

GB-A Regulatory audit report managers of collective assets 2022

Version 07/2022

General information

Applicable to financial years beginning on or after 1 January 2022.

Name of the institution

[FI.InstitutName](#)

Place of domicile

FINMA license

Asset manager

FINMA supervisory category

[Zulassung.Aufsichtskategorie](#)

Audit firm

[PG.InstitutName](#)

Recipients of the report

Contact person

Given name, surname

Telephone

E-mail

1. Framework conditions governing the audit

This section lists the framework conditions for the audit pursuant to margin no. 64 FINMA Circular 2013/3.

a) General framework of the audit

Audit scope / mandate

Beginning of the reporting period

End of the reporting period

Execution of the audit

b) Key management personnel involved in the audit

Function

- Lead auditor
- Person responsible for the mandate
- Manager

Surname, given name

Function level

- Partner
- Director
- Senior Manager
- Manager
- Other

- Anti-money-laundering specialists
- IT specialists
- Tax specialists
- Valuation specialists
- Legal specialists
- Other

c) Extent of reliance on the work of third parties

Was there any reliance on the work of third parties?

- Yes No

d) Confirmation of compliance with the audit strategy

The audit firm confirms compliance with the audit strategy.

- Yes No

e) Confirmation that the work was performed in accordance with the audit points defined by FINMA

The audit firm confirms that the work was performed in accordance with the audit points defined by FINMA.

- Yes No

f) Periods during which the audit procedures were performed

Activity			
From		Until	
Month of the audit period	Year of the audit period	Month of the audit period	Year of the audit period

g) Difficulties during the audit

Did any difficulties arise during the audit?

- Yes No

h) Provision of information by the supervised entity

The audit firm confirms that the supervised institution provided all the required information in a timely manner and in the required quality.

- Yes No

2. Independence of the audit firm

Audited financial year

The audit firm confirms that it has complied with the independence requirements under the Swiss Code of Obligations, the Audit Oversight Act and Ordinance, the Financial Market Auditing Ordinance and the supplementary provisions on independence under FINMA Circular 2013/3 in the above-mentioned financial year.

- Yes No

3. Additional mandates performed by the audit firm for the supervised institution

Did the audit firm provide additional services to the supervised institution during the regulatory audit reporting period that do not conflict with the independence rules?

- Yes No

4. Summary of audit results / further audit findings / confirmations and overall assessment

Presentation of all notices of reservation and recommendations by the audit firm at institutional and product level, incl. associated resolution and/or implementation deadlines and the respective measures pending or already taken by the supervised institution to rectify the notice of reservation or implement the recommendation (only those notices of reservation or recommendations need to be addressed for which the audit firm had planned own audit procedures according to the audit strategy).

Any instances of the supervised institution not agreeing to a notice of reservation or recommendation must be recorded. Repeated notices of reservation or recommendations must be specifically indicated.

State of implementation or resolution of notices of reservation and recommendations from the previous audit period.

The notices of reservation and recommendations must be classified as per margin no. 75.2ff of FINMA Circ. 2013/3 "Auditing".

4.1 Notices of reservation

For the period under review, we issue notices of reservation based on our audit procedures in accordance with the audit strategy.

Yes No

4.2 Recommendations

For the period under review, we make recommendations based on our audit procedures in accordance with the audit strategy.

Yes No

4.3 Notices of reservation in the prior year's report

Notices of reservation were issued in the prior year's report.

Yes No

4.4 Recommendations in the prior year's report

Recommendations were made in the prior year's report.

Yes No

4.5 Material weaknesses from additional mandates/services

Have any material weaknesses been identified in the context of additional mandates/services according to chapter 3?

Yes No

4.6 Material weaknesses raised by third parties

Have any material weaknesses been raised by third parties (including internal audit) that were not considered by the audit firm as notices of reservation or recommendation in connection with audit procedures in accordance with the audit areas in the audit strategy?

