and Tanya had an interest-only mortgage of £200,000 on their property which was owned as joint tenants. This was fully covered by a joint life first death policy which has now been used to settle the outstanding mortgage.

<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:**

There are no other loans.

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

There are no immediate liabilities, but Alex has not yet established if there are any potential tax liabilities on Tanya's death.

**PART 8: LIFE ASSURANCE POLICIES**

Life/Lives assured	Ownership	Sum assured £	Premium £	Term	Start date	In trust?	Surrender Values £
Alex	Employer	360,000	N/A			Yes	N/A
Tanya	Employer	260,000	N/A			Yes	N/A
Alex	Alex	150,000	£30 p.m.	20 years	2014	Yes	N/A

**Notes:**

Alex is due to receive the payment from Tanya's Death-in-Service benefit within the next few weeks.

Alex has an employer-sponsored Death-in-Service benefit which is currently nominated for Tanya.

Alex and Tanya held a joint life first death level mortgage protection policy with a sum assured of £200,000. This has been paid to the mortgage provider to redeem the mortgage in full following Tanya's death. (See Part 7).

Alex has a single life level term policy for the sum of £150,000 which he set up to provide a lump sum for Tanya and the children in the event of his death. This is held in Discretionary Trust for Tanya and the children.

**PART 9: HEALTH INSURANCE POLICIES**

Type	Life Covered	Current Sum Assured	Start Date	Term/Review	Deferred Period	Premium £
Income Protection	Alex	65% of basic salary		Term of employment	6 months	N/A

**Notes:**

Alex has an employer-sponsored Income Protection policy with benefits linked to RPI. The policy will provide cover to normal retirement age. He will receive full pay for six months from his employer in the event of illness or incapacity.

**PART 10: REGULAR SAVINGS**

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

**Notes:**

There are no regular savings plans.

**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:**

There are no 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:**

There are no Additional Voluntary Contribution pension schemes.



**Personal Pensions**

	<b>Client 1</b>	<b>Client 2</b>
Type	Qualifying Workplace pension scheme	Qualifying Workplace pension scheme
Company	Monarch Life	Accent Life
Fund	UK Equity funds	UK and Global Equity Tracker funds
Contributions	5% employer/5% employee	
Retirement date	65	N/A
Current value	£138,000	£115,000
Date started		

**Notes:**

Tanya was a member of her employer's workplace pension scheme, and this plan was nominated for Alex.

Alex has nominated his pension benefits for Tanya.

**Previous/other pension arrangements**

	<b>Client 1</b>	<b>Client 2</b>
Employer		
Type of scheme		
Date joined scheme		
Date left scheme		
Current value		

**Notes:**

There are no previous pension arrangements.

**State Pension**

	<b>Client 1</b>	<b>Client 2</b>
State Pension		

**Notes**

Alex has never reviewed his State Pension benefit.

**PART 12: INHERITANCES**

<b>Wills</b>	<b>Client 1</b>	<b>Client 2</b>
Do you have a current Will?	Yes	Yes
<b>Notes:</b>		
<p>Alex and Tanya had mirror Wills leaving all of their assets to the survivor and then to the two children in equal shares. Alex wishes to ensure that the children are protected financially in the event of his death and wishes to review his Will in this respect.</p> <p>They had put in place Lasting Powers of Attorney a few years ago which named each other as Attorneys. No replacement Attorneys were named in these documents.</p>		
<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	£40,000 from parents

**Notes:**

Tanya received a cash gift of £40,000 from her parents in 2015 which she invested into the Unit Trust holding (See Part 6).

<b>Inheritances</b>	<b>Client 1</b>	<b>Client 2</b>
Give details of any inheritances expected	See notes below	N/A

**Notes:**

Alex will inherit all of Tanya's assets under the terms of her Will. Alex is not expecting any further inheritances.

**PART 13: ATTITUDE TO RISK/CAPACITY FOR LOSS**

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

**Notes:**

Alex has been assessed as a medium-risk investor.

Alex wishes to assess his financial position following Tanya's death.

**PART 14: BUSINESS RECORDS****Compliance**

Date fact-find completed	01.09.23	
Client agreement issued	01.09.23	
Data Protection Act	01.09.23	
Money laundering	01.09.23	

Dates of meetings

**Marketing**

Client source

Referrals

**Documents**

Client documents held

Date returned

Letters of authority requested

**Notes:****PART 15: OTHER INFORMATION**

## Useful tips as you prepare for the AF5 exam

1. **Schedule sufficient revision time** to use your notes and learning and support materials to refresh your learning and consider how what you have learned applies to the case studies.
2. **Familiarise** yourself with the format and the navigation options navigation of an onscreen written exam:

### Familiarisation Test

Although the familiarisation test is modelled on AF1, the example is relevant for every candidate preparing to sit on-screen written exams by remote invigilation. Whilst there might be slight differences in layout, it will make you familiar with navigation and use of the platform.

### Familiarisation Test

If you will be taking your exam by remote invigilation you will also have access to a familiarisation test, allowing you to explore the invigilation platform and process (which is different to MCQ exams such as units R01-5). We strongly recommend that you schedule and take a familiarisation test before the day of your exam. You will be given the option to take a familiarisation test when you receive your exam login details in an email a week before your exam.

Taking the familiarisation test will introduce you to the check-in process including a system check, a photo ID check, a room scan, taking a user photo, entering your login details and answering test questions. It can also indicate current system issues with your equipment with time to resolve these before your exam.

The [\*Assessment Information - Before the exam\*](#) area of the CII website has further practical information and support.

3. **Prepare exam technique** using the support of the Exam Guides on the AF5 unit page <https://shop.ciiigroup.org/financial-planning-process-af5-af5.html> which include examiner guidance and time-saving tips such as abbreviations.