
FINAL NOTICE

To: **Kensington Financial Management Limited**
Of: **Queensway House**
Queensway
Middlesbrough
Cleveland
TS3 8TF

Dated: **11 November 2004**

TAKE NOTICE: The Financial Services Authority of 25 The North Colonnade, Canary Wharf, London E14 5HS (“the FSA”) gives you final notice about a decision to cancel the permission granted to Kensington Financial Management Limited (“KFML”) to carry on regulated activities.

1. ACTION

The FSA gave KFML a Decision Notice on 11 October 2004 (“the Decision Notice”) which notified KFML that for the reasons listed below and pursuant to section 45 of the Financial Services and Markets Act 2000 (“the Act”), the FSA had decided to cancel the permission granted to KFML pursuant to Part IV of the Act (“KFML’s Part IV permission”).

2. REASONS FOR ACTION

On the basis of the facts and matters and the conclusions described in its Warning Notice dated 8 September 2004 (an extract from which is attached to, and forms part of, this Notice) and in the Decision Notice, it appears to the FSA that KFML has failed to satisfy the threshold conditions set out in Schedule 6 of the Act in that the FSA is not satisfied that KFML is fit and proper in all the circumstances, including the need to ensure that its affairs were conducted soundly and prudently.

By virtue of section 45(1)(a) of the Act, which gives the FSA the power to cancel a firm's Part IV permission if it is considered appropriate to do so, the FSA has today cancelled KFML's Part IV permission.

3. IMPORTANT

This Final Notice is given to KFML in accordance with section 390(1) of the Act.

Publicity

Sections 391(4), 391(6) and 391(7) of the Act apply to the publication of information about the matter to which this Final Notice relates. Under those provisions, the FSA must publish such information about the matter to which this Final Notice relates as the FSA considers appropriate. The information may be published in such manner as the FSA considers appropriate. However, the FSA may not publish information if such publication would, in the opinion of the FSA, be unfair to KFML or prejudicial to the interests of consumers.

The FSA intends to publish such information about the matter to which this Final Notice relates as it considers appropriate.

FSA contact

For more information concerning this matter, you should contact Stephen Oakes at the FSA (direct line: 020 7066 5530 /fax: 020 7066 9720).

John Kirby
Manager, Retail Selling
Enforcement Division

EXTRACT FROM WARNING NOTICE DATED 8 SEPTEMBER 2004

REASONS FOR PROPOSED ACTION

Facts and matters relied on

KFML is a limited company acting as an independent financial adviser for which Mr Stephen Bailey is the only approved person.

KFML has failed to notify the FSA of a change in the address of its principal place of business and has failed to pay fees of £1,498.65 owed to the FSA.

Conclusions

The facts and matters described above lead the FSA, having regard to its regulatory objectives, to the following conclusions:

- by failing to notify the FSA of a change in the address of its principal place of business, KFML has prevented the FSA from dealing with it in relation to significant outstanding regulatory matters. The FSA has had no means of communicating with KFML which presents a risk to the FSA's consumer protection objective.
 - KFML has failed to satisfy the FSA that its affairs are, and will be, conducted soundly and prudently, and in compliance with proper standards. KFML therefore fails to satisfy Threshold Condition 5 (Suitability).
 - KFML has also failed to comply with Principle 11, under which firms must be open and co-operative with the FSA, in that it has not dealt with the FSA or kept the FSA advised of information which the regulator can reasonably expect full disclosure of.
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