

Chartered
Insurance
Institute

AF5

Advanced Diploma in Financial Planning

Unit AF5 – Financial planning process

February 2025 examination

SPECIAL NOTICES

All questions in this paper are based on English law and practice applicable in the tax year 2024/2025, unless stated otherwise in the question, and should be answered accordingly.

It should be assumed that all individuals are domiciled and resident in the UK unless otherwise stated.

Unit AF5 – Financial planning process

Instructions to candidates

Read the instructions below before answering any questions

- **Three hours** are allowed for this paper which carries a total of 160 marks.
- You are strongly advised to attempt **all** tasks to gain maximum possible marks. The number of marks allocated to each task is given next to the task and you should spend your time in accordance with that allocation.
- **In this examination you should use the fresh copy of the fact-find provided after the tax tables. You are not allowed to bring into the examination the pre-released copy of the fact-find.**
- **Client objectives are provided on the next page and you should read them carefully before attempting the tasks.**
- Read carefully all tasks and information provided before starting to answer. Your answer will be marked strictly in accordance with the task set.
- Tax tables are provided at the end of the question paper.
- The fact-find is also included at the end of the tax tables.

Subject to providing sufficient detail you are advised to be as brief and concise as possible, using note format and short sentences.

CLIENTS' FINANCIAL OBJECTIVES

You have now been able to determine from the information in the fact-find that your clients have the following financial objectives:

Immediate objectives

- Ensure sufficient income is in place following Sylvia's recent retirement.
- Put in place a suitable investment strategy for their current and inherited funds.
- Assess the merits of retaining the inherited property as a rental property.

Longer-term objectives

- Provide a sustainable income throughout retirement.
- Ensure Sylvia is protected in the event of Martin's death.
- Improve the tax efficiency of their financial arrangements.

Attempt ALL tasks**Time: 3 hours****PLEASE ENSURE YOU ANSWER EACH QUESTION IN THE CORRECT ANSWER BOX**

1. (a) Identify the additional information that you would require in order to advise Martin and Sylvia on the suitability of their current financial arrangements to meet their retirement objectives. (14)

(b) Identify a range of suitable actions that could be taken to improve Sylvia's long-term financial security in the event of Martin's death. (10)
2. (a) Explain to Sylvia how the 'small pots' pension rules would enable her to generate tax-efficient benefits before her State Pension comes into payment. (10)

(b) Recommend and justify to Sylvia why she may wish to consider making further pension contributions. (10)
3. (a) Recommend and justify how Martin could set up a lifetime annuity with his defined contribution pension plan to support their long-term objectives. (10)

(b) Outline to Martin the factors that he should consider if he decides to draw the benefits from his defined contribution pension plan using flexi-access drawdown. (12)
4. (a) Explain the key drawbacks for Martin and Sylvia of retaining the inherited property and renting it out to provide additional income in retirement. (10)

(b) State the reasons why Martin and Sylvia should consider setting up an investment portfolio using the proceeds of the cash inheritance from Martin's mother. (12)

PLEASE ENSURE YOU ANSWER EACH QUESTION IN THE CORRECT ANSWER BOX

5. (a) Explain to Martin and Sylvia the benefits of using a Discretionary Fund Manager (DFM) to manage their investment portfolio. (10)
- (b) Recommend and justify why Martin and Sylvia might consider using Multi-Asset funds to invest some of their cash holdings which are due to mature shortly. (10)
6. (a) Explain to Martin and Sylvia why their current Lasting Powers of Attorney (LPA) may be unsuitable and identify the actions that they should take to ensure that their LPAs are suitable for them. (10)
- (b) Identify the key strengths and weaknesses of Martin's defined benefit pension scheme in respect of their overall retirement planning objectives. (8)
7. (a) Martin and Sylvia are considering encashing their Whole of Life policy following notification of the increase to the monthly premium.
- State the key factors that Martin and Sylvia should consider when deciding whether to encash or retain their Whole of Life policy. (10)
- (b) Explain briefly to Martin and Sylvia how their estate will be treated for Inheritance Tax purposes on second death. *No calculations are required.* (8)
8. (a) Identify the reasons why Martin and Sylvia's capacity for loss may reduce now they are both retired. (8)
- (b) State the reasons why it would be appropriate to carry out additional review meetings with Martin and Sylvia over the next few years. (8)

