



Guernsey Financial
Services Commission

Investment Supervision and Policy Division

Investment Facts, Flags and the Future

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Presentation Overview

Investment: Facts

- Overview of the sector

Investment: Flags

- Triage, Engagement & Thematics

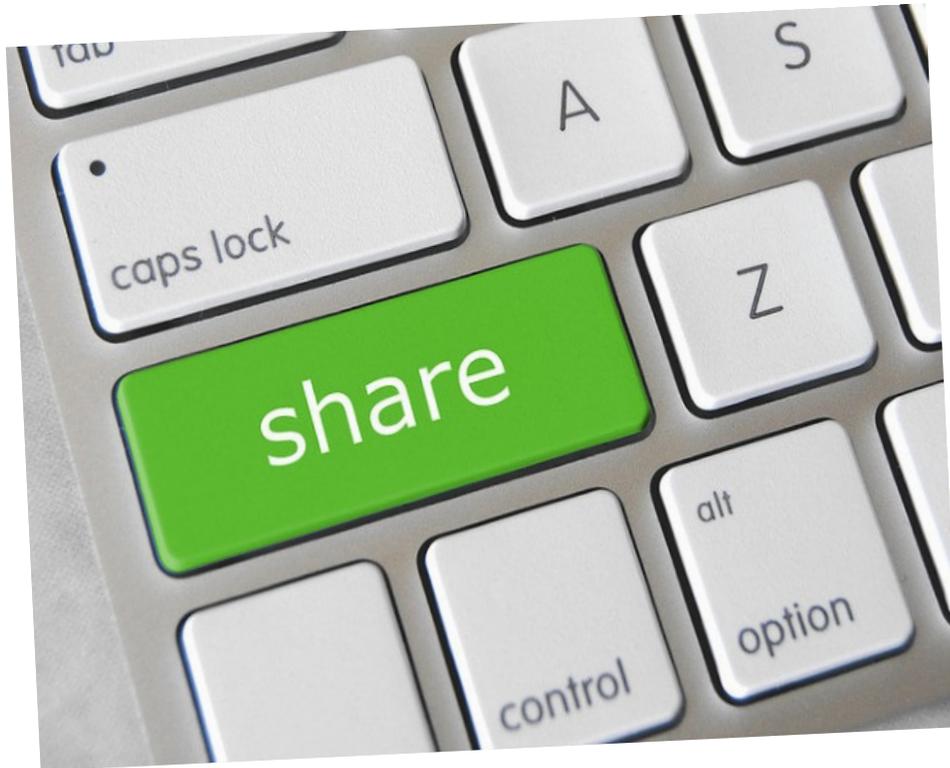
Investment: Future

