

26 June 2020

Circular to licensed corporations

Revised financial return form

The Securities and Futures Commission (SFC) today published the draft of the revised form of the return required to be submitted by licensed corporations (LCs) under section 56 of the Securities and Futures (Financial Resources) Rules. The draft is included in the Annex to this circular.

The financial soundness of LCs is a major focus of the SFC, which supervises LCs' prudential risks primarily through a review of their financial returns. In light of the rapidly changing operating environment and greater business complexity, the financial return form has been revised to collect additional data from LCs to enable the SFC to identify risks in a timely manner, take prompt supervisory action and protect investors.

To allow time for LCs to prepare, the revised form shall only be used for accounting periods starting on or after 1 July 2021. While the revised form may be subject to non-substantive amendments, LCs are strongly advised to familiarise themselves with the revised form, start gathering the newly required data and enhance their systems where necessary.

The final version of the revised form will be published in the Government Gazette in due course.

Should you have any questions regarding the contents of this circular, please contact the case officers in charge.

Intermediaries Supervision Department
Intermediaries Division
Securities and Futures Commission

Enclosure

End

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