

Information to clients

CASS 9 reminds firms of their obligations on reporting to clients which are included in the Conduct of Business Sourcebook (COBS). These obligations include a requirement to send a statement in a durable medium at least once year containing details of client money held by the firm on behalf of that client. The CASS 9 chapter also covers custody assets with the same or similar reporting requirements applying to them as for client money.

CASS 9 introduces two further requirements in addition to the COBS Requirements. The first is the requirement to provide a client with a copy of any statement previously provided within five business days of receiving a request from the client, and the second is to provide a client with an ad hoc statement upon request. **CASS 9** allows a firm to charge for the provision of ad hoc or copy statements, but this must correspond to the costs incurred by the firm in producing the information.

A firm outsourcing register maintenance, client money and custody asset reconciliations to a TA would usually outsource the production and despatch of the statements to their TA.

The TA Forum has produced two sample templates to assist firms with producing client money statements for clients. The two templates differ in the firm's chosen approach of whether to include transitory items or not. Some firms may choose to include all client money held regardless of whether that money is "in flight" or not. Some firms choose to exclude reporting on monies which are being held for a short period of time whilst awaiting investment or payment to investors.



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cm_annual_statement_template_non_transitory.pdf

Important Information

This document has been compiled for the use of TA Forum members only and is for guidance purposes. This document has been written from the view point of TA's and the administration activities that they perform for regulated firms. Where any firms require further clarification of the rules, guidance should be sought from the FCA.

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