- A look forward to 2018

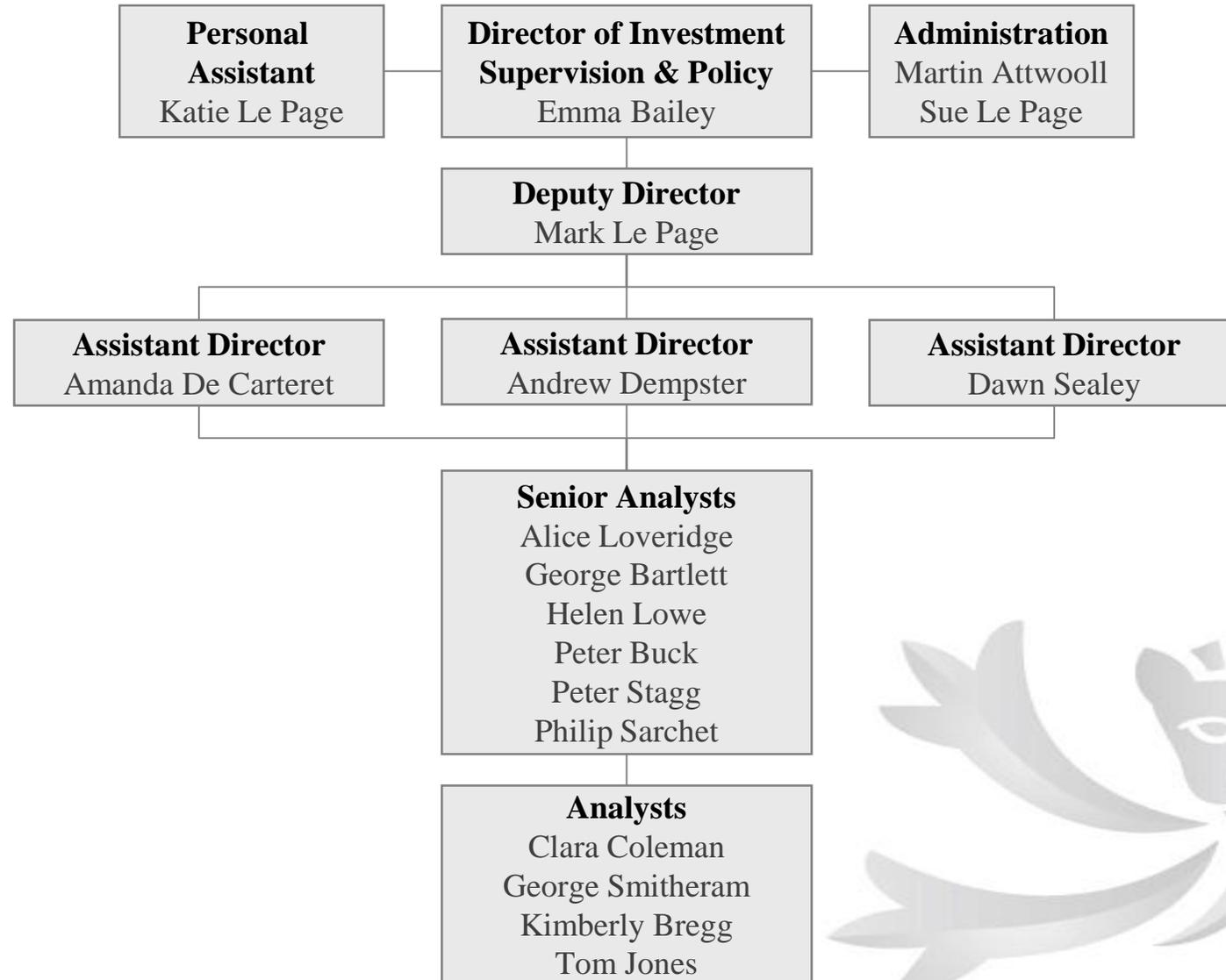


Key Message

Sharing Information

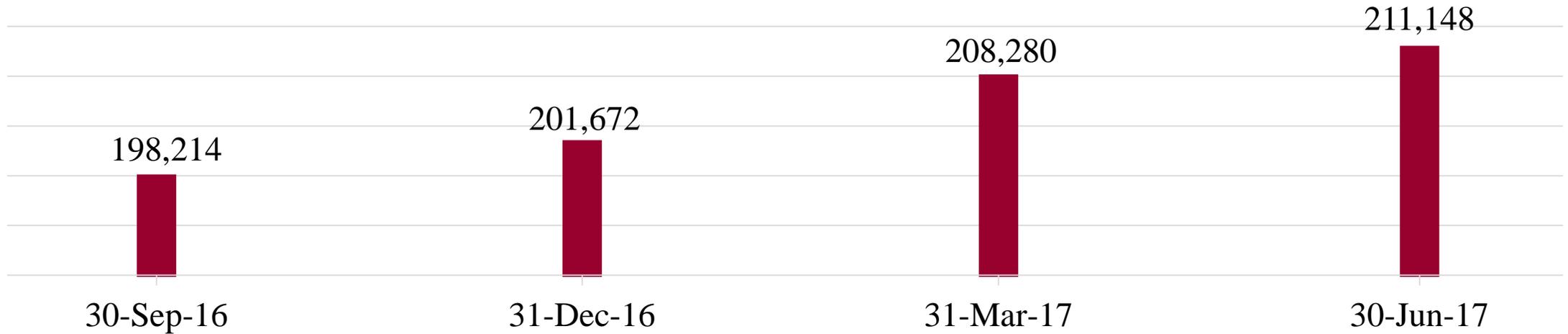


The Team

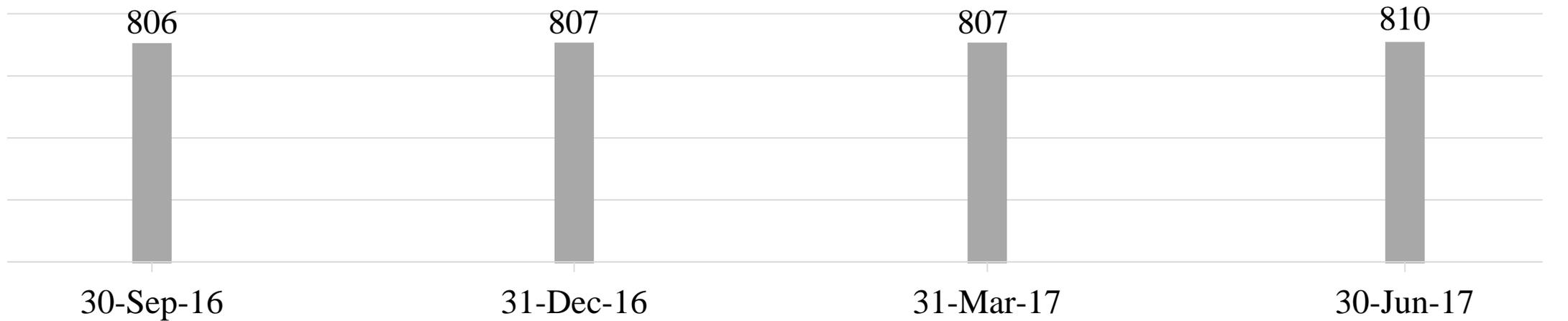


Assets Under Management Guernsey Schemes

Net Asset Value of Schemes (£mn)



Number of Schemes



Statistics – Closed Ended Schemes

Net Asset Value of Schemes (£mn)