Yes No

4.7 Confirmations of the audit firm

4.7.1 FINMA recommendations and rulings

The audit firm records its audit opinion on compliance with the recommendations and legally binding FINMA rulings in force during the reporting period, stating the audit depth applied.

The audit firm will only respond to legally binding rulings in connection with the approval of the institution or collective investment schemes if they contain explicit provisions, which must be audited.

Comments on the implementation of FINMA recommendations in the context of supervisory reviews / deep dives are also dealt with in this section.

Are there any legally binding rulings containing explicit provisions which must be audited?

Yes No

Are there any legally binding FINMA recommendations?

Yes No

4.7.2 Audit report of the prior period

The audit firm confirms that the audit report of the prior period was discussed at a meeting of the body responsible for

governance, supervision and control and that minutes were taken.

Yes No

4.8 Overall assessment of the audit firm

4.8.1 Guarantee of irreproachable business conduct and good reputation

Based on the audit procedures performed, the audit did not reveal any findings that would call into question the guarantee of irreproachable business conduct by the institution and persons responsible for administration and management and the good reputation of those persons responsible for administration and management as well as qualified participants.

Yes No

The influence of the qualified participants is not detrimental to a prudent and solid business activity.

Yes No

4.8.2 Licensing and approval requirements

The audit did not reveal any findings that would affect the ongoing compliance with the licensing and approval requirements. The notices of reservation listed under 4.1 with a deadline do not call into question compliance with the authorisation requirements as a whole.

Yes No

There are no measures required on the part of FINMA

Yes No

5. Important information on the audited institution

5.1 Business activities and structure of client base

The audit firm describes the key business areas of the supervised institution, the relevant customer segments and the location of the head office.

Business areas

Customer segments

Location of the head office

5.2 Group structure and participations/relationships with other firms

The audit firm describes the structure of the group, the qualified participants and key relationships and dependencies with other companies or stakeholders (economically significant contracts, group-internal cooperation etc.)

Structure of the group

Qualified participants

Relationships and dependencies with other companies or stakeholders

5.3 Operational and organisational structure

The audit firm shows the organisation of the body responsible for governance, supervision and control (committees and commissions) and the management board and expresses an opinion on the allocation and completion of the imposed and irrevocable duties.

Organisation of the body responsible for governance, supervision and control as well as the management board

Allocation and completion of the imposed and irrevocable duties

5.4 Major changes at the supervised institution

The audit firm presents major changes at the supervised institution, especially regarding owners, management bodies, business model, relationships with other companies and strategic orientation.

In addition, major changes to administered or managed collective investment schemes and/or individual asset management mandates as well as other operational areas are commented. This can, for example, comprise major changes in corresponding assets, the launch of investment funds in new asset categories or the discontinuation of operational areas or asset categories.

Are there any major changes at the supervised institution?

Yes No

5.5 Future challenges

The audit firm provides a future-oriented outlook for key, especially regulatory, changes that will affect the supervised institution and possible impact its business activity, as well as an indication of the measures planned or initiated.

No.	Area
1	
	Description

6. Audit firm's confirmations and summary of the audit procedures performed

By saying "Yes" or "No", the audit firm establishes its audit opinion on the audit points addressed. Where individual audit points are not applicable ("N/A"), this is explained. The statements to be made by the audit firm relate in each case to the ongoing compliance with the requirements mentioned.

If the audit firm answers an audit point with "Yes", it is not necessary to explain how the audit firm arrived at this assessment.

In the case of weaknesses or if an audit point was answered with "No", the audit firm provides a meaningful explanation. In the case of judgements based on facts established by Internal Audit or third parties, a corresponding disclosure is made.

The main audit procedures that form the basis for the audit firm's confirmation must be described (list).

6.1 Corporate Governance

6.1.1 Internal audit

Audit area

Corporate Governance

Audit field

Internal audit

Explanation

The audit firm comments on major negative audit results by internal audit and the measures taken in response by the supervised institution. Material weaknesses identified by internal audit impacting audit fields without intervention from the audit firm in the reporting year are to be summarised in Chapter 4.6.

