

Individual Savings Accounts administration

Purpose

At the end of this unit, candidates should understand the:

- main features and uses of Individual Savings Accounts;
- ISA investors and applications;
- ISA withdrawals, closure, deaths of investors, transfers;
- HM Revenue & Customs (HMRC) rules concerning ISAs.

| Summary of learning outcomes | Number of questions in the examination* |
|-------------------------------------------------------------------------------------------------------------|-----------------------------------------|
| 1. Know the main features and uses of Individual Savings Accounts (ISAs). | 2 |
| 2. Understand ISA investors and applications. | 8 |
| 3. Know the regulation and authorisation of ISAs. | 4 |
| 4. Know ISA investment rules and restrictions. | 7 |
| 5. Understand income and tax claims. | 5 |
| 6. Understand ISA holder rights. | 2 |
| 7. Know the charges and expenses of ISAs. | 3 |
| 8. Understand ISA withdrawals, closure, the death of an investor, transfers. | 11 |
| 9. Know ISA returns of information and HMRC inspections. | 5 |
| 10. Understand the different features and administrative requirements of junior ISAs and Child Trust Funds. | 3 |

* The test specification has an in-built element of flexibility. It is designed to be used as a guide for study and is not a statement of actual number of questions that will appear in every exam. However, the number of questions testing each learning outcome will generally be within the range plus or minus 2 of the number indicated.

Important notes

- Method of assessment: 50 multiple choice questions (MCQs). 1 hour is allowed for this examination.
- This syllabus will be examined from 1 September 2024 until 31 August 2025.
- Candidates will be examined on the basis of English law and practice in the tax year 2024/2025 unless otherwise stated.
- This PDF document has been designed to be accessible with screen reader technology. If for accessibility reasons you require this document in an alternative format, please contact us on online.exams@cii.co.uk to discuss your needs.
- Candidates should refer to the CII website for the latest information on changes to law and practice and when they will be examined:
 1. Visit www.cii.co.uk/qualifications
 2. Select the appropriate qualification
 3. Select your unit from the list provided
 4. Select qualification update on the right hand side of the page

- 1. Know the main features and uses of Individual Savings Accounts (ISAs).**
 - 1.1 Identify the basic features of ISAs.
 - 1.2 Describe the main uses of ISAs for saving, security for a loan and retirement.
- 2. Understand ISA investors and applications.**
 - 2.1 Describe the main requirements and issues associated with ISA applications.
 - 2.2 Describe the cancellation and cooling-off procedures.
- 3. Know the regulation and authorisation of ISAs.**
 - 3.1 Describe the key legislative basis of ISAs.
 - 3.2 Describe how ISAs are authorised and withdrawn, including the main parties, processes and considerations involved.
- 4. Know ISA investment rules and restrictions.**
 - 4.1 Describe the ISA investment rules and restrictions.
- 5. Understand income and tax claims.**
 - 5.1 Describe the tax treatment of various forms of ISA income.
 - 5.2 Describe the manager's responsibilities and appropriate actions concerning tax claims.
- 6. Understand ISA holder rights.**
 - 6.1 Describe the manager's obligations to ISA holders.
- 7. Know the charges and expenses of ISAs.**
 - 7.1 Describe charges and expenses of ISAs.
 - 7.2 Explain the exit and transfer charges applicable to ISAs.
- 8. Understand ISA withdrawals, closure, the death of an investor, transfers.**
 - 8.1 Identify the issues and actions necessary to deal with ISA withdrawals, closures and the death of an investor.
 - 8.2 Identify the issues and processes involved in transferring ISAs and ISA account managers.
- 9. Know ISA returns of information and HMRC inspections.**
 - 9.1 Identify the HMRC requirements for annual ISA returns.
 - 9.2 Describe the HMRC inspection regime and the handling of breaches.
- 10. Understand the different features and administrative requirements of junior ISAs and Child Trust Funds.**
 - 10.1 Identify the main features and administrative requirements of junior ISAs and Child Trust Funds.

Reading list

The following list provides details of further reading which may assist you with your studies.

Note: The examination will test the syllabus alone.

The reading list is provided for guidance only and is not in itself the subject of the examination.

The resources listed here will help you keep up-to-date with developments and provide a wider coverage of syllabus topics.

CII study texts

Individual savings accounts administration. London: CII. Study text FA5.

Journals and magazines

Financial adviser. London: FT Business. Weekly. Available online at www.ftadviser.com.

Financial times. London: Financial Times. Daily. Available online at www.ft.com.

Personal finance professional. London: CII. Four issues a year. Available online at www.pfp.thepfs.org/sections/access-digital-magazine (CII/PFS members only).

Money management. London: FT Business. Monthly. Available online www.ftadviser.com/brand/money-management.

Reference materials

International dictionary of banking and finance. John Clark. Hoboken, New Jersey: Routledge, 2013.*

Harriman's financial dictionary: over 2,600 essential financial terms. Edited by Simon Briscoe and Jane Fuller. Petersfield: Harriman House, 2013.*

HMRC ISA manager guidance notes. Available at <https://www.gov.uk/government/collections/isa-managers-guidance>.

Examination guide

If you have a current study text enrolment, the current examination guide is included and is accessible via Revisionmate (ciigroup.org/login). Details of how to access Revisionmate are on the first page of your study text. It is recommended that you only study from the most recent version of the examination guide.

Exam technique/study skills

There are many modestly priced guides available in bookshops. You should choose one which suits your requirements.