



AF5 FACT-FIND – September 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 Mr and Mrs Milton.

PART 1: BASIC DETAILS					
	Client 1		Client 2		
Surname	Milton		Milton		
First name(s)	Tom		Sally		
Address	Exeter		Exeter		
Date of birth	15.08.81		06.04.82		
Domicile	UK		UK		
Residence	UK		UK		
Place of birth	Bristol		Exeter		
Marital status	Married		Married		
State of health	Good		Good		
Family health	Good		Good		
Smoker	No		No		
Hobbies/Interests	Sport		Sport		
Notes:					
Tom and Sally have appointed you to carry out a review of their current financial position. They have never used a financial adviser before but are finding the ongoing management and review of their financial arrangements to be increasingly onerous and would like to reduce the burden of this going forwards.					
PART 2: FAMILY DETAILS					
Children and other dependants					
Name	Relationship	Age	Health	Occupation	Financially dependent?
Amelia	Daughter	15	Good	N/A	Yes
Noah	Son	13	Good	N/A	Yes
Notes:					
Both children are planning to go to university. Tom and Sally are intending to assist them with funding some of their future university costs.					

PART 3: EMPLOYMENT DETAILS		
Employment	Client 1	Client 2
Occupation		
Job title	Human Resources Director	Senior Editor
Business name	Camber Parks Ltd	Exeter Publishing Ltd
Business address		
Year business started		
Salary (gross per annum)	£96,000	£84,000
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		
Self-Employment		
Net relevant earnings		
Accounting date		
Partnership/Sole trader		
Other Earned Income		
Notes:		
<p>Tom has worked for his current employer for the past fifteen years. Sally has recently started a new job as a Senior Manager at a Publishing Company which has resulted in a large pay rise. Both of their employers offer full pay for the first three months of sick leave with 50% of salary for the following six months. Neither employer offers any further protection benefits other than death-in-service (See Part 8).</p>		
Previous Employment		
Previous employer		Avon Publications Ltd
Job title		Managing Editor
Length of service		12 years
Pension benefits		See Part 11
Notes:		
<p>Tom transferred his pension benefits from his previous employer to his current employer's scheme. Sally has a deferred benefit in her former employer's workplace pension scheme. (See Part 11).</p>		

PART 4: OTHER PROFESSIONAL ADVISERS						
	Client 1		Client 2			
Accountant						
Bank	Accentim Bank		Accentim 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)		96,000		84,000		
Overtime (gross)						
Benefits-in-kind						
Savings income (interest)						8,100
Rental (gross)						
Dividends						
Notes:						
	Client 1		Client 2			
Income Tax	£		£			
Personal allowances						
Taxable income						
Tax						
National Insurance						
Net Income						
Notes:						

Expenditure						
	Monthly £			Annually £		
Household Expenditure	Client 1	Client 2	Joint	Client 1	Client 2	Joint
Mortgage/Rent			1,084			
Council tax			230			
Buildings and contents insurance						320
Gas, water and electricity			250			
Telephone/Mobile	40	40				
TV licence and satellite			80			
Property maintenance						2,000
Regular Outgoings						
Life assurance (See Part 8)			38			
Savings Plans						
Car tax, insurance and maintenance				1,600	1,000	
Petrol and fares	220	120				
Loans						
School fees						
Childcare/School Clubs			500			
Further education						
Subscriptions						
Food, drink, general housekeeping			1,500			
Pension contributions (See Part 11)	320	280				
Other Expenditure						
Magazines and newspapers						
Entertainment			300			
Clubs and sport	60	100				
Spending money						4,800
Clothes						4,000
Other (Holidays)						12,000
Total Monthly Expenditure	640	540	3,982			
Total Annual Expenditure	7,680	6,480	47,784	1,600	1,000	23,120
Total Outgoings						87,664

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

Notes:

Tom and Sally have no major expenditure planned.

PART 6: ASSETS

	Assets	Client 1 £	Client 2 £	Joint £	Income (Gross) £
1.	Main residence			520,000	
2.	Contents/cars			80,000	
3.	Current account	5,000	5,000		
4.	Deposit account – Fixed-Rate (2 years)			180,000	8,100
5.	NS&I Premium Bonds	50,000	50,000		
6.	Stocks and Shares ISAs – UK FTSE-100 Index Tracker fund (accumulation units)	150,000			
7.	Stocks and Shares ISAs – UK Ethical Equity funds (accumulation units)		115,000		
8.	Onshore Investment Bond – UK Multi-Asset funds	160,000			

Notes:

Tom and Sally have chosen their own ISA funds in previous years but are unsure if these are suitable for their future objectives. They have asked for your advice in this respect. Tom and Sally's ISAs have been fully funded for the current tax year. Their ISAs are held on an investment platform.