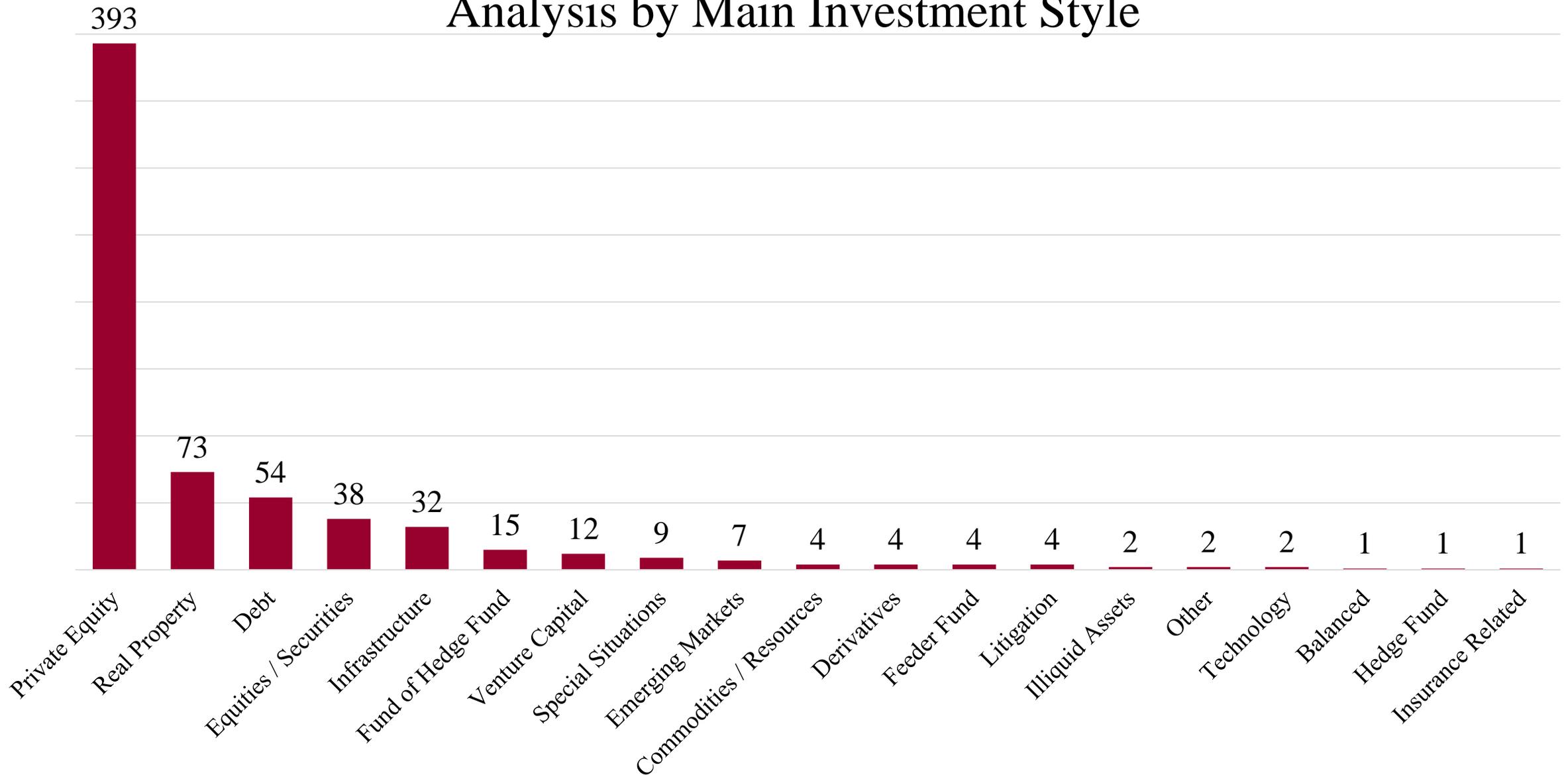


Number of Schemes



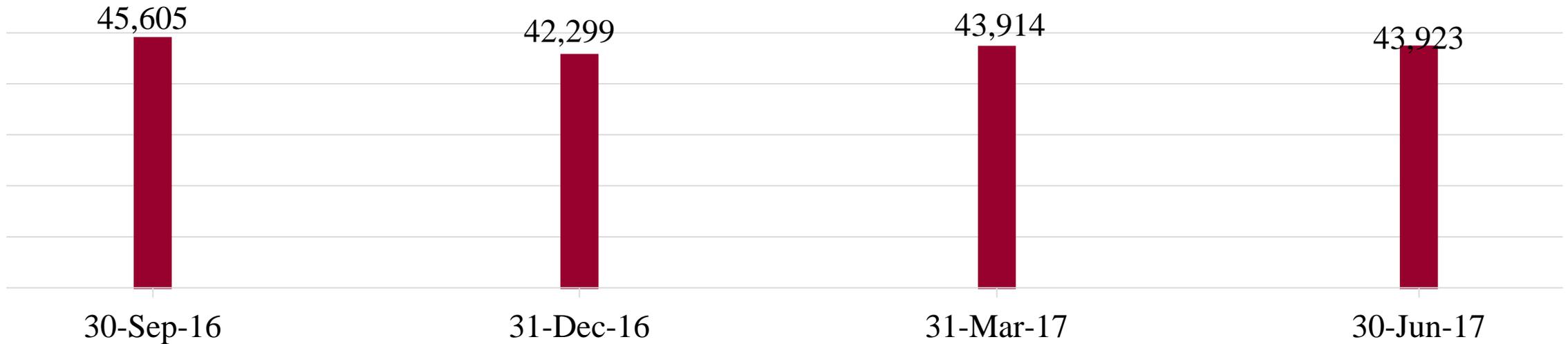
Statistics – Closed Ended Schemes

Analysis by Main Investment Style



Statistics – Open Ended Schemes

Net Asset Value of Schemes (£mn)