Net risk	Intervention in the reporting year
<input type="text"/>	<input type="text"/>

Year of last intervention with audit depth 'audit'

Year of last intervention with audit depth 'critical assessment'

The institution has an internal audit unit and/or is covered by the internal audit unit of the group.	<input type="text"/>
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Internal audit has adequate resources.	<input type="text"/>
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Internal audit has the required professional competence.	<input type="text"/>
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The quality of the work by internal audit is adequate.	<input type="text"/>
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Internal audit has identified no material weaknesses in the institution.	<input type="text"/>
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The confirmations are based on the following audit procedures

6.2 Internal organisation

6.2.1 Internal organisation and internal control system

Audit area	Audit field
Internal organisation	Internal organisation and internal control system

Explanation

The audit firm assesses the adequacy of the corporate governance by checking the structure of the balance between management and monitoring at the institution (principle of "checks & balances").

If the audit firm considers the professional qualifications of the individual members of the body responsible for governance, supervision and control and/or the executive management of the supervised institution to be inadequate, it must detail its reasons.

If the institution manages collective investment schemes with a sustainability context the audit firm assesses whether the respective internal organisation is adequate.

Net risk	Intervention in the reporting year
<input type="text"/>	<input type="text"/>

Year of last intervention with audit depth 'audit'

Year of last intervention with audit depth 'critical assessment'

Corporate governance is appropriate.	<input type="text"/>
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There is adequate separation between the body responsible for governance, supervision and control and operational management.	<input type="text"/>
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The members of the body responsible for governance, supervision and control as well as the executive management have the required professional qualifications.	
The internal organisation is appropriately structured taking into account the nature and extent of the business activities.	
There is an effective separation between decision-making (asset management), execution (trading and settlement) and administration for the management of collective investment schemes.	
The internal control system is appropriately structured taking into account the nature and scope of the business activities.	
The institution complies with the articles of association and organisational regulations approved by FINMA.	
The authorised institution has an inventory of contracts and directives and keeps it up to date.	
The institution affiliated itself to an ombudsman.	
The customer segmentation is appropriate as per Art. 4 FinSA.	

The confirmations are based on the following audit procedures

6.2.2 Information technology

Audit area	Audit field
Internal organisation	Information technology

Explanation

<p>The audit firm assesses the appropriateness of the design of the IT structure. This includes in particular the infrastructure (hardware/software), IT strategy and IT organisation as well as IT security and Business Continuity Management (BCM). Moreover, it assesses the appropriateness of the processes and measures in the area of cyber risks.</p> <p>The audit firm names the relevant systems for fund management, fund administration, individual asset management, order processing, client relationship management (CRM), compliance and risk management.</p>
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Net risk	Intervention in the reporting year

Year of last intervention with audit depth 'audit'

Year of last intervention with audit depth 'critical assessment'

IT is appropriately designed taking into account the nature and extent of the business activities.	
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The design of the processes and measures to detect and minimise cyber risks and report cyber attacks is appropriate with regard to the nature and scope of the business activities.

The confirmations are based on the following audit procedures

6.2.3 Risk management

Audit area

Audit field

Explanation

If the institution manages collective investment schemes with a sustainability context the audit firm assesses whether sustainability risks are adequately covered within risk management.

If the licence holder holds personal data on individual persons ("client data") – e.g. in connection with individual asset management – the audit firm will assess the organisational measures in place to protect this client data.

Net risk

Intervention in the reporting year

Year of last intervention with audit depth 'audit'

Year of last intervention with audit depth 'critical assessment'

The institution has regulated the principles of risk management and determined the risk tolerance.

The risk management function is appropriately designed taking into account the nature and extent of the business activities.

The risk management is functionally and hierarchically segregated from the operational business units.

The risk management function has adequate professional competence and time resources.

The identification, measurement and control of liquidity risks and other material risks of managed collective investment schemes are carried out appropriately.

The identification, measurement and control of the risks of pension fund management mandates are carried out appropriately.

