

Chartered
Insurance
Institute

AF5

Advanced Diploma in Financial Planning

Unit AF5 – Financial planning process

February 2026 examination

SPECIAL NOTICES

All questions in this paper are based on English law and practice applicable in the tax year 2025/2026, unless stated otherwise in the question, and should be answered accordingly.

It should be assumed that all individuals have long-term UK residence status 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

- Improve the tax-efficiency of their financial arrangements.
- Evaluate the affordability of purchasing a property as a temporary home for their daughter.
- Assess the suitability of their current investment funds.

Longer-term objectives

- Ensure that their daughter's share of their estate is protected during her divorce.
- Mitigate any future Inheritance Tax liability on second death.
- Ensure they have sufficient income throughout retirement.

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 Owen and Alice on the suitability of their current financial arrangements to meet their immediate objectives. **(15)**
 - (b) Identify the issues that you would need to take into consideration to determine if you are providing 'fair value' in your services to Owen and Alice to ensure that you comply with Consumer Duty rules. **(8)**

2.
 - (a) Explain to Owen why he may wish to consider deferring his State Pension. **(10)**
 - (b) Identify the tax issues that you should discuss with Owen in respect of the contributions into his new workplace pension scheme. **(10)**

3.
 - (a) Explain in detail to Alice why she should consider adjusting the level of income withdrawals from her personal pension plan. **(10)**
 - (b) Identify the key issues that Alice should take into consideration when establishing a safe level of withdrawal from her pension fund. **(14)**

4.
 - (a) Explain to Owen and Alice the financial and tax implications for them if they purchase a property in their names to provide a temporary home for their daughter. **(10)**
 - (b) Identify any Inheritance Tax implications for Owen and Alice of paying Helen's rent and continuing to support her financially during her divorce. **(8)**

PLEASE ENSURE YOU ANSWER EACH QUESTION IN THE CORRECT ANSWER BOX

5. (a) Recommend and justify the actions that Owen and Alice should take to protect any future inheritance for Helen from her impending divorce proceedings. (10)
- (b) Explain to Owen and Alice the tax issues they should consider, before using a withdrawal from the Loan Trust to assist them in purchasing a property for Helen to rent during her divorce. (10)
6. Owen and Alice wish to improve the tax-efficiency of their financial arrangements now that Owen has started his new contract.
- (a) Recommend and justify a range of actions that Owen and Alice can take to improve the tax-efficiency of their current financial arrangements. (15)
- (b) Outline the key issues that Owen should take into consideration before deciding to transfer his pension benefits from his new employer's workplace pension scheme into his Monarch Life personal pension plan when his contract ends. (8)
7. (a) Outline the key reasons why the Mixed Bond funds held in Owen and Alice's Loan Trust may be unsuitable in meeting their long-term objectives. (8)
- (b) Explain to Owen why he may wish to consider investing in a Global Exchange Traded fund in his workplace pension scheme. (8)
8. (a) Identify the key drawbacks for Owen and Alice of retaining the National Savings & Investments Premium Bonds throughout retirement. (8)
- (b) State the key issues that you should discuss with Owen and Alice at your next review meeting in respect of the tax-efficiency of their financial arrangements. (8)

Total marks: 160

INCOME TAX

RATES OF TAX	2024/2025	2025/2026
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	
<i>*Only applicable to savings income that falls within the first £5,000 of income in excess of the personal allowance.</i>		
Personal savings allowance (for savings income):		
Basic rate taxpayers	£1,000	£1,000
Higher rate taxpayers	£500	£500
Additional rate taxpayers	Nil	Nil
Dividend allowance	£500	£500
Dividend tax rates		
Basic rate	8.75%	8.75%
Higher rate	33.75%	33.75%
Additional rate	39.35%	39.35%
Trusts		
Income exemption up to**	£500	£500
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. Further, the £500 may need to be divided between other trusts in existence.*

