# Compliance Audit Report



Firm : xxx

Produced by : xxx

Date : xxx

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## Executive Summary

|  |  |
| --- | --- |
| AUDIT GRADE AWARDED | Choose an item. |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| EXECUTIVE SUMMARY - RESULTS | | |  | RAG STATUS | | | |
| 1. Overview, Structure & SM&CR | Choose an item. |  |  | Red | |  | Immediate Attention Required |
| 1. Business Model | Choose an item. |  |  | Amber | |  | Needs Improvement |
| 1. Compliance | Choose an item. |  |  | Yellow | |  | Needs Minor Improvement |
| 1. Controls on advisers | Choose an item. |  |  | Green | |  | Effective |
| 1. Treating Customers Fairly | Choose an item. |  |  |  |

|  |  |
| --- | --- |
| NEXT VISITS | |
| 1. Follow Up required | Choose an item. |
| 1. If yes, date | Click or tap to enter a date. |
| 1. Date of next Audit / Visit – 10-12 months | Click or tap to enter a date. |

## Summary of Findings

### Business Structure and Strategy

Insert brief overall summary of findings

### Policies and Procedures

Insert brief overall summary of findings

## Recommendations and Actions

|  |  |
| --- | --- |
| Reference | RECOMMENDATION AND ACTION |
| 4.1.1 | Use reference number of relevant section and then add in recommendation |
| 4.2.5 |  |
|  |  |

## Detailed Findings

### Overview

| **Reference** | **Topic** | **Data / Details** | **Confirmed** | **Notes/Remedial Actions** | **RAG** |
| --- | --- | --- | --- | --- | --- |
| **Company Information – FCA Register, Companies House and ICO Check** | | | | | |
| 4.1.1 | Company Name |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.2 | Trading Name(s) /ARs / Adviser Dual Authorisation /Other information |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.3 | Registered address |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.4 | Other offices & addresses in use? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.5 | FCA Register details match IFAC Ltd |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.6 | Details last confirmed with FCA |  | Choose an item. | NO ACTION REQUIRED |  |
| **Structure** | | | | | |
| 4.1.7 | Format of Firm / Business | Choose an item. | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.8 | Who are the:  Directors / Partners |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.9 | Who are the Shareholders and with what % of shares held / Partnership Share |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.10 | Firm’s Senior Managers |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.11 | Staff List  including:  Functions / responsibilities / duties. |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.12 | Insurance Mediation / MCD. |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.13 | FCA Directory completed |  | Choose an item. | NO ACTION REQUIRED |  |
| **Financial Stability** | | | | | |
| 4.1.14 | Capital Adequacy Requirements  Subordinate Loan Restriction. |  | Choose an item. | Higher of – 2.5% of annual income or 5K  **Turnover=** |  |
| 4.1.15 | What Capital Adequacy amount does the Firm have and where held? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.16 | Gabriel Returns |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.17 | Accounts/ Self-Assessment up to date? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.18 | Annual Companies House return up to date? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.19 | Any other Companies House markers? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.20 | Signatories on business accounts – jointly or individual? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.21 | Indemnity taken/Exposure - £ (approx.) |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.22 | Any other financial business liabilities? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.23 | Any other comments/issues |  | Choose an item. | NO ACTION REQUIRED |  |
| **Active business areas** | | | | | |
| 4.1.24 | How and where do you record your New Business? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.25 | How often do you update your records?  Who is responsible? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.26 | How and where do you record your Turnover? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.27 | How often do you update your records?  Who is responsible? | . | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.28 | Match recent New Business entry against client file:  – if applicable | |  |  |  |  | | --- | --- | --- | --- | | **Client** | **New business / Provider** | **Amount** | **Date recorded** | |  |  |  |  | |  |  |  |  | |  |  |  |  | |  |  |  |  | | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.29 | Review most recent Turnover entries:  - if applicable | |  |  |  |  | | --- | --- | --- | --- | | **Provider** | **Turnover** | **Amount** | **Date recorded** | |  |  |  |  | |  |  |  |  | |  |  |  |  | |  |  |  |  | | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.30 | Review Process and diary system (if applicable) |  | Choose an item. | NO ACTION REQUIRED |  |