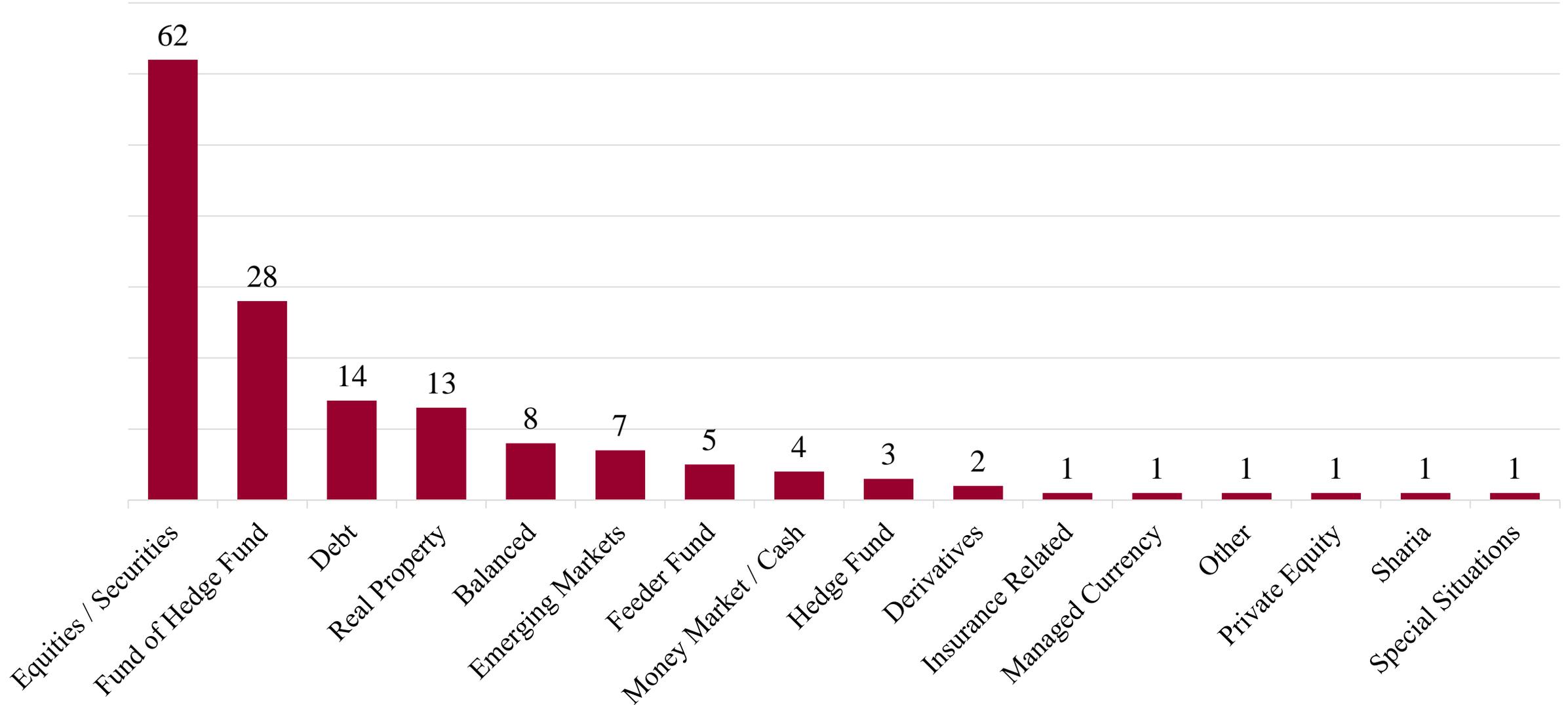


Number of Schemes



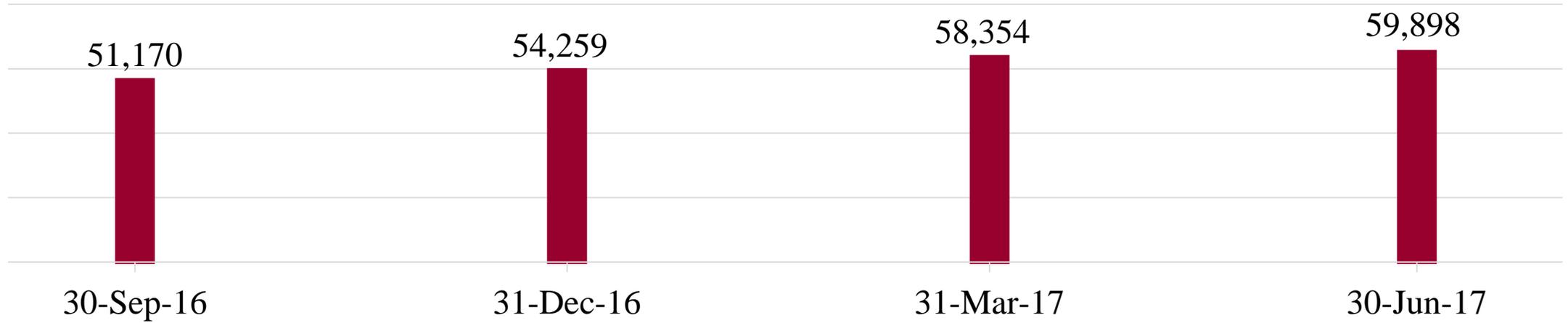
Statistics – Open Ended Schemes

Analysis by Main Investment Style

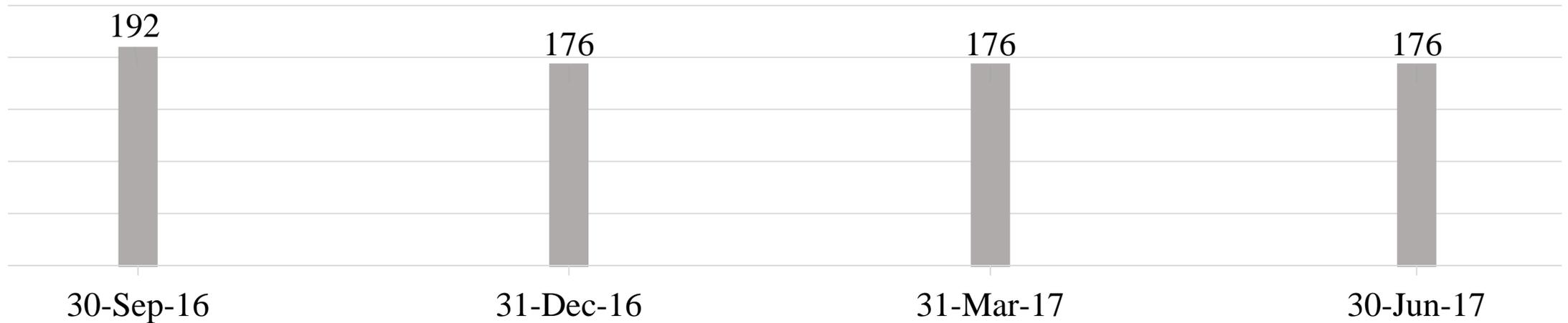


Statistics – Non-Guernsey Schemes

Net Asset Value of Schemes (£mn)

