



GENERAL RULEBOOK (GEN)

*In this attachment underlining indicates new text and striking through indicates deleted text.

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Client Money Auditor's Report

6.6.6 An Authorised Person must, in procuring the production of a Client Money Auditor's Report, ensure that an Auditor states, as at the date of which the Authorised Person's audited statement of financial position was prepared:

- (1) the amount of Client Money an Authorised Person was holding and controlling in accordance with COBS Chapter 14; and
- (2) whether:
 - (a) the Authorised Person has maintained throughout the year systems and controls to enable it to comply with the relevant provisions of COBS Chapter 14;
 - (b) the Authorised Person's controls are such as to ensure that Client Money is identifiable and secure at all times;
 - (c) any of the requirements in COBS Chapter 14 have not been met;
 - (d) Client Money has been pooled in a single Client Account or segregated in Client Accounts maintained for individual Clients ~~if applicable, Client Money belonging to Segregated Clients has been segregated~~ in accordance with COBS Chapter 14;
 - (e) if applicable, the Authorised Person as holding and controlling the appropriate amount of Client Money in accordance with COBS Chapter 14 as at the date on which the Authorised Person's audited statement of financial position was prepared;
 - (f) the Auditor has received all necessary information and explanations for the purposes of preparing the report to the Regulator; and
 - (g) if applicable, there have been any material discrepancies in the reconciliation of Client Money.

Guidance

Where an Authorised Person does not hold or control any Client Money as at the date on which the Authorised Person's audited statement of financial position was prepared, the Regulator expects that a nil balance be stated to comply with Rule 6.6.6

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