### Business Model

| **Reference** | **Topic** | **Data / Details** | **Confirmed** | **Notes/Remedial Actions** | **RAG** |
| --- | --- | --- | --- | --- | --- |
| **Model** | | | | | |
| 4.2.1 | Business Model | Choose an item. | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.2 | FCA Permissions | |  |  |  | | --- | --- | --- | | **CATEGORY** | **PERMISSION HELD** | **PERMISSION REQUIRED** | | Insurance/ Protection | Choose an item. | Choose an item. | | Mortgage | Choose an item. | Choose an item. | | Consumer BTL | Choose an item. | Choose an item. | | Second Charge | Choose an item. | Choose an item. | | Equity Release/ Lifetime | Choose an item. | Choose an item. | | Home Reversion | Choose an item. | Choose an item. | | Credit Broking | Choose an item. | Choose an item. | | Debt Adjustment | Choose an item. | Choose an item. | | Debt Counselling | Choose an item. | Choose an item. | | Other | Choose an item. | Choose an item. | | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.3 | Are any types of business referred to other advisers?  If so, why? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.4 | Introducer agreements in place?  Third party payments register |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.5 | Do you advise on stocks and shares? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.6 | Business Mix percentage | |  |  |  | | --- | --- | --- | | **Business Type** | **%age current year** | **%age last year** | | Mortgage |  |  | | Life |  |  | | Choose an item. | NO ACTION REQUIRED |  |
| **Specialist Advice Procedures** | | | | | |
| 4.2.7 | Do any staff within the business act as Trustee or have Lasting / Enduring Power of Attorney for clients? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.8 | Are any staff within the business an Executor of any client wills? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.9 | Does any person within the Firm conduct any non-regulated business?  Will writing, Tax advice, Accounts etc |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.10 | Are they any other potential conflicts of interest? |  | Choose an item. | NO ACTION REQUIRED |  |
| **Fees** | | | | | |
| 4.2.11 | Fees payable/Broker fee etc |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.12 | Typical Broker Fee |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.13 | Refund Policy |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.1.14 | Special |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.15 | How is the Firm’s income derived?  (last 12 months)  Preceding 12 months | |  |  |  | | --- | --- | --- | | **Income Type** | **Current Year** | **Previous Year** | |  |  |  | |  |  |  | | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.17 | How are fees communicated to the client?  Documentation |  | Choose an item. | NO ACTION REQUIRED |  |
| **Source of clients** | | | | | |
| 4.2.18 | List all sources of new clients.  Target Market document  Client demographics |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.19 | Introducers, Introducer Appointed Representatives. (IAR)  Do all Introducers have formal agreements |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.20 | Have any new businesses been purchased within the last 2 years? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.21 | Have any client banks been purchased within the last 2 years? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.22 | Does the Firm purchase any leads? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.23 | New Business Split | |  |  |  | | --- | --- | --- | | **Income Type** | **%age Current Year** | **%age Previous Year** | | Existing Clients |  |  | | New Clients |  |  | | Choose an item. | NO ACTION REQUIRED |  |
| **Expansion Plans** | | | | | |
| 4.2.24 | Any intended recruitment of non-regulated staff? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.25 | Any intended recruitment of regulated staff? |  | Choose an item. | NO ACTION REQUIRED |  |
| **Remuneration Policy** | | | | | |
| 4.2.26 | What remuneration policy do you have for those working within the Firm?  (Financial Incentives) |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.27 | Are there any bonus schemes in operations?  (Financial Incentives) |  | Choose an item. | NO ACTION REQUIRED |  |
| **Advice Process** | | | | | |
| 4.2.28 | How do you demonstrate Know Your Customer? (Fact Find, electronic or paper) |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.29 | What systems / tools / software /processes do you use for your research? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.30 | Do these cover the full range of products the Firm can advise on?  (Life / protection / mortgage) |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.31 | WOM or Restricted:    What panels are currently used?  Off Panel Process |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.2.32 | What methodology is used to construct these panels?  How often reviewed. |  | Choose an item. | NO ACTION REQUIRED |  |