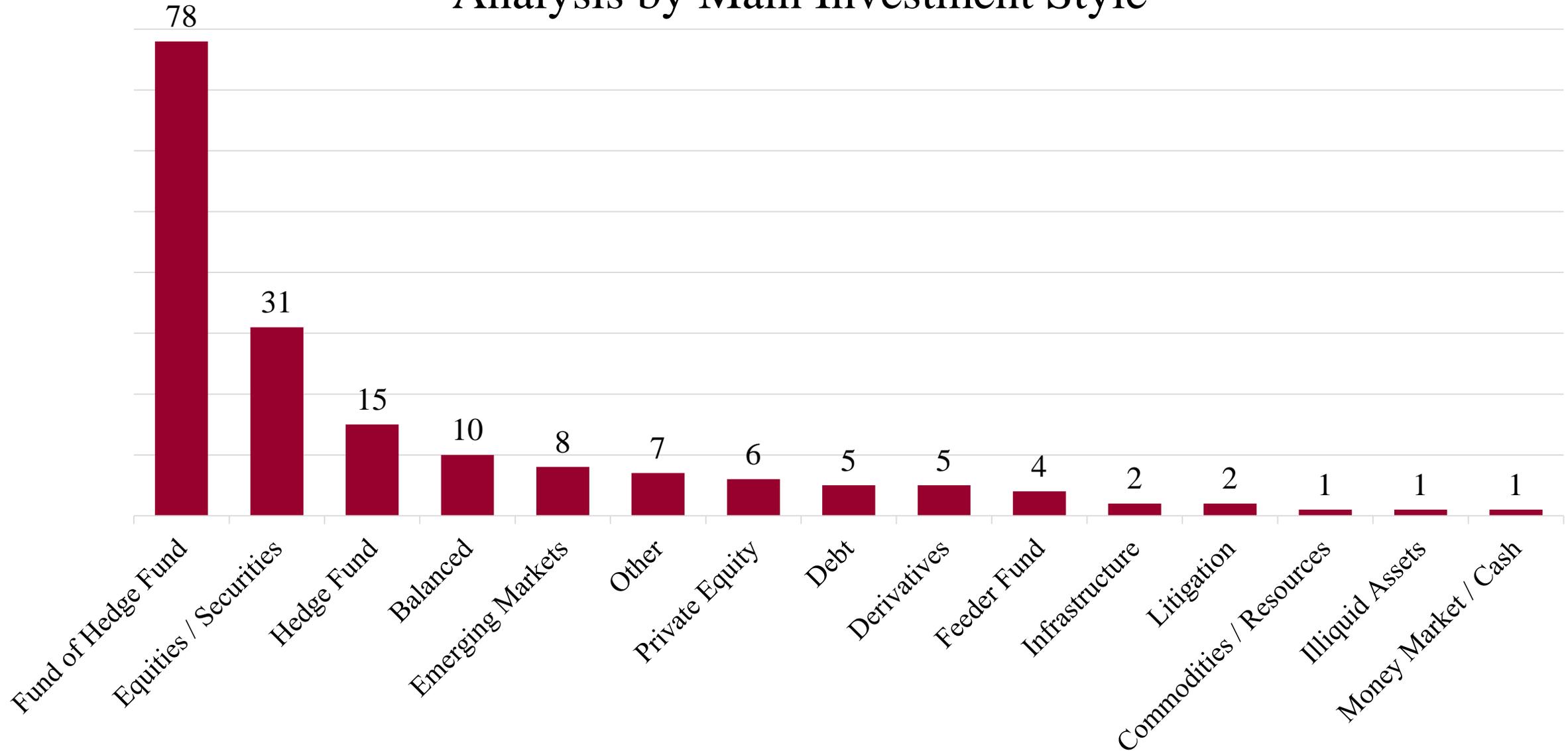


Number of Schemes



Statistics – Non-Guernsey Schemes

Analysis by Main Investment Style



Total Assets Under Management

Net Asset Value of Schemes (£mn)