Total marks: 160

INCOME TAX

RATES OF TAX	2023/2024	2024/2025
Starting rate for savings*	0%	0%
Basic rate	20%	20%
Higher rate	40%	40%
Additional rate	45%	45%
Starting-rate limit	£5,000*	£5,000*
Threshold of taxable income above which higher rate applies	£37,700	£37,700
Threshold of taxable income above which additional rate applies	£125,140	£125,140
High income child benefit charge:	1% of benefit per £200 of adjusted net income between £60,000 – £80,000	

*Only applicable to savings income that falls within the first £5,000 of income in excess of the personal allowance.

Personal savings allowance (for savings income):

Basic rate taxpayers	£1,000	£1,000
Higher rate taxpayers	£500	£500

Additional rate taxpayers	Nil	Nil
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Dividend Allowance	£1,000	£500
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Dividend tax rates		
Basic rate	8.75%	8.75%
Higher rate	33.75%	33.75%
Additional rate	39.35%	39.35%

Trusts

Standard rate band	£1,000	n/a
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Income exemption up to**	n/a	£500
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Rate applicable to trusts		
- dividends	39.35%	39.35%
- other income	45%	45%

** Where net income exceeds £500, the full amount is subject to Income Tax.

MAIN PERSONAL ALLOWANCES AND RELIEFS

Income limit for Personal Allowance §	£100,000	£100,000
Personal Allowance (basic) §	£12,570	£12,570
Married/civil partners (minimum) at 10% †	£4,010	£4,280
Married/civil partners at 10% †	£10,375	£11,080
Marriage Allowance	£1,260	£1,260
Income limit for Married Couple's Allowance †	£34,600	£37,000
Rent a Room scheme – tax free income allowance	£7,500	£7,500
Blind Person's Allowance	£2,870	£3,070
Enterprise Investment Scheme relief limit on £2,000,000 max***	30%	30%
Seed Enterprise Investment relief limit on £200,000 max	50%	50%
Venture Capital Trust relief limit on £200,000 max	30%	30%

§ The Personal Allowance reduces by £1 for every £2 of income above the income limit irrespective of age (under the income threshold).

† where at least one spouse/civil partner was born before 6 April 1935. Married couple's/civil partners' allowance reduced by £1 for every £2 of adjusted net income over £37,000 (£34,600 for 23/24) until minimum reached.

*** Investment above £1,000,000 must be in knowledge-intensive companies.

NATIONAL INSURANCE CONTRIBUTIONS

Class 1 Employee

Weekly

Lower Earnings Limit (LEL)	£123
Primary threshold	£242
Upper Earnings Limit (UEL)	£967

Total earnings £ per week

CLASS 1 EMPLOYEE CONTRIBUTIONS

Up to 242.00*	Nil
242.00 – 967.00	8%
Above 967.00	2%

**This is the primary threshold below which no NI contributions are payable. However, the lower earnings limit is £123 per week. This £123 to £242 band is a zero-rate band introduced in order to protect lower earners' rights to contributory State benefits e.g. the New State Pension.*

Total earnings £ per week

CLASS 1 EMPLOYER CONTRIBUTIONS

Below 175.00**	Nil
Over £175.00	13.8%

***Secondary threshold.*

CLASS 2 (self-employed)*

Flat rate per week	£3.45
Small profits threshold per year	£6,725

Class 2 contributions are credited automatically where profits equal or exceed £6,725 per annum.
Class 2 contributions can be made voluntarily where profits are below £6,725 per annum.

Class 3 (voluntary)

Flat rate per week £17.45.

Class 4 (self-employed)

6% on profits between £12,570 and up to £50,270.
2% on profits above £50,270.

PENSIONS

TAX YEAR	LIFETIME ALLOWANCE
2012/2013 & 2013/2014	£1,500,000
2014/2015 & 2015/2016	£1,250,000
2016/2017 & 2017/2018	£1,000,000
2018/2019	£1,030,000
2019/2020	£1,055,000
2020/2021 – 2023/2024*	£1,073,100

*Lifetime allowance removed from 6 April 2024.