### Compliance

| **Reference** | **Topic** | **Data / Details** | **Confirmed** | **Notes/Remedial Actions** | **RAG** |
| --- | --- | --- | --- | --- | --- |
| **Financial Promotions** | | | | | |
| 4.3.1 | How do you ensure your Financial Promotions are clear, fair and not-misleading? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.2 | Client Agreement signed off / last checked.  All disclosure documents. | |  |  |  | | --- | --- | --- | | **Document Type** | **Signed Off** | **Last checked** | | Client Agreement | Choose an item. |  | | Fee Agreement | Choose an item. |  | | Business Cards | Choose an item. |  | | Letterhead | Choose an item. |  | | Compliment Slips | Choose an item. |  | | Email footer | Choose an item. |  | | All other sales aids | Choose an item. |  | | Website | Choose an item. |  | | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.3 | Are all signs and posters on the premises, clear, fair and not miss-leading? |  | Choose an item. | NO ACTION REQUIRED |  |
| **Anti-Money Laundering and Financial Crime** | | | | | |
| 4.3.4 | Have all staff taken an AML and Financial Crime test within the last 12 months?  Logged as CPD? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.5 | How often are the Firm’s clients checked against the Home Office Sanctions List? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.6 | What documented evidence of regular Sanctions List checks are there? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.7 | What procedures are in place to identify Politically Exposed Persons? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.8 | What evidence is kept on files to evidence ID? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.9 | For mortgages – what evidence is kept on file to evidence affordability? |  | Choose an item. | NO ACTION REQUIRED |  |
| **Data Protection** | | | | | |
| 4.3.10 | Have all staff taken DPA testing within the last 12 months?  Logged as CPD |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.11 | ICO details | |  |  |  | | --- | --- | --- | |  | **Confirmation** | **If no, details** | | Registration in place | Choose an item. |  | | Valid until |  |  | | Details correct | Choose an item. |  | | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.12 | Where are client files kept?  (Lockable filing cabinets, lockable office, alarmed etc) |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.13 | What procedures are in place to protect client data when data is taken off-site (i.e. on client visits)? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.14 | Who has access to client data?  Individual passwords? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.15 | How long does the Firm hold client records for? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.16 | Data back-up method?  Cloud / on site / off site / single or multiple. |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.17 | How often is data backed up? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.18 | What procedures are there for wiping stored data in the event of “theft” |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.19 | Is an IT consultant used? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.20 | Is there a locum agreement in place?  Permissions? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.21 | Privacy Policy available |  | Choose an item. | NO ACTION REQUIRED |  |
| **Communication with clients** | | | | | |
| 4.3.22 | Social Media usage | |  |  |  | | --- | --- | --- | |  | **Confirmation** | **Details** | | Facebook | Choose an item. |  | | Twitter | Choose an item. |  | | Instagram | Choose an item. |  | | Unbiased.co.uk | Choose an item. |  | | Vouchedfor.co.uk | Choose an item. |  | | Other | Choose an item. |  | | Choose an item. | NO ACTION REQUIRED |  |
| **Client Money and Record Keeping** | | | | | |
| 4.3.23 | Requirements | |  |  |  | | --- | --- | --- | | **Document Type** | **In place** | **Details** | | Marketing Opt-in | Choose an item. |  | | Safekeeping Register | Choose an item. |  | | Gifts & Inducements Register | Choose an item. |  | | Drawdown Register | Choose an item. |  | | Cheque and Cash Register | Choose an item. |  | | Choose an item. | NO ACTION REQUIRED |  |
| **Required Documents and Control on Advisers** | | | | | |
| 4.3.24 | Required Documents | |  |  |  | | --- | --- | --- | | **Document Type** | **Available** | **Details** | | Compliance Manual | Choose an item. |  | | Procedures Manual | Choose an item. |  | | T&C Manual | Choose an item. |  | | Risk Plan/Register | Choose an item. |  | | Disaster Recovery | Choose an item. |  | | Business Continuity Plan | Choose an item. |  | | Business Plan | Choose an item. |  | | Business Succession | Choose an item. |  | | Locum arrangements | Choose an item. |  | | Introducer arrangements and register | Choose an item. |  | | Gifts and Inducements Policy | Choose an item. |  | | Conflicts of Interest policy | Choose an item. |  | | Information Security Policy | Choose an item. |  | | Vulnerable Client Policy | Choose an item. |  | | Financial Crime Policy | Choose an item. |  | | Whistleblowing Policy | Choose an item. |  | | Complaints Policy | Choose an item. |  | | Promotions/Advertising Policy | Choose an item. |  | | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.25 | Controls on Advisers | |  |  |  | | --- | --- | --- | | **Document Type** | **Available** | **Details** | | One to One reviews | Choose an item. |  | | Role Plays in T&C | Choose an item. |  | | Training and Development logs | Choose an item. |  | | Firm MI records | Choose an item. |  | | Choose an item. | NO ACTION REQUIRED |  |
| **Complaint Handling** | | | | | |
| 4.3.26 | Number of Complaints in total |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.27 | Number of complaints in past 2 years |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.28 | Root cause analysis? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.3.29 | Annual complaint training undertaken by all staff  CPD recorded |  | Choose an item. | NO ACTION REQUIRED |  |
| **Whistleblowing** | | | | | |
| 4.3.30 | Have all staff taken Whistleblowing testing within the last 12 months?  Logged as CPD |  | Choose an item. | NO ACTION REQUIRED |  |

