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**AFEP Risk and Compliance Executive Committee****Confidential Feedback on FCA Contact and Safeguarding****November 2019**

During October and November we received informal feedback from members on what (if any) further contact members had had from the FCA regarding Safeguarding. A number of members have had more detailed contact with the FCA concerning Safeguarding and were asked to provide a response to the following range of questions. Not all firms were required to answer all these questions, but this is a sample list of all the questions that have been asked by the FCA.

1. Have you been meeting your regulatory capital requirements throughout the last 12 months?
2. Do you expect to be able to continue to meet your regulatory capital requirements for the next 12 months? If not, please explain why.
3. What is your current surplus or deficit of eligible capital resources over capital requirements? Please provide an up-to-date calculation of requirements, noting the method(s) used, and any relevant scaling factors applied. Please also provide an up-to-date calculation of your eligible resources, detailing the components of total capital resources, and any necessary deductions (such as for intangible assets, goodwill, deferred tax assets and investments in subsidiaries).
4. Do you expect to generate a profit in the current financial year?
5. Do you expect to generate positive cash in the current financial year?
6. Do you have a capital raising plan in place?
7. Latest audited financial statements.
8. Up to date management accounts including the income statement, cashflow statement, and balance sheet.
9. Fundraising plans (if required).
10. Financial projections for the remainder of the year and for 2020.
11. Detailed list of creditors and debtors by type, amount owed, term, and repayment schedule.
12. Please provide details regarding your liquidity risk management framework (including how you manage cashflows mismatch and how you model/manage/forecast prefunding volumes).
13. Copies of your firms' safeguarding and reconciliation policies.
14. Statements from your safeguarding accounts between DATE and DATE.
15. Evidence of the appropriate designation of these accounts as safeguarding accounts.
16. Detailed records of the reconciliation carried out on your safeguarding arrangements from DATE to DATE to ensure that the correct sums were segregated.
17. Internal or external assurance reports, including Audit reports and (if applicable) compliance monitoring reports, produced in the last 2 years.