The identification, measurement and control of risks related to all other management mandates (e.g. individual asset management for private clients) are carried out appropriately.

The risk management in relation to other business activities is carried out appropriately.

The risk management in relation to operational risks is carried out appropriately.	
The risk management in relation to the confidentiality of client data is carried out appropriately.	
Risk reporting to the executive management and the body responsible for governance, supervision and control is appropriate.	
Additionally for real estate funds:	
There is adequate risk management for construction projects.	

The confirmations are based on the following audit procedures

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6.2.4 Compliance

Audit area	Audit field
Internal organisation	Compliance
Net risk	Intervention in the reporting year
Year of last intervention with audit depth 'audit'	
Year of last intervention with audit depth 'critical assessment'	
The compliance function is appropriately designed taking into account the nature and extent of the business activities.	
The compliance function is functionally and hierarchically segregated from the operational business units.	
The compliance function has adequate professional competencies and time resources.	
The compliance reporting to the executive management and the body responsible for governance, supervision and control is adequate.	

The confirmations are based on the following audit procedures

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6.2.5 Delegation of tasks / Outsourcing

Audit area	Audit field
Internal organisation	Delegation of tasks / Outsourcing
Explanation	

The audit firm provides in annex under "10.1 List of delegations" an overview of the material tasks delegated by the supervised institution in table format (incl. specifying the mandataries) in accordance with Art. 14 FinIA, 15-17 FinIO and FINMA Circ. 2018/3.

The delegation of investment decisions is to be treated in section No. 6.2.6.

Net risk

Intervention in the reporting year

Year of last intervention with audit depth 'audit'

Year of last intervention with audit depth 'critical assessment'

The institution maintains an inventory of outsourced functions.

The selection and instruction of mandataries when delegating tasks is adequate.

The delegation of tasks is properly documented in written agreements. Where security-relevant functions are outsourced security requirements are defined.

The monitoring and control of task performance by the mandataries is performed with diligence and with sufficient, adequately qualified human resources.

The confirmations are based on the following audit procedures

6.2.6 Investment decision process

Audit area

Audit field

Internal organisation

Investment decision process

Explanation

If the institution manages collective investment schemes with a sustainability context the audit firm assesses if the sustainability criteria are adequately considered in the investment decision process.

Net risk

Intervention in the reporting year

Year of last intervention with audit depth 'audit'

Year of last intervention with audit depth 'critical assessment'

The investment decision process is appropriately designed taking into account the nature and extent of the business activities.

The investment decision process corresponds to the relevant legal and contractual documents.

Investment decisions in the context of pension fund management proceed in compliance with the specific legal investment guidelines (e.g. BVV2, provided there is a corresponding contractual obligation).	
Investment decisions are only delegated to, and executed by, parties that have the required authorisation (Art. 14 FinIA).	
Investment decisions by authorised third parties are effectively monitored.	
The involvement of investment advisers in the investment decision process is adequate.	

The confirmations are based on the following audit procedures

6.2.7 Compliance with investment guidelines

Audit area	Audit field
Internal organisation	Compliance with investment guidelines
<p>Explanation</p> <p>If the institution manages collective investment schemes with a sustainability context the audit firm assesses if the sustainability criteria and/or restrictions (e.g. exclusions) are supervised adequately.</p> <p>The audit firm assesses compliance with investment restrictions and the remediation of investment breaches for managed collective investment schemes and individual asset management.</p> <p>The audit firm adopts a summary position on the material active investment breaches during the reporting year and states the measures taken to remediate the breaches. It also assesses whether passive investment breaches were rectified within an appropriate timeframe.</p>	
Net risk	Intervention in the reporting year
Year of last intervention with audit depth 'audit'	
Year of last intervention with audit depth 'critical assessment'	
The organisational and operational structure for monitoring investment restrictions and remediating investment breaches is appropriate.	
Investments correspond to legal, fund contractual and contractual investment restrictions.	
The monitoring of investment regulations and/or restrictions is appropriate.	
The measures taken to remediate investment breaches were appropriate and in the interests of the investor.	