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% †	£4,280	£4,360
Married/civil partners at 10% †	£11,080	£11,270
Marriage Allowance	£1,260	£1,260
Income limit for Married Couple's Allowance †	£37,000	£37,700
Rent a Room scheme – tax free income allowance	£7,500	£7,500
Blind Person's Allowance	£3,070	£3,130
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 £37,700 (£37,000 for 24/25) 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)	£125
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 £125 per week. This £125 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 £96.00**	Nil***
Over £96.00	15%

***Secondary threshold.*

****No employer NICs on the first £967 pw for employees generally under 21 years, apprentices under 25 years and veterans in first 12 months of civilian employment. No employer NICs on the first £481 pw for employees at freeports and investment zones in Great Britain in the first 36 months of employment*

Employment allowance £10,500 Per business – not available if sole employee is a director

CLASS 2 (self-employed) *	
Flat rate per week	£3,50
Small profits threshold per year	£6,845
Class 2 contributions are credited automatically where profits equal or exceed £6,845 per annum.	
Class 2 contributions can be made voluntarily where profits are below £6,845 per annum.	

Class 3 (voluntary)	Flat rate per week £17.75.
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 abolished from 6 April 2024.

	2024/2025	2025/2026
Lump sum and death benefit allowance (LSDBA)	£1,073,100	£1,073,100
Lump sum allowance (LSA)	£268,275	£268,275
Money purchase annual allowance	£10,000	£10,000

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.

ANNUAL ALLOWANCE	
TAX YEAR	ANNUAL ALLOWANCE
2014/2015 – 2022/2023	£40,000*
2023/2024	£60,000**
2024/2025	£60,000**
2025/2026	£60,000**

*Between 2016/17 and 2019/20 the annual allowance is reduced by £1 for every £2 of 'adjusted income' over £150,000 to a minimum of £10,000 where 'threshold income' is over £110,000.

*Between 2020/21 and 2022/23 the annual allowance is 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.

**From 2023/24 the annual allowance is reduced 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	2024/2025		2025/2026
Individuals, estates etc	£3,000		£3,000
Trusts generally	£1,500		£1,500
Chattels proceeds (restricted to five thirds of proceeds exceeding limit)	£6,000		£6,000
TAX RATES	Pre	Post	2025/2026
	30/10/2024		
Individuals:			
Up to basic rate limit	10%	18%	18%
Above basic rate limit	20%	24%	24%
Surcharge for residential property - Basic Rate	8%	n/a	0%
Higher Rate	4%	n/a	n/a
Surcharge for carried interest**	8%	4%	**32%
Trustees and Personal Representatives:			
Residential property	24%	24%	24%
Other chargeable assets	20%	24%	24%
Business Asset Disposal Relief*		10%	14%
Lifetime limit		£1,000,000	£1,000,000

0

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

** For 25/26, rate for carried interest for all tax bands is 32%

INHERITANCE TAX

RATES OF TAX ON TRANSFERS	2024/2025	2025/2026
Transfers made on death		
- Up to £325,000 (nil-rate band)	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		
- Long-term UK resident spouse/civil partner	No limit	No limit
- Spouse/civil partner who is not a long-term UK resident (from long-term UK resident spouse/ civil partner)	£325,000	£325,000
- UK-registered charities	No limit	No limit
- Residence nil rate band*	£175,000	£175,000

**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

		2024/2025	2025/2026
		£ (per week)	£ (per week)
Child Benefit	First child	25.60	26.05
	Subsequent children	16.95	17.25
	Guardian's allowance	21.75	22.10
Employment and Support Allowance	Assessment Phase		
	Age 16 - 24	Up to 71.70	Up to 72.90
	Aged 25 or over	Up to 90.50	Up to 92.05
	Main Phase		
	Work-related Activity Group	Up to 126.45	Up to 128.60
	Support Group	Up to 138.20	Up to 140.55
Attendance Allowance	Lower rate	72.65	73.90
	Higher rate	108.55	110.40
Basic State Pension	Category A full rate	169.50	176.45
	Category B (lower) full rate	101.55	105.70
New State Pension	Full rate	221.20	230.25
Pension Credit	Standard minimum guarantee - single	218.15	227.10
	Standard minimum guarantee - couple	332.95	346.60
	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	71.70	72.90
	Age 25 or over	90.50	92.05
Statutory Maternity, Paternity and Adoption Pay		184.03	187.18

CORPORATION TAX

	2024/2025	2025/2026
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 effective rate of 26.5%.		
This provides a gradual increase in the effective Corporation Tax rate.		