	2023/2024	2024/2025
Lump sum and death benefit allowance (LSDBA)	n/a	£1,073,100
Lump sum allowance (LSA)	n/a	£268,275

LSA and LSDBA may be higher if transitional protections are available.

Where pension benefits were crystallised prior to 6 April 2024 the LSA and LSDBA may be reduced.

Money purchase annual allowance	£10,000	£10,000
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ANNUAL ALLOWANCE	
TAX YEAR	ANNUAL ALLOWANCE
2014/2015 – 2022/2023	£40,000*
2023/2024	£60,000**
2024/2025	£60,000**

*From 6 April 2016 the annual allowance is reduced for those with income above a certain level. Between 2020/21 and 2022/23 the annual allowance will be reduced by £1 for every £2 of 'adjusted income' over £240,000 to a minimum of £4,000 if 'threshold income' is also over £200,000.

**Reducing by £1 for every £2 of 'adjusted income' over £260,000 to a minimum of £10,000 if 'threshold income' is also over £200,000.

ANNUAL ALLOWANCE CHARGE

20% – 45% determined by the member's taxable income and the amount of total pension input in excess of the annual allowance or money purchase annual allowance.

CAPITAL GAINS TAX

ANNUAL EXEMPTIONS	2023/2024	2024/2025	
Individuals, estates etc	£6,000	£3,000	
Trusts generally	£3,000	£1,500	
Chattels proceeds (restricted to five thirds of proceeds exceeding limit)	£6,000	£6,000	

TAX RATES		Pre	Post
		30/10/2024	
Individuals:			
Up to basic rate limit	10%	10%	18%
Above basic rate limit	20%	20%	24%
Surcharge for residential property - Basic Rate	8%	8%	n/a
Higher Rate	8%	4%	n/a
Surcharge for carried interest	8%	8%	4%
Trustees and Personal Representatives:			
Residential property	28%	24%	24%
Other chargeable assets	20%	20%	24%
Business Asset Disposal Relief*	10%	10%	
Lifetime limit	£1,000,000	£1,000,000	

**For trading businesses and companies (minimum 5% employee or director shareholding) if held for at least two years.*

INHERITANCE TAX

RATES OF TAX ON TRANSFERS	2023/2024	2024/2025
Transfers made on death		
- Up to £325,000	Nil	Nil
- Excess over £325,000	40%	40%
- Reduced rate (where appropriate charitable contributions are made)	36%	36%
Transfers		
- Lifetime transfers to and from certain trusts	20%	20%

MAIN EXEMPTION

Transfers to		
- UK-domiciled spouse/civil partner	No limit	No limit
- non-UK-domiciled spouse/civil partner (from UK-domiciled spouse)	£325,000	£325,000
- main residence nil rate band*	£175,000	£175,000
- UK-registered charities	No limit	No limit

*Available for estates up to £2,000,000 and then tapered at the rate of £1 for every £2 in excess until fully extinguished.

Lifetime transfers		
- Annual exemption per donor	£3,000	£3,000
- Annual small gifts exemption per donor	£250	£250

Gifts from surplus income are immediately exempt, as long as they are made from income, are made regularly and do not impact donor's standard of living.

Wedding/civil partnership gifts by		
- parent	£5,000	£5,000
- grandparent/bride and/or groom	£2,500	£2,500
- other person	£1,000	£1,000

100% relief: businesses, unlisted/AIM companies, certain farmland/building

50% relief: certain other business assets

Reduced tax charge on gifts made in excess of the nil rate band within 7 years of death:

- Years before death	0-3	3-4	4-5	5-6	6-7
- Inheritance Tax payable	100%	80%	60%	40%	20%

Quick succession relief:

- Years since IHT paid	0-1	1-2	2-3	3-4	4-5
- Inheritance Tax relief	100%	80%	60%	40%	20%