The confirmations are based on the following audit procedures

6.2.8 Duties in relation to derivative transactions

Audit area	Audit field
Internal organisation	Duties in relation to derivative transactions
Net risk	Intervention in the reporting year
Year of last intervention with audit depth 'audit'	
Year of last intervention with audit depth 'critical assessment'	
Internal directives and methods/processes relating to the settlement via a central counterparty are appropriate and were applied effectively (for audit depth "audit").	
Internal directives and methods/processes relating to notification duties to a trade repository are appropriate and were applied effectively (for audit depth "audit").	
Internal directives and methods/processes relating to risk-mitigation obligations are appropriate and were applied effectively (for audit depth "audit").	
Internal directives and methods/processes relating to the obligation to trade via trading venues and organised trading systems are appropriate and were applied effectively (for audit depth "audit").	
The confirmations are based on the following audit procedures	

6.2.9 Notification obligations (institution)

Audit area	Audit field
Internal organisation	Notification obligations (institution)
Net risk	Intervention in the reporting year
Year of last intervention with audit depth 'audit'	
Year of last intervention with audit depth 'critical assessment'	
The institution complied with the provisions relating to notification obligations.	
The confirmations are based on the following audit procedures	

6.2.10 Offering of financial instruments FinSA

Audit area	Audit field
Internal organisation	Offering of financial instruments FinSA

Net risk	Intervention in the reporting year

Year of last intervention with audit depth 'audit'

Year of last intervention with audit depth 'critical assessment'

The provisions for the offering of financial instruments are complied with.	
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There are appropriate processes and controls when appointing third parties for the provision of financial services.	
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Advertising for financial instruments is clearly indicated as such.	
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The confirmations are based on the following audit procedures

6.3 Minimum capital and capital adequacy requirements

Audit area	Audit field
Minimum capital and capital adequacy requirements	Minimum capital and capital adequacy requirements

Explanation

The minimum capital according to Art. 42 resp. 58 FinIO must be paid up in full and must not be impaired by a loss carried forward or a current loss of the year.

The audit firm provides in annex under "10.2 Documents to be submitted " the calculation of the required and eligible capital based on the numbers in the financial statements (reference to the annual report may be made, provided it contains the relevant information regarding required and eligible capital).

Net risk	Intervention in the reporting year

Year of last intervention with audit depth 'audit'

Year of last intervention with audit depth 'critical assessment'

Adequate processes and controls to monitor compliance with the minimum capital and the capital adequacy requirements are in place.	
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The minimum capital requirements are complied with.	
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The capital adequacy requirements are complied with.	
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The confirmations are based on the following audit procedures

6.4 Rules of conduct

6.4.1 Anti-money laundering provisions

Audit area	Audit field
Rules of conduct	Anti-money laundering provisions
Net risk	Intervention in the reporting year
Year of last intervention with audit depth 'audit'	
Year of last intervention with audit depth 'critical assessment'	
A General audit points:	
The design of the organisational measures for compliance with anti-money laundering rules is appropriate.	
The management of high-risk business relationships is correct.	
High-risk transactions are managed correctly.	
Notification duties and asset freezes are performed correctly.	
B Identification:	
The opening of business relationships (incl. identification of contracting party, determination of controlling persons, beneficial owners) is correct.	Year of last intervention
C Complex structures:	
The management of business relationships with complex structures is correct.	Year of last intervention
D Politically Exposed Persons (PEP):	
The management of business relationships with PEP is correct.	Year of last intervention
E Trade Finance & Sanctions:	
The management of trade finance and sanctions is correct.	Year of last intervention
F Virtual Assets / Virtual Asset Service Provider:	
Services in the context of Virtual Assets are provided correctly.	Year of last intervention

The confirmations are based on the following audit procedures

References for supplements

6.4.2 Protection of investors' interests CISA

Audit area

Audit field

Net risk

Intervention in the reporting year

Year of last intervention with audit depth 'audit'

Year of last intervention with audit depth 'critical assessment'

The processes and controls to ensure the protection of investors' interests are appropriate.