VALUE ADDED TAX

	2024/2025	2025/2026
Standard rate	20%	20%
Annual registration threshold	£90,000	£90,000
Deregistration threshold	£88,000	£88,000

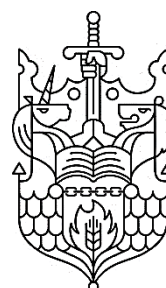
STAMP DUTY LAND TAX

	Residential
Value up to £125,000	0%
£125,001 - £250,000	2%
£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 £300,000 for properties up to £500,000 when purchasing their main residence. On purchases up to £300,000, no SDLT is payable. On purchases between £300,001 and £500,000, a flat rate of 5% is charged on the balance above £300,000.*
- *Additional SDLT of 5% may apply to the purchase of additional residential properties purchased for £40,000 or greater.*
- *Additional SDLT of 2% may apply to purchases by non-UK residents over £40,000.*
- *SDLT may be charged at 17% on interests in residential properties 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%



Chartered
Insurance
Institute

AF5 FACT-FIND – February 2026

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 Wilkins.

PART 1: BASIC DETAILS		
	Client 1	Client 2
Surname	Wilkins	Wilkins
First name(s)	Owen	Alice
Address	Chester	Chester
Date of birth	10.12.1958	02.01.1958
Domicile	UK	UK
Residence	UK	UK
Place of birth	Chester	Manchester
Marital status	Married	Married
State of health	Good	Good
Family health	Good	Good
Smoker	No	No
Hobbies/Interests	Walking	Theatre
Notes:		
<p>Owen and Alice retired two years ago. Owen has recently started a two-year contract with a new employer to assist with the development of a new product. Owen and Alice are seeking advice to ensure that the income from Owen's new contract can be managed as tax-efficiently as possible.</p>		

PART 2: FAMILY DETAILS					
Children and other dependants					
Name	Relationship	Age	Health	Occupation	Financially dependent?
Helen	Daughter	41	Good	Optician (part-time)	Yes
Matthew	Son	38	Good	Teacher	No
Notes:					
<p>Helen has recently separated from her husband. She has two children who both live with her. At present, Owen and Alice are paying for a rental property for Helen and the children whilst she is going through divorce proceedings.</p>					

PART 3: EMPLOYMENT DETAILS		
Employment	Client 1	Client 2
Occupation	Product Designer	Retired
Job title		
Business name		
Business address		
Year business started		
Salary		
Salary (gross per annum)	£95,000	
State Pensions	£12,600	£11,973
Overtime (gross per annum)		
Benefits-in-kind		
Pension Scheme	See Part 11	
Life cover	See Part 8	
Private Medical Insurance		
Income Protection Insurance		
Self-Employment		
Net relevant earnings		
Accounting date		
Partnership/Sole trader		
Other Earned Income		
Notes:		
Owen has recently started a two-year contract for a new employer in January 2026. He has been automatically enrolled in his employer's qualifying workplace pension scheme.		
Previous Employment		
	Client 1	Client 2
Previous employer		
Job title		
Length of service		
Pension benefits	See Part 11	See Part 11
Notes:		
See Part 11		

PART 4: OTHER PROFESSIONAL ADVISERS		
	Client 1	Client 2
Accountant		
Bank	Astira Bank	Astira Bank
Doctor		
Financial Adviser		
Solicitor	Henson Phipps LLP	Henson Phipps LLP
Stockbroker		
Other		
Notes:		

