

LIBF

LIBF Level 6 Diploma in Advanced Finance (Adv DipFA®)

Qualification specification



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Purpose of the qualification

Why study the LIBF Level 6 Diploma in Financial Advice (Adv DipFA®)

The Adv DipFA® builds on existing Level 4 qualifications and equips you with the expertise needed to provide complex financial advice and planning services to customers. Developed in consultation with working professionals in the financial advice sector and feedback from employers, the Level 6 Diploma in Financial Advice enables you to differentiate yourself and develop skills to provide advice for a range of areas.

Completion of the Adv DipFA® can lead to a Chartered Designation awarded by LIBF.

Objectives and key content areas

To provide the knowledge and skills to offer a sophisticated financial service to customers and to contribute to developing and managing the strategic aims of your organisation.

Throughout the programme, you will understand:

- the environment of wealth management with a focus on the range of financial products that may be used to develop a client's portfolio which meets their needs and aspirations;
- how a variety of financial products and concepts may be applied to build and consolidate a client's portfolio;
- the current technical language, tools, methods and practices of wealth management, which encompass financial analysis and the preparation and interpretation of financial data for effective decision-making within the context of wealth management;
- financing arrangements, financial management and the governance structures of wealth management; and
- contemporary theories, empirical evidence and concepts relating to wealth management, and how these apply in a practical work environment.

Key skills developed

The qualification will encourage students to:

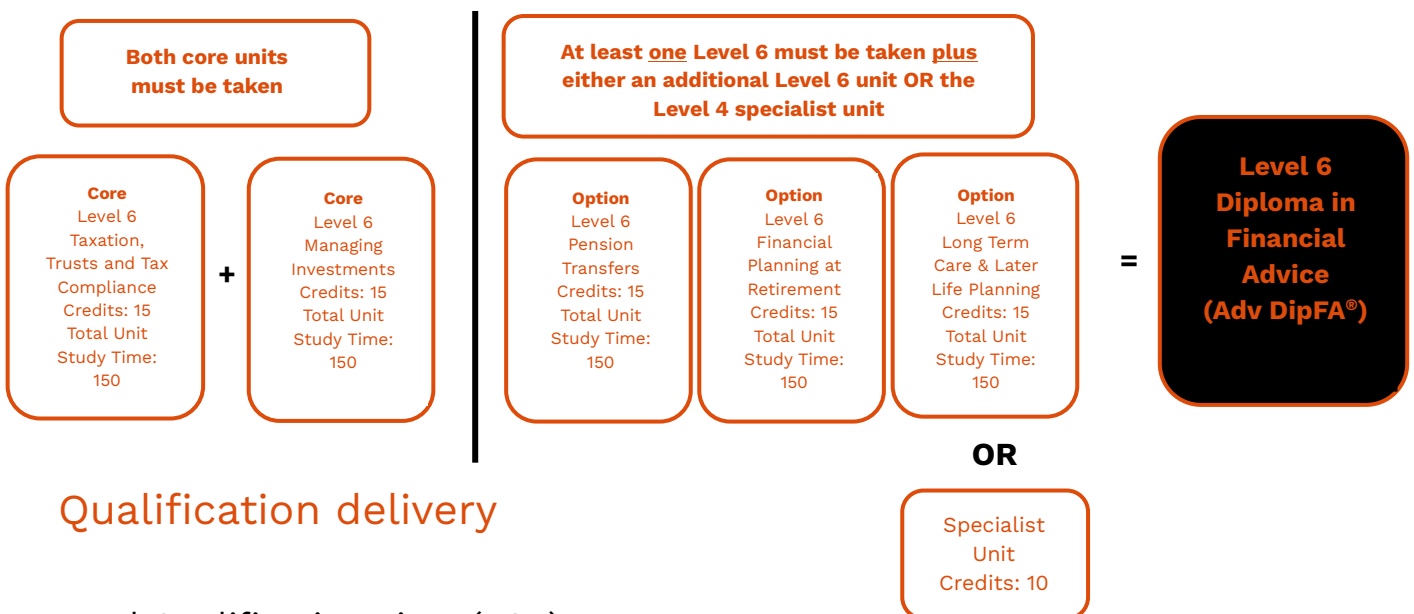
- apply theory to the working environment;
- analyse problems, identify solutions and make clear decisions;

- communicate solutions to complex problems in a clear manner; and
- work and study independently.