Investors' interests are upheld.

For real estate funds:

The appropriate directives and processes are in place to ensure that borrowing takes place at market conditions.

The confirmations are based on the following audit procedures

6.4.3 Conduct rules FinSA

Audit area

Audit field

Net risk

Intervention in the reporting year

Year of last intervention with audit depth 'audit'

Year of last intervention with audit depth 'critical assessment'

The licence holder has written agreements for the financial services provided which correspond to the applicable standards.

The operational organisation related to the management, controlling and reporting of suitability risks in the management of financial instruments (portfolio management), portfolio-based investment advisory

services, investment advisory services for individual transactions and execution-only transactions) is appropriate.

The internal processes for compliance with conduct rules related to the management of financial instruments (portfolio management), portfolio-based investment advisory services, investment advisory services for individual transactions and execution-only transactions are appropriate.

The measures taken to provide training and further education in the management of financial instruments (portfolio management), portfolio-based investment advisory services, investment advisory services for individual transactions and execution-only transactions are appropriate.

The involvement of third parties in the provision of financial services is carried out in a proper manner and the monitoring is conducted prudently.

The FinSA rules of conduct are complied with.

The confirmations are based on the following audit procedures

References for supplements

(refer to FINMA audit points); mention other/additional audits)

6.4.4 Market conduct rules and market integrity

Audit area	Audit field
Rules of conduct	Market conduct rules and market integrity

Net risk	Intervention in the reporting year
<input type="text"/>	<input type="text"/>

Year of last intervention with audit depth 'audit'

Year of last intervention with audit depth 'critical assessment'

The internal directives and methods/processes for the identification, measurement, management and monitoring of risks in the area of market conduct are appropriate.

The rules of market conduct are complied with.

The confirmations are based on the following audit procedures

References for supplements

(refer to FINMA audit points); mention other/additional audits)

6.4.5 Cross-border activities

Audit area	Audit field
Rules of conduct	Cross-border activities
Net risk	Intervention in the reporting year
Year of last intervention with audit depth 'audit'	
Year of last intervention with audit depth 'critical assessment'	
The methods/processes for the identification, measurement, management and monitoring of cross-border risks are appropriate.	
The internal guidelines regarding cross-border activities are complied with.	
The confirmations are based on the following audit procedures	
References for supplements	
(refer to FINMA audit points); mention other/additional audits	

7. Additional audits

The audit firm summarises the results of additional audits. Any notices of reservation and recommendations are to be included in chapter 4.

Were additional audits carried out in accordance with the audit strategy?

Yes No

8. Additional comments

8.1. Events after the completion of the audit procedures

Are there any significant events that were identified in the period between the completion of the audit procedures and the submission of the audit report?

Yes No

8.2 Supplementary reports

Is there any supplementary reporting (e.g. management letter) with details of significant findings and recommendations?

Yes No

8.3 Additional comments or information from the audit firm

Are there any additional comments or information from the audit firm?

Yes No

9. Signatures/confirmation by the audit firm

The lead auditor together with another auditor with signatory powers sign the PDF-report (qualified electronic signature), which they submit as an attachment to the electronic survey via the FINMA survey platform.

If it is not possible to sign the report electronically in a qualified manner, it must be printed out, signed by hand and submitted to FINMA by post in addition to the electronic submission of the survey via the FINMA survey platform.

10. Annex

10.1 List of delegations

10.1.1 Activities delegated by the manager of collective assets to a third party

Supplement to audit field 6.2.5 Delegation of tasks/outsourcing

Are there any activities delegated to a third party?

Yes No

10.2 Documents to be submitted

The following documents are to be submitted with the audit report:

- a) Group structure (organisational chart)
- b) Organisational chart of the manager of collective assets
- c) Additional documents deemed relevant by the audit firm