PART 5: INCOME AND EXPENDITURE						
Income						
	Client 1		Client 2		Joint	
	Monthly £	Annually £	Monthly £	Annually £	Monthly £	Annually £
State Pensions		12,600		11,973		
Pension Income (gross)			1,000			
Salary (gross)		95,000				
Overtime (gross)						
Benefits-in-kind						
Savings income (interest)						2,450
Dividends (ISA)		3,400		2,800		
Notes:						
Owen and Alice are both in receipt of their State Pensions which they took at their State Pension Age. Alice draws a monthly income of £1,000 (gross) via Flexi-Access Drawdown from her personal pension plan (see Part 11).						
	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						
Council tax			376			
Buildings and contents insurance						450
Gas, water and electricity			270			
Telephone/Mobile	36	36	60			
TV licence and satellite			85			
Property maintenance						2,000
Regular Outgoings						
Life assurance (see Part 8)						
Savings Plans						
Car tax, insurance and maintenance				1,500	1,000	
Petrol and fares	160	120				
Loans						
Rental costs for Helen			800			
Childcare/School Clubs						
Further education						
Subscriptions			60			
Food, drink, general housekeeping			800			
Pension contributions (see Part 11)	380					
Other Expenditure						
Magazines and newspapers						
Entertainment			400			
Clubs and sport						
Spending money	300	400				
Clothes						1,600
Other (Holidays)						6,000
Total Monthly Expenditure	876	556	2,851			
Total Annual Expenditure	10,512	6,672	34,212	1,500	1,000	10,050
Total Outgoings						63,946

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

Notes:

Owen and Alice are considering the option of purchasing a property for their daughter and grandchildren, which they would rent to her for a nominal amount for the next few years whilst she completes her divorce.

PART 6: ASSETS					
	Assets	Client 1 £	Client 2 £	Joint £	Income (Gross) £
1.	Main residence			650,000	
2.	Contents/cars			80,000	
3.	Current account			10,000	
4.	Deposit Account – Variable Rate/Instant Access			70,000	2,450
5.	National Savings & Investments (NS&I) Premium Bonds	50,000	50,000		
6	Stocks & shares ISAs – Global Growth funds (income units)	170,000			3,400
7	Stocks & shares ISAs – UK Mixed Investment 40-85% Shares funds (income units)		140,000		2,800
8	Onshore Investment Bond – Mixed Bond funds (Loan Trust)			200,000	
Notes:					
<p>Owen received an inheritance of £170,000 from his late mother in 2020. He invested this fully into a jointly held onshore investment bond within a Loan Trust in January 2020, with both of them as the lives assured. They have made no withdrawals from this Loan Trust. Owen and Alice are considering taking a withdrawal from the Loan Trust to assist them in funding the purchase of a property to rent to their daughter.</p> <p>Owen and Alice both draw the natural income from their stocks & shares ISA holdings.</p> <p>Owen and Alice have been disappointed with their prize winnings from the NS&I Premium Bonds and have asked for your comments on these holdings.</p> <p>Owen and Alice have used their full ISA allowance every year since they retired. They have also used their allowances for the current tax year.</p>					

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:			
Owen and Alice repaid their mortgage using the tax-free lump sums from their pensions when they retired.			
Other Loans	Client 1	Client 2	Joint
Lender			
Type of loan			
Amount outstanding			
Start date			
Term/maturity			
Monthly payment			
Interest rate			
Payment protection			
Notes:			
Owen and Alice do not have any other loans.			

Other Liabilities (e.g. tax)
Notes:
Owen and Alice have no other liabilities.

PART 8: LIFE ASSURANCE POLICIES

Life/Lives assured	Type	Sum assured £	Premium £	Term	Start date	In trust?	Surrender Values £
Owen	Death-in-service	285,000	N/A	N/A	2026	Yes	N/A

Notes:

Owen is a member of his new employer's death-in-service scheme. He has nominated this in favour of Alice.

PART 9: HEALTH INSURANCE POLICIES

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

Notes:

Owen and Alice have no health insurance policies.