Structure

The structure of the Adv DipFA® comprises five units of which **four** units must be completed to achieve the rule of combination (RoC). Taxation, Trusts and Tax Compliance and Managing Investments are core units. The remaining credits can be achieved through study of at least one further Level 6 unit and either the Level 4 Long Term Care & Later Life Planning unit or a specialist unit. A specialist unit must be a minimum of Level 4 and carry a minimum of 10 credits and can be based on, but not limited to, any of the following specialist financial advice areas in keeping with the aims of the overall qualification (ie to increase depth of knowledge and increase breadth of specialist knowledge): mortgages, derivatives, securities, business finance and discretionary fund management.

A minimum of 55 credits **must** be attained by completing a combination of the two core units and at least one further Level 6 unit and either LTCP or a Specialist unit.



Qualification delivery

Total Qualification Time (TQT)

Total Qualification Time (TQT) is a prediction of the total time a student with no prior knowledge might need to complete the qualification.

TQT consists of two elements, Guided Learning (GL) and all other hours:

- Guided Learning (GL) comprises study time under direct teacher supervision, encompassing instructional sessions and supervised examinations.

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- All other hours include hours spent unsupervised in research, learning, e-learning, e-assessment, completing coursework, exam preparation, and formal assessments.

The LIBF Level 6 Adv DipFA® is primarily considered a self directed study and, session-based qualification. The minimum advised TQT is:

Guided Learning Hours	30 hours
Other hours	520 hours
Total Qualification Time	550 hours

Assessment

Within each unit, all components are mandatory and assessed.

For TTTC, you will be assessed by a coursework and a three-hour examination. An additional 15 minutes reading time is provided. The pass mark for each component is 40%.

For MANI, you will be assessed by a video presentation and a three-hour examination. An additional 15 minutes reading time is provided. The pass mark for each component is 50%.

For PETR, you will be assessed by a three-hour examination. An additional 15 minutes reading time is provided. The pass mark for this assessment is 50%.

For FPIR, you will be assessed by your forum contributions, a video presentation and a timed assessment. The pass mark for each component is 50%.

For CertLTCP, there is a multiple-choice (MCQs) examination. The examination consists of a combination of standalone MCQs and case studies with attached MCQs and has a pass mark of 70%.

Preparing for the assessment

Examinations are sat electronically at any one of the Pearson VUE test venues worldwide or via Remote Invigilation in permitted locations where you can sit your assessment remotely. You must be registered to sit an examination at a test venue of your choosing (subject to demand/availability); this is managed by you. It is recommended that you book your exam three weeks in advance of the date you wish to sit. However, subject to availability, an examination can be booked as little as two working days in advance. Examinations can be booked via the Pearson VUE website or by phone. Please visit the Pearson VUE website for further information.

To prepare for the assessment you should make use of all learning resources as part of your revision for the exam.

Qualification grading

The overall qualification will be graded Pass / Fail only.

Feedback is provided via analysis sheets available on [MyLIBF](#), to see your strengths and areas to develop.

Resit attempts

The qualification has a twelve-month registration period. There are no restrictions on the number of times you can resit a unit in which you were unsuccessful, however, you must resit the unit in accordance with the published policies of LIBF.

Additional information

Entry requirements

Entry to the Adv DipFA® is available to holders of the Level 4 qualifications approved by the FCA for the provision of financial advice. The Adv DipFA® may be undertaken by those qualified to provide a wide range of advice and is not limited to those that advise on 'packaged products'.

You should also be confident in your ability to study the mathematical elements of the course along with your ability to study in English.

Recognition of prior learning

LIBF recognises prior learning in different forms. Potentially, this means that you may not be required to register for every unit. Details of how to apply for recognition of prior learning are available on our [website](#).

Progression and preparation for further study

Successfully completing the Level 6 Adv DipFA® can lead to Chartered status with LIBF. Applicants for Chartered status must have at least three years' relevant work experience. Achieving and maintaining Chartered status is a mark of professional standing that recognises academic achievement, an ongoing dedication to professional development and a commitment to the highest ethical and business standards.