### Controls on Advisers

| **Reference** | **Topic** | **Data / Details** | **Confirmed** | **Notes/Remedial Actions** | **RAG** |
| --- | --- | --- | --- | --- | --- |
| **Supervision of Advisers** | | | | | |
| 4.4.1 | T&C Scheme details |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.4.2 | KPIs monitored  How and what frequency |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.4.3 | 1-2-1 meetings  Details for advisers and non-advisers inc TNA/PDP/Training & Development plans |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.4.4 | Process for dealing with underperforming advisers |  | Choose an item. | NO ACTION REQUIRED |  |
| **CPD** | | | | | |
| 4.4.5 | Mortgage/Protection Qualifications | |  |  |  | | --- | --- | --- | | **Adviser Name** | **Qualification Held** | **Expiry date** | |  | Choose an item. |  | |  | Choose an item. |  | |  | Choose an item. |  | |  | Choose an item. |  | | Choose an item. | NO ACTION REQUIRED |  |
| 4.4.6 | How often is CPD undertaken and where recorded? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.4.7 | Is CPD checked to permissions and activity?  Structured. Unstructured |  | Choose an item. | NO ACTION REQUIRED |  |
| **File Reviews** | | | | | |
| 4.4.8 | What file checking is completed within the firm.  External / internal |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.4.9 | By whom and at what frequency / %? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.4.10 | Is there any increased checking of high risk product areas? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.4.11 | What do you class as high risk?  Interest Only |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.4.12 | In the event shortcomings are found – action taken |  | Choose an item. | NO ACTION REQUIRED |  |

### Treating Customers Fairly (TCF)

| **Reference** | **Topic** | **Data / Details** | **Confirmed** | **Notes/Remedial Actions** | **RAG** |
| --- | --- | --- | --- | --- | --- |
| 4.5.1 | What have you done to demonstrate that TCF, Prevention of Client Harm and Vulnerable Client Policy is embedded within the culture of your Firm? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.5.2 | Are there any indicators, other than what may have been highlighted elsewhere within this audit which shows any of the TCF outcomes are not being met? |  | Choose an item. | NO ACTION REQUIRED |  |
| 4.5.3 | TCF surveys / client feedback / outcomes |  | Choose an item. | NO ACTION REQUIRED |  |