MAIN SOCIAL SECURITY BENEFITS

		2023/2024	2024/2025
		£	£
Child Benefit	First child	24.00	25.60
	Subsequent children	15.90	16.95
	Guardian's allowance	20.40	21.75
Employment and Support Allowance	Assessment Phase		
	Age 16 - 24	Up to 67.20	Up to 71.70
	Aged 25 or over	Up to 84.80	Up to 90.50
	Main Phase		
	Work-related Activity Group	Up to 84.80*	Up to 90.50**
Attendance Allowance	Lower rate	68.10	72.65
	Higher rate	101.75	108.55
Basic State Pension	Category A full rate	156.20	169.50
	Category B (lower) full rate	93.60	101.55
New State Pension	Full rate	203.85	221.20
Pension Credit	Standard minimum guarantee - single	201.05	218.15
	Standard minimum guarantee - couple	306.85	332.95
	Maximum savings ignored in calculating income	10,000.00	10,000.00
Bereavement Support Payment	Higher rate – First payment	3,500.00	3,500.00
	Higher rate – monthly payment	350.00	350.00
	Lower rate – First payment	2,500.00	2,500.00
	Lower rate – monthly payment	100.00	100.00
Jobseeker's Allowance	Age 18 - 24	67.20	71.70
	Age 25 or over	84.80	90.50
Statutory Maternity, Paternity and Adoption Pay		172.48	184.03

**If a claim has begun before 3rd April 2017 the individual will also be awarded the Work-related Activity Component payment which in 2023/2024 is £33.70, so total awarded for these individuals may be up to £118.50.*

***If a claim has begun before 3rd April 2017 the individual will also be awarded the Work-related Activity Component payment which in 2024/2025 is £35.95, so total awarded for these individuals may be up to £126.45.*

CORPORATION TAX

2023/2024 2024/2025

Small profit rate - for taxable profits below £50,000	19%	19%
Main rate - for taxable profits above £250,000	25%	25%
Companies with profits between £50,000 and £250,000 will pay tax at the main rate, reduced by a marginal relief. This provides a gradual increase in the effective Corporation Tax rate.		

VALUE ADDED TAX

2023/2024 2024/2025

Standard rate	20%	20%
Annual registration threshold	£85,000	£90,000
Deregistration threshold	£83,000	£88,000

STAMP DUTY LAND TAX

Residential

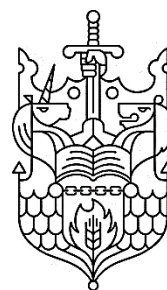
Value up to £250,000	0%
£250,001 - £925,000	5%
£925,001 - £1,500,000	10%
£1,500,001 and over	12%

Additional Stamp Duty Land Tax (SDLT) rules apply as follows:

- *First-time buyers benefit from SDLT relief on first £425,000 for properties up to £625,000 when purchasing their main residence. On purchases up to £425,000, no SDLT is payable. On purchases between £425,001 and £625,000, a flat rate of 5% is charged on the balance above £425,000.*
- *Additional SDLT of 5% may apply to the purchase of additional residential properties purchased for £40,000 or greater.*
- *SDLT may be charged at 17% on interests in residential dwellings costing more than £500,000 purchased by certain corporate bodies or non-natural persons.*
- *SDLT is payable in England and Northern Ireland only. Land Transaction Tax (LTT) is payable in Wales and Land and Buildings Transaction Tax (LBTT) is payable in Scotland. The rates for LTT and LBTT are different to the rates shown above.*

Non residential

Value up to £150,000	0%
£150,001 and £250,000	2%
£250,001 and over	5%



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AF5 FACT-FIND – February 2025

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 Evans.

PART 1: BASIC DETAILS		
	Client 1	Client 2
Surname	Evans	Evans
First name(s)	Martin	Sylvia
Address	Truro	Truro
Date of birth	15.11.1956	06.01.1961
Domicile	UK	UK
Residence	UK	UK
Place of birth	Plymouth	Taunton
Marital status	Married	Married
State of health	Poor	Good
Family health	Good	Good
Smoker	Yes	No
Hobbies/Interests		
Notes:		
<p>Martin and Sylvia are due to receive an inheritance from Martin's late mother very shortly. They have decided to seek financial advice to ensure the most appropriate use of their inheritance, as well as improving the longer-term sustainability of their retirement income.</p> <p>Martin has been in poor health for several years due to injuries sustained in a car accident in 2021.</p>		

PART 2: FAMILY DETAILS					
Children and other dependants					
Name	Relationship	Age	Health	Occupation	Financially dependent?
Notes:					
<p>Martin and Sylvia do not have any children or dependants.</p>					