Preparation for employment / professional development

This qualification furthers knowledge and enhances skills that are valued within the financial services sector and others.

Appendices

Appendix 1 – Taxation, Trusts and Tax Compliance (TTTC)

Appendix 1 provides a description of TTTC and syllabus which includes the learning outcomes and assessment criteria for the unit.

TTTC assessment methodology

The assessment of TTTC will have two components:

- Coursework
- A three-hour examination. An additional 15 minutes reading time is provided

The pass mark for each component is 40%.

Taxation, Trusts and Tax Compliance (TTTC) Learning outcomes and assessment criteria

Learning outcome (LO) The learner when awarded credit for this unit will:	Assessment criteria (AC) Assessment of the LOs will require a learner to demonstrate that they can:	
1. How to advise UK clients of taxation implications	1.1	Analyse approaches to personal tax liabilities from a UK taxpayer's perspective <ul style="list-style-type: none"> • The UK taxation system in respect of individuals and trusts • Residence and domicile • Taxation implications of foreign income
	1.2	Analyse the impact of taxation on investment strategies <ul style="list-style-type: none"> • Types of investment or other activities that increase tax-efficiency • Tax planning measures
	1.3	Analyse inheritance taxation strategies <ul style="list-style-type: none"> • Reliefs • Exempt transfers • As Lifetime gifts • Transfer of business assets • Use of trusts
	1.4	Critically evaluate current issues in personal taxation. <ul style="list-style-type: none"> • Anti-avoidance legislation • Legal considerations and the role of the trusted adviser • Social and corporate responsibility • Communicating with HMRC • The scope of philanthropic investment and the extent to which the client is involved in the scheme
	1.5	Justify advice given to clients focusing on ethical considerations <ul style="list-style-type: none"> • Legal considerations and the role of the trusted adviser • Social and corporate responsibility • Communicating with HMRC • Scope of philanthropic investment and the extent to which the client is involved in the scheme
	2.1	Analyse trust classifications <ul style="list-style-type: none"> • The law of trusts

<p>2. How to advise UK clients on the administration of trusts</p>		<ul style="list-style-type: none"> • Statutory trusts, express trusts, implied / resulting trusts, constructive trusts, public / private trusts, fixed-interest trusts, discretionary trusts
	<p>2.2</p>	<p>Analyse the duties and powers of trustees</p> <ul style="list-style-type: none"> • Role, eligibility, and appointment and removal of trustees • Powers of trustees • General and fiduciary duties of trustees
	<p>2.3</p>	<p>Critically evaluate trust accounts for composition and valuation</p> <ul style="list-style-type: none"> • The principal trusts for which accounting is required • The principles of accounting for trust and distribution statements • How trustees and personal representatives should value assets
	<p>2.4</p>	<p>Evaluate tax compliance for trusts.</p> <ul style="list-style-type: none"> • CGT, IHT, lifetime transfers, reliefs • The tax trust regime • Capital taxation and penalties
	<p>2.5</p>	<p>Apply regulation and legislation to trustees.</p> <ul style="list-style-type: none"> • Interpretations of statutes • EU legislation • International legislation and regulatory framework

Appendix 2 – Managing Investments (MANI)

Appendix 2 provides a description of MANI and syllabus which includes the learning outcomes and assessment criteria for the unit.

MANI assessment methodology

The assessment of MANI will have two components:

Video presentation - Learners will record a short response to a client’s query. This will be based on a case study that will have been provided in advance worth 30% of the final mark.

Examination – consisting of:

- 10 multiple-choice questions.
- Four 10-mark short answer questions.
- Questions based upon the pre-released case study worth 50 marks.

All assessment criteria are open to being assessed. The examination is worth 70% of the final mark.

The examination is to be completed in three hours. An additional 15 minutes reading time is provided.

The pass mark is 50%.