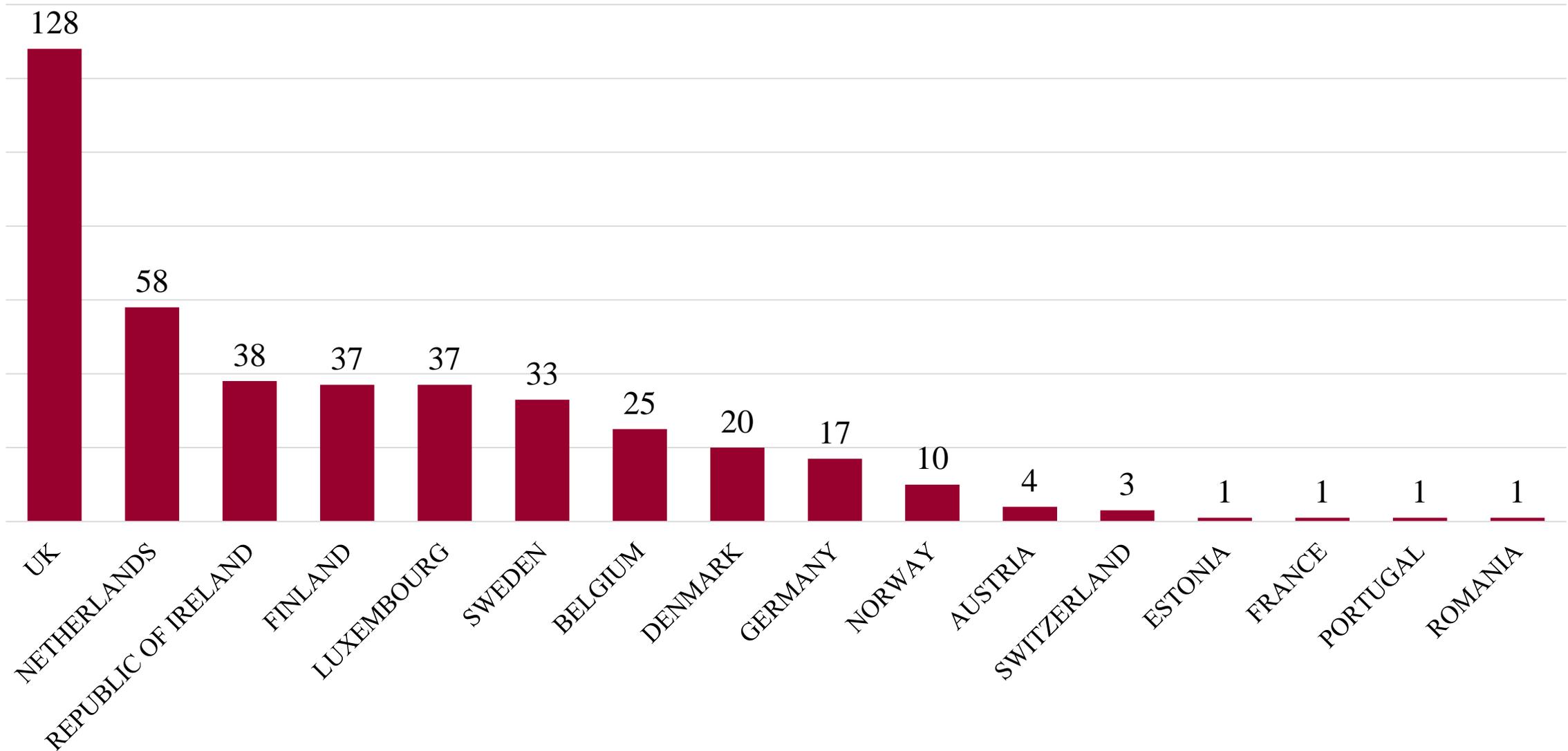


Number of Schemes



National Private Placement Regime

Jurisdictions Marketed Into

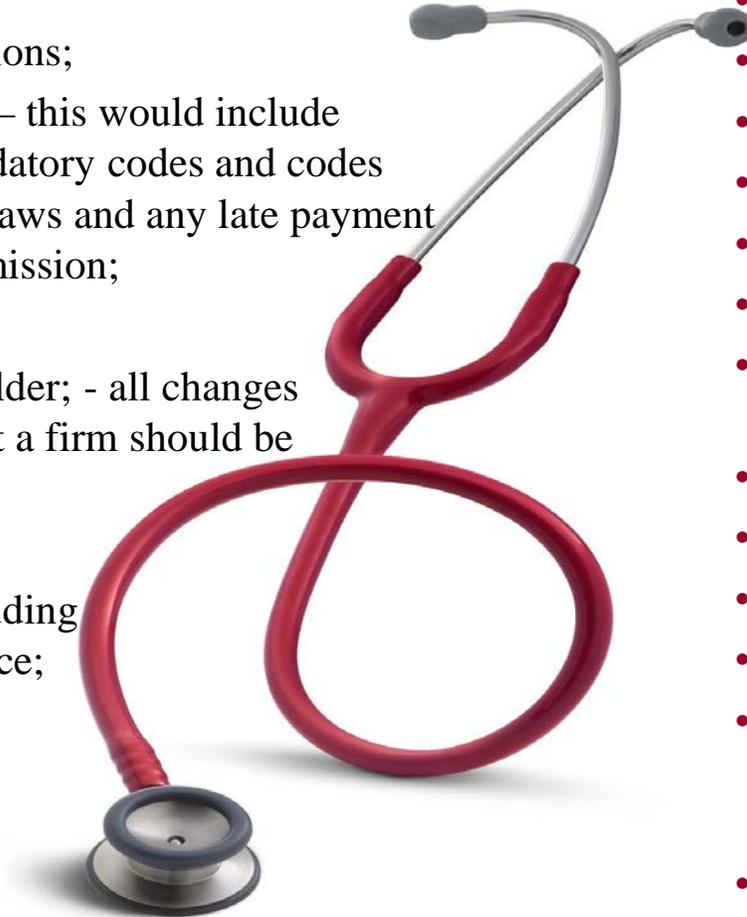


Triage – Trigger Based Supervision

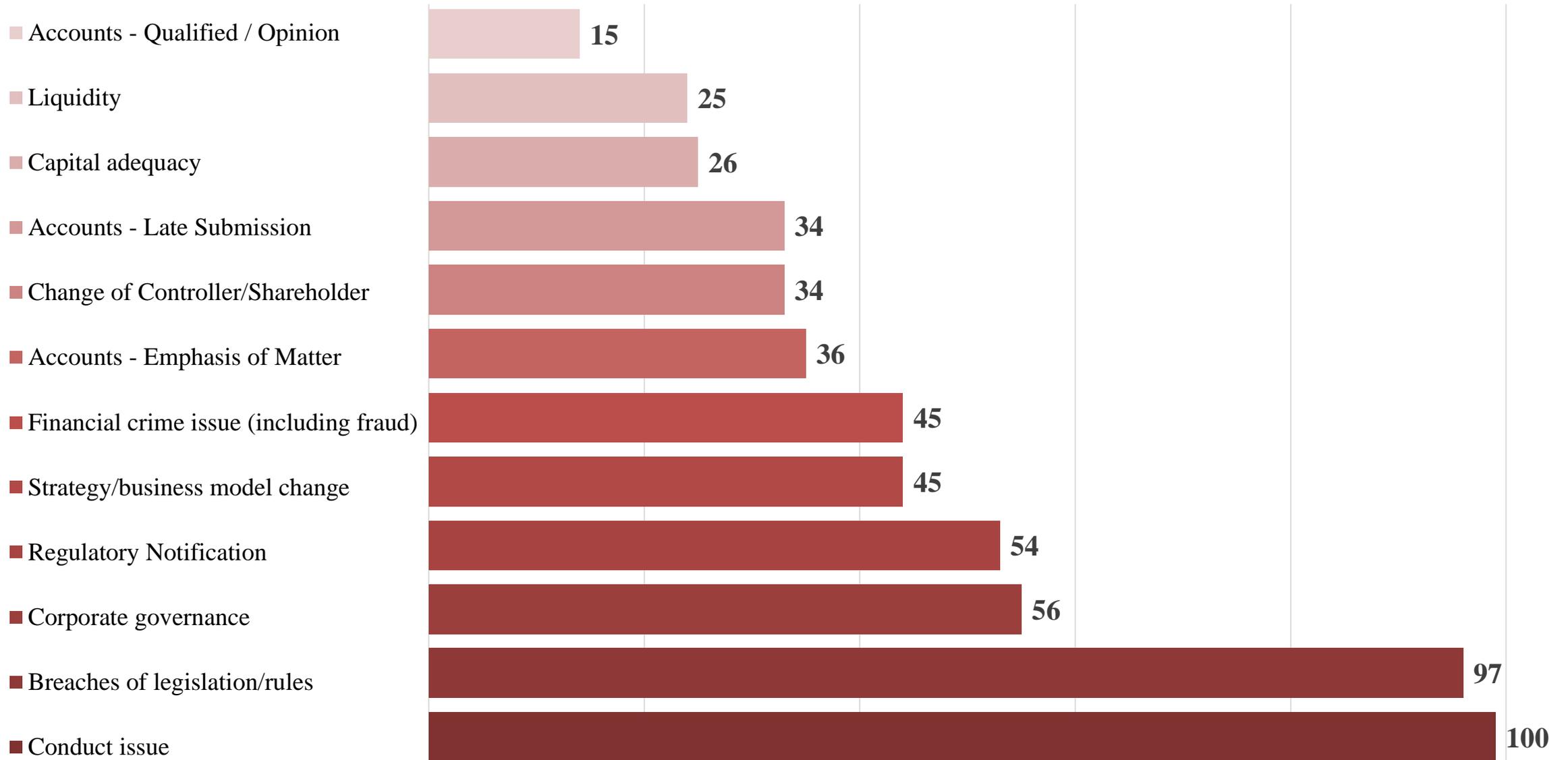


Trigger Types

- Accounts - Emphasis of Matter;
- Accounts - Late Submission;
- Accounts - Qualified/ Disclaimer/ Disagreement Opinion;
- Breach of investment restrictions;
- Breaches of legislation/rules – this would include breaches of regulations, mandatory codes and codes issued under the regulatory Laws and any late payment of fees/penalties to the Commission;
- Capital adequacy;
- Change of controller/shareholder; - all changes in controller or shareholder at a firm should be recorded as a triage.
- Conduct issue;
- Corporate governance – including ignoring Commission guidance;
- Custody error;
- Customer assets;
- Customer money;
- Cyber Security;
- Data Security;
- Dealing error;
- Derogation request;
- Fees and charges;
- Financial crime issue (including fraud);
- Fitness and propriety issue; Industry reputation issue;
- Liquidity;
- Litigation;
- Mis-selling;
- Outsourcing – including ignoring Commission guidance;
- Regulatory intelligence;
- Regulatory Notification;
- Reporting errors;
- Reputation issue;
- Strategy/business model change;- all changes in the firm or group structure and acquisition of new business should be recorded as a triage.
- Viability.



Triage Types – previous 12 months



Policy on Late Accounts

- Notice of Conditions
- 28 Days to Submit
- Clean Audit Report
- Numbers Imposed to date