PART 3: EMPLOYMENT DETAILS		
Employment	Client 1	Client 2
Occupation	Retired Manager	Retired Optician
Job title		
Business name		
Business address		
Year business started		
Salary (gross per annum)		
State Pensions	£11,500	
Overtime (gross per annum)		
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:		
<p>Martin retired in 2021 following his car accident. Sylvia retired recently and is keen to review her options in respect of her various pension benefits that she has accrued over the years.</p>		
Previous Employment	Client 1	Client 2
Previous employer		
Job title		
Length of service		
Pension benefits	See Part 11	See Part 11
Notes:		
<p>Both Martin and Sylvia have pension benefits which they have built up from their previous employers.</p>		

PART 4: OTHER PROFESSIONAL ADVISERS

	Client 1	Client 2
Accountant		
Bank	Astira Bank Ltd	Astira Bank Ltd
Doctor	Dr Baker	Dr Baker
Financial Adviser		
Solicitor	Henson Warren LLP	Henson Warren LLP
Stockbroker		
Other		
Notes:		

PART 5: INCOME AND EXPENDITURE**Income**

	Client 1		Client 2		Joint	
	Monthly £	Annually £	Monthly £	Annually £	Monthly £	Annually £
State Pensions		11,500				
Pensions/Annuities		22,000				
Salary (gross)						
Overtime (gross)						
Benefits-in-kind						
Savings income (interest)		2,700		2,700		7,000
Rental (gross)						
Dividends						

Notes:

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

Notes:

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Expenditure						
	Monthly £			Annually £		
Household Expenditure	Client 1	Client 2	Joint	Client 1	Client 2	Joint
Mortgage/Rent						
Council tax			280			
Buildings and contents insurance						400
Gas, water and electricity			300			
Telephone/Mobile	50	50				
TV licence and satellite			60			
Property maintenance						1,500
Regular Outgoings						
Life assurance (see Part 8)			80			
Savings Plans						
Car tax, insurance and maintenance				1,800	1,100	
Petrol and fares	200	140				
Loans						
School fees						
Childcare/School Clubs						
Further education						
Subscriptions						
Food, drink, general housekeeping			1,000			
Pension contributions (see Part 11)						
Other Expenditure						
Magazines and newspapers						520
Entertainment			200			
Clubs and sport				2,000	600	
Spending money						3,000
Clothes						1,200
Other (Holidays)						10,000
Total Monthly Expenditure	250	190	1,920			
Total Annual Expenditure	3,000	2,280	23,040	3,800	1,700	16,620
Total Outgoings						50,440

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

Notes:

Following Sylvia's recent retirement, they have insufficient income to meet their ongoing expenditure. They plan to use their combined cash deposits to support their expenditure needs until they have put in place a comprehensive income strategy.

PART 6: ASSETS

	Assets	Client 1 £	Client 2 £	Joint £	Income (Gross) £
1.	Main residence			470,000	
2.	Contents/cars			55,000	
3.	Current account			27,000	
4.	Deposit Account – Fixed-Rate			140,000	7,000
5.	NS&I Premium Bonds	50,000	50,000		
6.	Cash ISA – Variable Rate Instant Access	60,000			2,700
7.	Cash ISA – Variable Rate Instant Access		60,000		2,700
8.	Stocks and shares ISAs – UK Managed fund (accumulation units)	25,000			
9.	Stocks and shares ISAs – UK Bond fund (accumulation units)		20,000		

Notes:

Martin and Sylvia have a fixed-rate deposit account which is due to mature next month.

Martin and Sylvia have made small investments into Stocks and shares ISAs in the past. On receipt of the inheritance in two months' time, they are keen to explore a more diverse investment strategy for the future. They have not used their ISA allowances for the current tax year.

Martin is due to receive his late mother's house as part of his inheritance in the very near future. Martin and Sylvia are considering using this as a rental property for the next few years, although it requires substantial modernisation to bring it up to a suitable standard for rental.

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:

Martin and Sylvia repaid their mortgage many years ago.

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

Notes:

Martin and Sylvia do not have any loans.

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

Martin and Sylvia have no liabilities.

