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By email

30 May 2018

Our Ref: FOI5758

Dear

Freedom of Information : Right to know request

Thank you for your request under the Freedom of Information Act 2000 (the Act), for information about on the number of personal investment firms (PIFs) which have told the FCA they have not been able to meet the new capital adequacy rules which came into place from 30 June 2017. Please refer to Annex A for full details of your request.

Your request has now been considered and the relevant information can be found in the below table.

Data Items	£15K Requirement 01/07/2016 - 30/06/2017	£20K Requirement 01/07/2017 - 30/04/2018	Totals
FSA032	11	5	16
RMA-D1	85	56	141
Total	96	61	157

Applied to Cancel / Cancelled	13	6	19
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You may like to be aware that following firms submission of RMAR/FSA032, if a breach or deficit was reported this would generate an alert, supervisors would contact the firm to ascertain how the deficit came about and how the firm would rectify. It was identified through this process that a small number of firms were unprepared for the change of capital requirement, however the majority of these types of cases the issue was resolved by way of a capital injection, which allowed firms to meet the minimum capital requirement, therefore not breaching the Threshold condition for firm holding adequate financial resources.

Yours sincerely

Information Disclosure Team

Annex A

Request received on 30 April 2018:

I am seeking information on the number of personal investment firms (PIFs) which have told the FCA they have not been able to meet the new capital adequacy rules which came into place from 30 June 2017.

Please respond to the following:

-Since 30 June 2017 to present date (30 April 2018) how many PIFs have told the FCA they do not have the requisite capital to meet their capital adequacy requirements?

-Out of these firms how many have applied to cancel their FCA permissions?

-For the 12 months prior to 30 June 2017 how many PIFs have told the FCA they do not have the requisite capital to meet their capital adequacy requirements?

-Out of these firms how many have applied to cancel their FCA permissions?