



R06 — FINANCIAL PLANNING PRACTICE

CASE STUDIES – October 2026

Case Study 1

Colin and Judith, both aged 68, are married with one daughter, Rose. Colin and Judith have two grandchildren. The family are all in good health. Both Colin and Judith retired several years ago and have recently downsized from their family home to a smaller property with a current value of £275,000. Colin and Judith are concerned about the potential impact of long-term care fees and wish to use the residual proceeds of £200,000 from their property sale to provide an easily accessible pot of money to meet these fees, should this be necessary in the future.

Colin and Judith are both receiving their State Pensions of £12,500 per year each, as well as fixed withdrawals of £850 per month each from their ISA portfolios.

Colin and Judith have defined contribution workplace pensions from their former employers and are now considering how best to draw from them. Colin's pension plan has a current value of £240,000. This is invested in a global managed fund. The pension plan offers him the full range of pension withdrawal options. Judith's pension plan has a current value of £190,000. This is invested in a UK multi-asset fund and offers the full range of pension withdrawal options. Colin and Judith have not accessed these pensions as they have had sufficient assets available to them to meet their needs. This is no longer the case, and they wish to start accessing these pension arrangements as tax-efficiently as possible in the near future.

Colin and Judith have stocks & shares ISAs which are invested in a range of global equity tracker funds. Colin also holds a portfolio of AIM Shares that he inherited from his late father eight years ago. These are currently valued at £80,000. Colin has never reviewed the suitability of these shares and is unsure if there is any benefit in retaining them. Colin and Judith have both used this year's ISA allowance.

Colin and Judith have mirror Wills leaving their assets to the survivor and their residual estate, on second death, to their daughter.

Colin and Judith have a moderate attitude to risk and neither of them has any interest in Environmental, Social and Governance (ESG) investments.

Colin and Judith have the following assets:

Assets	Ownership	Value (£)
House	Joint	275,000
Current account	Joint	8,000
Deposit account – Instant access	Colin	200,000
Stocks & shares ISA – Global Equity Tracker funds	Colin	320,000
AIM Shares – various	Colin	80,000
Stocks & shares ISA – Global Equity Tracker funds	Judith	315,000

Colin and Judith's financial aims are to:

- ensure they have sufficient income to support their long-term income needs;
- invest the proceeds of the house sale to provide a pot for potential long-term care fees;
- assess the suitability of their current investment portfolio.

Case Study 2

Kavi, aged 38, is single with two children, aged 7 and 10. Kavi is separated from Helen, who is the mother of his children. He has sole custody of the children. Kavi and the children are all in good health. Kavi and Helen never married and have no shared financial assets.

Kavi currently works part-time as a management consultant and earns a salary of £40,000 gross per annum. He does not plan to return to full-time work until his youngest child is aged 11. He receives *ad hoc* maintenance payments for the children from Helen, but these are irregular and amount to approximately £5,000 per year.

Kavi is a member of his employer's workplace pension scheme and contributes 4% of his gross salary to the scheme. His employer contributes 4% of his gross salary to the scheme. His pension fund has a current value of £78,000 and is invested in a UK equity fund. He is considering opting out of his workplace pension scheme until he returns to full-time work. The pension fund has no nomination in place. Kavi is also a member of his employer's death-in-service scheme which will pay out three times his basic salary on death whilst in service.

Kavi has a repayment mortgage with an outstanding balance of £180,000 on his home which is currently valued at £325,000. The mortgage is protected in full by a single life mortgage protection policy which was set up when he took out the mortgage. He has no other protection policies in place. Kavi is concerned about the financial security of the children in the event of him suffering a long-term illness or dying before they are financially independent. His former partner, Helen, has limited financial resources to be able to support the children.

Kavi's parents have recently decided to gift Kavi a monthly sum of £1,000 for the foreseeable future out of their excess income. Kavi's parents wish to provide financial support until Kavi is able to return to full-time work. Kavi's parents are paying for him to receive financial advice. They are aware that he is struggling to support the children and he has been forced to draw funds from both his cash deposit account and his stocks & shares ISA to meet the ongoing family expenses. He has not used his ISA allowance for the current tax year.

Kavi has an interest in Environmental, Social and Governance (ESG) investments, but this is not a primary concern for him. He considers himself to be a moderate to high-risk investor but appreciates that at present his capacity for loss is low.

Kavi does not have a Will or Lasting Powers of Attorney.

Kavi has the following assets:

Assets	Value (£)
House	325,000
Current account	2,000
Deposit account – Instant access	15,000
Stocks & shares ISA – Global Ethical Equity fund	35,000

Kavi's financial aims are to:

- ensure that sufficient financial protection is in place to support the children in the event of either his death or long-term illness;
- rebuild his emergency fund;
- make the most appropriate use of the monthly income from his parents.

Useful tips as you prepare for the R06 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 R06 unit page www.cii.co.uk/learning/qualifications/unit-R06/ which include examiner guidance and time-saving tips such as abbreviations.