PART 8: LIFE ASSURANCE POLICIES

Life/Lives assured	Ownership	Sum assured £	Premium £	Term	Start date	In trust?	Surrender Values £
Joint	Joint	150,000	80 p.m.	Whole of Life	2005	No	5,700

Notes:

Martin and Sylvia have a joint life second death Whole of Life policy which was set up in 2005. This is reaching a review in March this year. They have been advised that the premium will increase to £160 per month if they wish to retain the same level of cover.

PART 9: HEALTH INSURANCE POLICIES

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

Notes:

Martin and Sylvia have no health insurance policies.

PART 10: REGULAR SAVINGS

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

Notes:

Martin and Sylvia 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	Defined Benefit	
Date joined		
Retirement age	65	
Pension benefits	£22,000 p.a.	
Death benefits		
Dependant's benefits	50% spouse's pension (£11,000 p.a.)	
Contracted-in/out		
Contribution Level (employee)		
Contribution Level (employer)		
Fund type		
Fund value		

Notes:

Martin is receiving his pension from a former employer's pension scheme. He took benefits at the scheme retirement age. This pension income increases by inflation (CPI), capped at 5% each year. The scheme is well funded and has no financial difficulties.

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

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

Notes:

Martin and Sylvia have no Additional Voluntary Contributions plans.

Personal Pensions		
	Client 1	Client 2
Type		Qualifying Workplace Pension Scheme
Company		Monarch Life
Fund		UK Deposit & Fixed-Interest fund
Contributions		N/A
Retirement date		January 2026
Current value		£120,000
Date started		June 2012
Notes:		
<p>Sylvia has recently retired from her job as an optician and the final pension contribution has been paid into the plan. An up-to-date nomination is in place for Martin.</p>		
Previous/other pension arrangements		
	Client 1	Client 2
Employer		
Type of scheme	Qualifying Workplace Pension Scheme	Qualifying Workplace Pension Schemes
Date joined scheme		
Date left scheme	October 2021	Various
Current value	£170,000	£40,000
Notes:		
<p>Martin has a defined contribution pension plan from his most recent employer. This is invested in a Lifestyle fund which is held as 25% Cash and 75% Fixed-Interest securities.</p> <p>Sylvia has three defined contribution pension plans with various former employers. These are valued at £8,000, £7,500 and £24,500. These are all invested in UK Cautious Managed funds.</p>		
State Pension		
	Client 1	Client 2
State Pension	£11,500	£11,500
Notes		
<p>Martin's State Pension is already in payment. Sylvia will be entitled to a State Pension of £11,500 per annum. She has checked this recently via a BR19 form.</p>		

PART 12: INHERITANCES		
Wills	Client 1	Client 2
Do you have a current Will?	Yes	Yes
Notes:		
<p>Martin and Sylvia have mirror Wills leaving all assets to the survivor. On second death, they have left specific bequests to a range of local charities, with the majority of their estate split equally between their two nephews.</p> <p>Martin and Sylvia have registered Lasting Powers of Attorney with the Office of the Public Guardian with each of them acting as sole Attorney for the other.</p>		
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
Inheritances	Client 1	Client 2
Give details of any inheritances expected	£350,000	
Notes:		
<p>Martin is due to inherit his late mother's estate which includes her property valued at £225,000 along with her cash holdings of £125,000. He is due to receive the inheritance in the next two months. Probate has been granted and no IHT was due on her estate. His father died many years ago. Sylvia is not expecting any inheritances.</p>		

PART 13: ATTITUDE TO RISK**What level of risk are you prepared to take to achieve your financial objectives?****Notes:**

Martin and Sylvia are inexperienced investors but are both keen to learn about investing as they wish to improve their retirement income prospects following receipt of the inheritance. They have been assessed as cautious to medium risk investors. Neither Martin nor Sylvia are interested in Environmental, Social and Governance (ESG) investments.

Martin and Sylvia have been assessed as having a medium capacity for loss.

PART 14: BUSINESS RECORDS**Compliance**

Date fact-find completed	01.02.2025	
Client agreement issued	01.02.2025	
Data Protection Act	01.02.2025	
Money laundering	01.02.2025	

Dates of meetings		
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Marketing

Client source		
Referrals		

Documents

Client documents held		
Date returned		
Letters of authority requested		

Notes:**PART 15: OTHER INFORMATION**