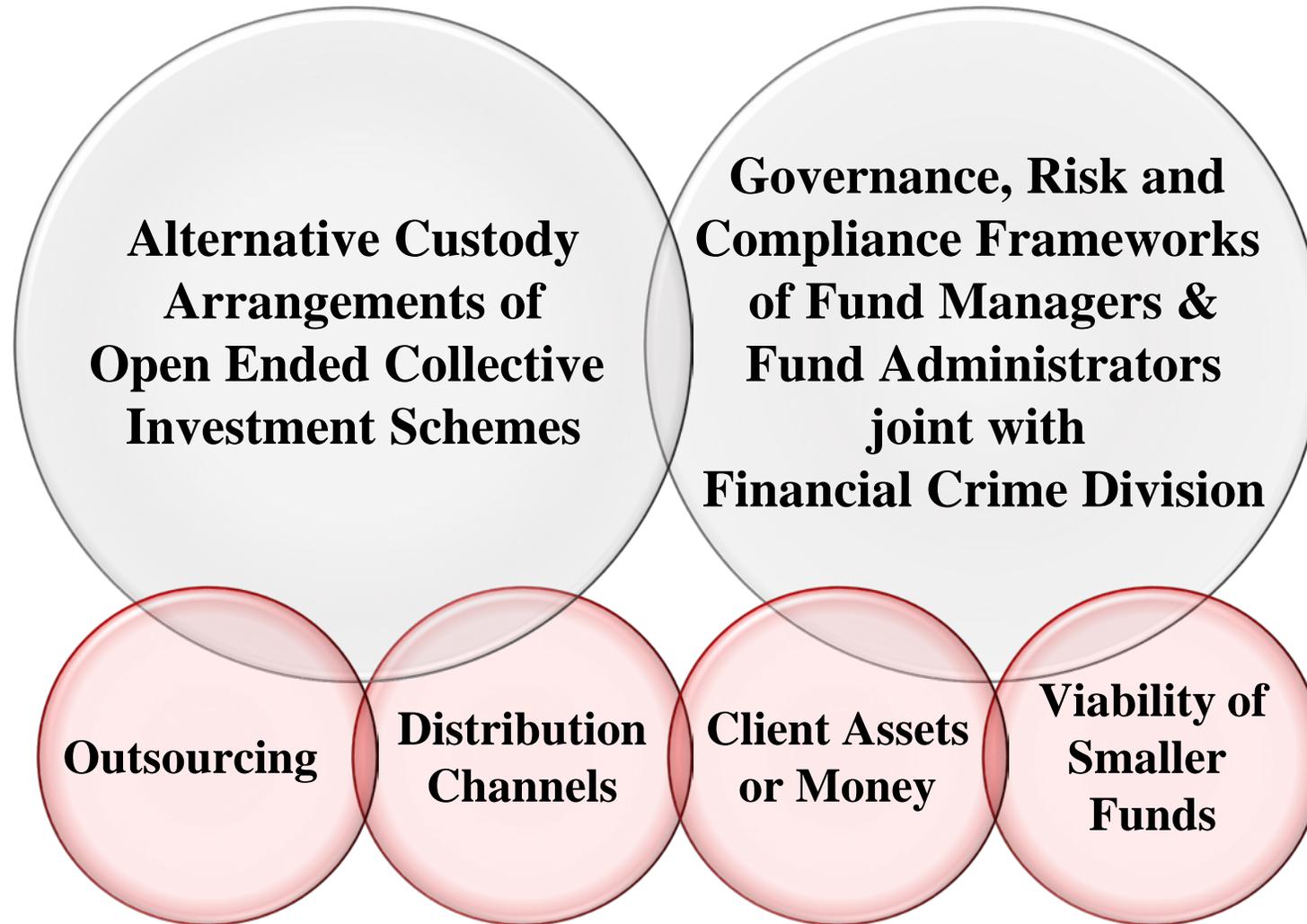


Engagements & Full Risk Assessments

- Full Risk Assessments
- Engagements
- Custom Engagements



Thematic Reviews



Thematic – Objective

“To understand how fund managers and fund administrators had structured their governance, risk and compliance frameworks to mitigate governance and compliance risk in relation to collective investment schemes”



Thematic – Process

- Questionnaire
- Site visits
- Final report issued



Thematic – Findings

- Case Studies



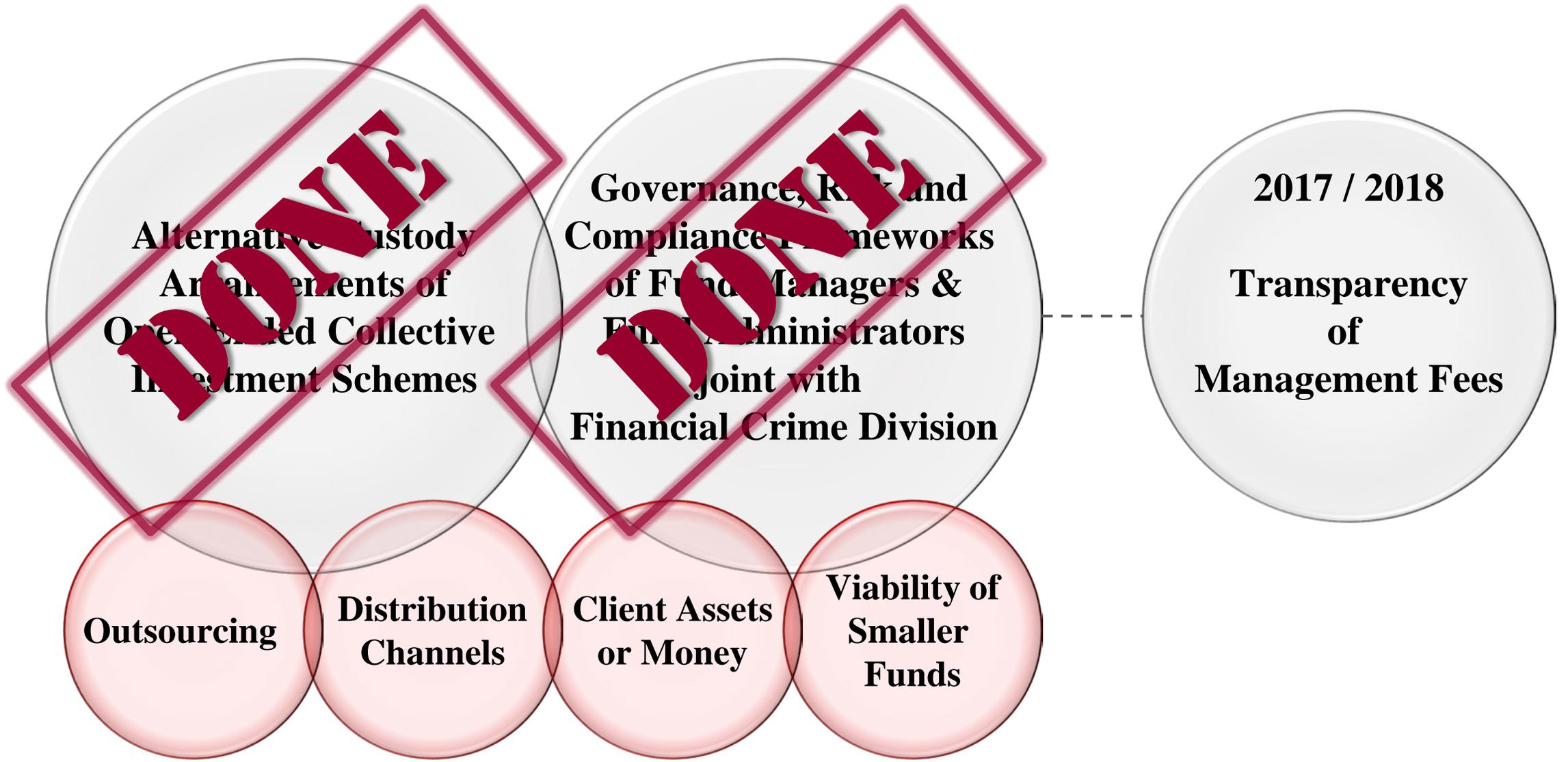
- Areas for Improvement



- Points of Note



Thematic Reviews



Self Assurance Events for 2018

- Online Submissions
- Outcomes of 2017/2018 Thematic
- MiFID II Update



What else to expect in 2018...