The onshore investment bond was assigned to Tom by his mother in June 2024. The Bond was set up with a single investment of £80,000 by her in June 2010. No withdrawals have been taken from the Bond. This is a unit-linked Bond with 100 segments.

Tom and Sally are interested in investing in commodities and precious metals. They have asked for your comments on the suitability of this type of investment for them.

PART 7: LIABILITIES

Mortgage Details	Client 1	Client 2	Joint
Lender			Accentim Bank
Type of mortgage			Repayment
Amount outstanding			£200,000
Start date			December 2021
Term/maturity			20-year term
Monthly payment			£1,084 per month
Interest rate			2.75% per annum
Life policies (See Part 8)			

Notes:

Tom and Sally took out a new mortgage in December 2021. This mortgage is fixed for five years at a rate of 2.75% per annum.

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 do not have any loans.

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

Tom and Sally 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 £
Tom	Employer (DIS)	288,000	N/A			Yes	N/A
Sally	Employer (DIS)	252,000	N/A			Yes	N/A
Joint	Joint	200,000	38 p.m.	20 years	2021	No	N/A

Notes:

Both Tom and Sally are members of their employer's death-in-service (DIS) schemes which will pay out three times salary on death. Both of these benefits are nominated for the survivor.

Tom and Sally have a joint life first death level term policy which is intended to cover the mortgage in the event of either death.

PART 9: HEALTH INSURANCE POLICIES

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

Notes:

Tom and Sally have no 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 regular savings at present.

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 plans.

Personal Pensions		
	Client 1	Client 2
Type	Qualifying Workplace Pension scheme	Qualifying Workplace Pension scheme
Company	Accent UK Pensions	Monarch Life
Fund	Global Equity fund	UK Ethical Equity fund
Contributions	5% employee/5% employer	5% employee/5% employer
Retirement date	67	67
Current value	£325,000	£1,600
Date started	October 2009	July 2024
Notes:		
<p>Tom and Sally have completed nominations for each other for the benefits under each pension scheme. Neither employer will offer any further matched benefits.</p> <p>Both schemes offer a wide range of investment funds and permit switching between funds without penalty.</p>		
Previous/other pension arrangements		
	Client 1	Client 2
Employer		Avon Publications Ltd
Type of scheme		Qualifying Workplace Pension scheme
Date joined scheme		January 2012
Date left scheme		June 2024
Current value		£150,000
Notes:		
<p>Sally has a pension benefit with her former employer. This is invested in a UK Multi-Asset fund. She has not had time to monitor the performance of this fund in recent years.</p> <p>Tom transferred his pension benefits from his former employer into his pension scheme with Accent UK Pensions. He has no other pension benefits.</p>		
State Pension		
	Client 1	Client 2
State Pension		
Notes		
<p>Tom and Sally have never checked their State Pension entitlement.</p>		

PART 12: INHERITANCES		
Wills	Client 1	Client 2
Do you have a current Will?	Yes	Yes
Notes:		
Tom and Sally have mirror Wills leaving all assets to the survivor and then to the children in equal shares on second death. Sally's sister is named as the guardian and trustee for the children in the event of both deaths before the children reach age 18.		
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	£160,000	None
Notes:		
Tom's mother has assigned an onshore investment bond to him with a value at assignment of £160,000. At the same time Tom's mother also made gifts of equivalent value to his two siblings.		
Inheritances	Client 1	Client 2
Give details of any inheritances expected	No	No
Notes:		
Tom is likely to receive an inheritance from his mother at some point, but he does not wish to consider this in their future financial planning. Tom's parents divorced several years ago and he does not expect to receive any inheritance from his Father. Sally is unlikely to receive any future inheritances.		

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 medium-risk investors.

Tom and Sally have an interest in Environmental, Social and Governance (ESG) investing and may wish to take this into consideration when selecting future investment funds although this is not a major concern for either of them.

They are assessed as having a medium to high capacity for loss.

PART 14: BUSINESS RECORDS

Compliance

Date fact-find completed	01.09.24	
Client agreement issued	01.09.24	
Data Protection Act	01.09.24	
Money laundering	01.09.24	

Dates of meetings	01.09.24	
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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 using the familiarisation test which can be found by clicking [here](#).

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.

3. **The [Assessment Information - Before the exam](#)** area of the CII website has further practical information and support.
4. **Prepare exam technique** using the support of the Exam Guides on the AF5 unit page, found [here](#), which include examiner guidance and time-saving tips such as abbreviations.
5. **Post Fact-Find Video Technical Guides** are available and cover the main areas of knowledge that might be applicable, based on the fact-find released for each exam. For more information and how purchase this video guide, please click [here](#).