Managing Investments (MANI) Learning outcomes and assessment criteria

Learning outcome (LO) The learner when awarded credit for this unit will:	Assessment criteria (AC) Assessment of the LOs will require a learner to demonstrate that they can:	
1. The principles and theories associated with performance measurement of investments	1.1	Analyse economic indicators that can impact on investment management <ul style="list-style-type: none"> • Supply and demand • Costs • Economies and diseconomies of scale • Perfect competition, monopoly and oligopoly • Sector / industry assessment methods • Inequality of information
	1.2	Analyse how risk is related to return <ul style="list-style-type: none"> • Inflation and investment returns – nominal and real

		<ul style="list-style-type: none"> • The effect of compound interest • The time value of money • Risks of investing in foreign and emerging markets • Asset class correlation
	1.3	<p>Critically evaluate portfolio theory.</p> <ul style="list-style-type: none"> • Portfolio styles and theory – CAPM, diversification, hedging, use of derivatives. • Asset class correlation. • Total return – beta, alpha and risk-adjusted. • Behavioural finance – market and individual behaviours
	1.4	<p>Critically evaluate the approaches to, and principles of, performance measurement</p> <ul style="list-style-type: none"> • Total return • Money and time-weighted returns • Benchmarking and relative performance • Risk-adjusted returns • Attribution analysis • Actual v relative performance
	1.5	<p>Apply the principles of financial mathematics, indices, data and regression</p> <ul style="list-style-type: none"> • Simple and compound interest • Present and future value calculations • Internal rate of return • The application of indices in financial markets
	1.6	<p>Analyse and interpret financial analysis and information sources</p> <ul style="list-style-type: none"> • The law of trusts • Periodic reporting by issuers • Ad hoc announcements • News services – RNS, PIPS and SIPS • Investment research and sales notes • Financial journalism • Transparency obligations of shareholders
	1.7	<p>Analyse, interpret and compare ratio analysis</p> <ul style="list-style-type: none"> • Earnings / dividends per share • Price / earnings ratio • Earnings before interest, taxes, depreciation and amortization (EBITDA). • Return on capital employed (ROCE) • Quick ratio

2. How to manage investment portfolios to achieve client objectives	2.1	<p>Critically evaluate variables that establish and restrict how a client's investment portfolio objectives may be achieved</p> <ul style="list-style-type: none"> • Assessing the client's current investment portfolio • Establishing and clarifying client objectives and income requirements • Identifying and confirming the client's attitude to risk
	2.2	<p>Critically evaluate the performance, risk profile and correlation of investment types that may contribute to an investment portfolio</p> <ul style="list-style-type: none"> • Equities, bonds, derivatives, foreign exchange, real estate, currencies / cash, hedge funds, pooled investments, platforms • Alternative investment vehicles – penny shares, CFDs, enterprise investment schemes, venture capital trusts
	2.3	<p>Analyse the tax implications of investment products</p> <ul style="list-style-type: none"> • Derivatives • Hedge funds • Absolute return funds. • Structured products • With-profits funds
	2.4	<p>Analyse the appropriateness of discretionary and non-discretionary portfolio management</p> <ul style="list-style-type: none"> • Contractual and regulatory differences between discretionary and non-discretionary portfolio management • Reporting requirements • Understanding of mandates and limits of authority • Fiduciary responsibilities according to portfolio management style
	2.5	<p>Critically compare financial ratios</p> <ul style="list-style-type: none"> • Earnings per share and dividends per share • Price / earnings ratio, EBITDA, ROCE and quick ratio
	2.6	<p>Justify the approach taken in meeting client objectives</p> <ul style="list-style-type: none"> • Communication approaches and client reporting • Building a persuasive case • Conflicts of interest and ethics

	2.7	<ul style="list-style-type: none">• Apply regulation and legislation for the financial adviser firm and the role of the financial adviser advising on collective investments• Regulatory restrictions• Review and control
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Appendix 3 – Pension Transfers (PETR)

The PETR unit descriptions and syllabuses can be found within the AwPETR qualification specification.

Appendix 4 – Financial Planning in Retirement (FPIR)

The FPIR unit descriptions and syllabuses can be found within the FPIR qualification specification.

Appendix 5 – Certificate in Long Term Care and Later Life Planning (CertLTCP)

The CertLTCP unit descriptions and syllabuses can be found within the CertLTCP qualification specification.