# TCCA Indicative Assessment Items

Sample Questions for Examination Familiarisation
Version: 2.3 | Effective: 1 January 2026 | For: TCCA

## Important Notice

These examples are provided to familiarise candidates with assessment style and format.

**These items do not:**

- Reflect the full scope, weighting, or difficulty of the examination
- Constitute a representative sample of examinable content
- Guarantee coverage of all domains or learning outcomes
- Serve as a study guide or comprehensive preparation tool

The actual examination contains different questions. Candidates must prepare across all syllabus domains.

## Multiple-Choice Questions (Indicative Examples)

### Question 1 (Domain 1: Custody Risk)

A client holds Bitcoin in a non-custodial wallet where they control the private keys. They ask about the primary operational risk of this arrangement.

Which of the following represents the **most significant** risk?
A) Exchange insolvency
B) Regulatory seizure of assets
C) Loss of private key or seed phrase
D) Network consensus failure

**Correct Answer: C**

**Rationale:** Non-custodial arrangements eliminate counterparty risk (ruling out A), but introduce operational risk centred on key management. Loss or compromise of private keys results in permanent loss of access. While B and D are possible, C represents the most direct and common risk in self-custody.

**Question 2 (Domain 2: FCA Regulatory Obligations)**

An adviser wishes to promote a crypto portfolio service to UK retail clients via social media. Which of the following statements is correct under current FCA guidance?
A) Cryptoasset promotions are unrestricted provided they include a risk warning
B) Cryptoasset promotions must be approved by an FCA-authorised firm
C) Cryptoasset promotions are prohibited to retail clients in all circumstances
D) Cryptoasset promotions require pre-approval by the FCA directly

**Correct Answer: B**

**Rationale:** Under FCA rules effective from October 2023, financial promotions relating to qualifying cryptoassets must be communicated or approved by an FCA-authorised firm. A is incorrect (approval is required, not just warnings). C is incorrect (promotions are permitted subject to approval). D is incorrect (approval is by authorised firms, not directly by the FCA).

**Question 3 (Domain 3: Tax Treatment)**

A UK taxpayer purchases 1 BTC on 1 March for £30,000. They purchase another 1 BTC on 15 March for £32,000. On 20 March, they sell 1 BTC for £35,000.

Under HMRC pooling rules, what is the cost basis for the disposal?
A) £30,000
B) £31,000
C) £32,000
D) £35,000

**Correct Answer: B**

**Rationale:** HMRC applies pooling rules to cryptoassets. The cost basis is the average cost of the pool: (£30,000 + £32,000) / 2 = £31,000. Same-day and 30-day matching rules take precedence where applicable, but in this scenario, standard pooling applies.

**Question 4 (Domain 4: Portfolio Construction)**

A client with a moderate risk tolerance holds a diversified equity portfolio. They propose allocating 40% of total portfolio value to Bitcoin. Which response is most appropriate?
A) Approve the allocation as Bitcoin offers diversification benefits
B) Decline to advise as cryptoassets are outside regulatory scope
C) Challenge the allocation as inconsistent with stated risk tolerance
D) Approve provided the client signs a high-risk acknowledgement

**Correct Answer: C**

**Rationale:** A 40% allocation to a highly volatile, speculative asset is inconsistent with moderate risk tolerance. The adviser's duty is to assess suitability and challenge unsuitable proposals. A ignores suitability principles. B is incorrect (advice is permitted). D confuses disclosure with suitability assessment.

**Question 5 (Domain 5: Ethics & Suitability)**

An adviser receives a referral fee from a crypto exchange for clients who open accounts. When must this conflict be disclosed?
A) Only if the client asks about referral arrangements
B) At the point of recommendation or before
C) After the client has opened an account
D) Disclosure is not required for referral fees

**Correct Answer: B**

**Rationale:** Material conflicts of interest must be disclosed clearly before or at the point of recommendation. This allows the client to assess the advice with full knowledge of potential bias. Disclosure after the fact (C) or only on request (A) does not meet regulatory or ethical standards.

## Scenario-Based Questions (Illustrative Examples)

### Scenario 1: Regulatory Compliance & Client Suitability

**Background:**
Sarah is a 28-year-old marketing professional earning £45,000 annually. She has £10,000 in savings, no dependents, and rents her accommodation. She approaches you requesting advice on investing her entire savings into a portfolio of altcoins (80% allocation) with a view to "early retirement in five years."
Sarah has no investment experience beyond a workplace pension. She found you through a YouTube video you posted titled "10x Crypto Gains in 2024."

**Question:**
(a) Identify three regulatory or ethical concerns arising from this scenario.
(b) Outline the steps you should take before providing any advice.
(c) If Sarah insists on proceeding despite warnings, what is your obligation?

### Scenario 2: Tax Treatment & Evidence

**Background:**

James, a UK taxpayer, provides you with the following transaction history:

- 1 Jan 2024: Purchased 2 BTC at £25,000 each (£50,000 total)
- 15 Jan 2024: Purchased 1 BTC at £28,000
- 10 Feb 2024: Sold 2 BTC at £30,000 each (£60,000 total)
- 15 Feb 2024: Purchased 1 BTC at £29,000

James cannot provide evidence of the 15 Jan purchase and believes "HMRC won't care about one transaction."

**Question:**
(a) Calculate the capital gains tax liability for the 10 Feb disposal, assuming:
- Higher-rate taxpayer (CGT rate: 20%)
- Annual CGT allowance: £6,000

(b) Explain the record-keeping risk arising from the missing evidence.
(c) What advice would you give James regarding the missing transaction evidence?

## Notes on Marking

### Multiple-Choice Questions

- One mark per correct answer.
- No partial credit.
- Rationale is provided here for learning purposes but would not appear in the examination.

### Scenario Questions

Marking allocates points for:

- Identification of relevant issues
- Application of appropriate frameworks or regulations
- Practical, defensible recommendations
- Demonstration of professional judgement

Candidates are not expected to reproduce legislation verbatim. Credit is awarded for structured reasoning and application to the scenario.

## Disclaimer

These indicative items are for familiarisation only.

The actual TCCA examination:

- Contains different questions
- May test domains not represented here
- Includes greater complexity and nuance
- Assesses applied competence, not pattern recognition

Candidates who rely solely on these examples will not be adequately prepared.

**TrustCrypto Institute**

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