PART 10: REGULAR SAVINGS

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

Notes:

Owen and Alice 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		
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:		
Neither Owen nor Alice has any occupational pension schemes.		
Additional Voluntary Contributions		
	Client 1	Client 2
Type		
Company		
Fund		
Contribution		
Retirement date		
Current value		
Date started		
Notes:		
Neither Owen nor Alice has any additional voluntary contribution schemes.		

Personal Pensions		
	Client 1	Client 2
Type	Assentim Life Workplace Pension Scheme	
Fund	Default UK Managed fund	
Contributions	6% employee/6% employer	
Retirement date	December 2028	
Current value	£980	
Date started	January 2026	
Notes:		
<p>Owen has joined his new employer's workplace pension scheme, and his first contribution has been placed in the default UK Managed fund. The contributions are based on his annual salary of £95,000 (gross). The scheme offers a wide range of funds which cover all major asset classes as well as a range of Exchange Traded funds.</p>		
Previous/other pension arrangements		
	Client 1	Client 2
Pension Provider	Monarch Life	Monarch Life
Type of scheme	Personal Pension	Personal Pension
Date joined scheme		
Date of retirement	December 2023	December 2023
Current value	£380,000	£175,000
Notes:		
<p>Owen and Alice both took their maximum tax-free lump sums from their personal pensions when they retired in December 2023. These funds were used to repay their mortgage and invest in NS&I Premium Bonds.</p> <p>The pension funds are invested in a range of Global and UK Equity funds.</p> <p>Owen and Alice have entered Flexi-Access Drawdown and have been drawing lump sums of £1,000 per month (gross) from each of their personal pension plans since January 2024. As Owen started his new job in January 2026, he stopped his monthly pension income payments from his personal pension in December 2025.</p>		
State Pension		
	Client 1	Client 2
State Pension	£12,600	£11,973
Notes		
<p>Both Owen and Alice started drawing their State Pensions when they reached State Pension Age.</p>		

PART 12: INHERITANCES		
Wills	Client 1	Client 2
Do you have a current Will?	Yes	Yes
Notes:		
<p>Owen and Alice have mirror Wills which leave all assets to the survivor on first death and the residual estate split equally between Helen and Matthew on second death.</p> <p>They have up-to-date Lasting Powers of Attorney in place.</p>		
Trusts	Client 1	Client 2
Are you a beneficiary under a trust?	No	No
If yes, give details		
Are you a trustee?	Yes	Yes
If yes, give details	Loan Trust	Loan Trust
Notes:		
<p>Owen and Alice are both settlors and trustees of the Loan Trust which was set up in 2020 with the inheritance from Owen's mother.</p>		
Gifts	Client 1	Client 2
Rental income for Helen	£400 per month	£400 per month
<p>Owen and Alice are currently supporting their daughter Helen by paying for a rental property whilst she is going through a divorce. Owen and Alice are not expecting to receive any repayment from the financial support they provide to their daughter.</p>		
Inheritances	Client 1	Client 2
	None	None
Notes:		
<p>Owen received an inheritance of £170,000 from his late mother in January 2020. Alice's parents are alive and in good health, but she is not expecting to receive any inheritance from them. No further inheritances are expected from any other sources.</p>		

PART 13: ATTITUDE TO RISK

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

Notes:

Owen and Alice are both medium risk investors. This has been confirmed using appropriate risk-profiling software in conjunction with a detailed discussion.

Alice has a general interest in Environmental, Social and Governance (ESG) investments but does not wish to make any adjustments to her existing portfolio as she believes this to be suitable. Owen has no interest in ESG investments.

Owen and Alice have a moderate capacity for loss.

PART 14: BUSINESS RECORDS

Compliance

Date fact-find completed	15.01.26	
Client agreement issued	15.01.26	
Data Protection Act	15.01.26	
Money laundering	15.01.26	

Dates of meetings	15.01.26	
-------------------	----------	--

Marketing

Client source		
Referrals		

Documents

Client documents held		
Date returned		
Letters of authority requested		

Notes:

PART 15: OTHER INFORMATION