

# Anti-money laundering compliance review checklist

This checklist is designed to help you complete your firm's anti-money laundering compliance review to reflect on the current legislation, regulation, guidance, best practice and your effective management of MLTF risk. It is for general guidance only and is not intended to supply legal, regulatory or professional advice. Compliance with the MLR in force is the legal duty of the licensed member and supervision by AAT does not transfer any part of those responsibilities to AAT. Please refer to the [Anti-Money Laundering and Counter-Terrorist Financing Guidance for the Accountancy Sector](#) for further advice on when and how to complete your periodic review. Whilst the use of this template is optional, it is a requirement of the MLR that your assessment be documented and available to your supervisory authority on request.

1. Policies, controls and procedures				
		Yes	No	N/A
1.1	Does the firm have written policies, controls and procedures to mitigate the risk of money laundering?			
1.2	Have the policies, controls and procedures been tailored to the specific circumstances of the firm? For example, structure, services provided and client types.			
1.3	Do the policies, controls and procedures cover: <ul style="list-style-type: none"> <li>• risk management</li> <li>• internal controls</li> <li>• staff training</li> <li>• customer due diligence</li> <li>• record keeping</li> <li>• monitoring of compliance</li> <li>• reporting Controls for suspicious</li> <li>• high risk factors identified by AAT?</li> </ul>			
1.4	Are the policies, controls and procedures reviewed and updated regularly and is this approved by someone senior in the firm?			
1.5	Have the policies, controls and procedures been communicated to staff, made readily available for reference by all staff and is there evidence of this?			
1.6	Has the firm designated a member of its management team to be responsible for compliance with the regulations (this may be the same as the Nominated Officer)?			
1.7	If the firm is part of a group or has separate departments, are policies, controls and procedures consistently applied across all parts of the group / departments?			

2. Client due diligence				
		Yes	No	N/A
2.1	Does the firm have procedures to check a client's identity and business activities that mitigate the risk of money laundering activity?			
2.2	Are there controls in place to ensure that client due diligence is undertaken prior to services being provided to the client?			
2.3	Does the firm use a recognised and reliable electronic AML system that provides sufficient assurance as to the identity of the individual to record its client due diligence?			
2.4	If the firm has developed its own client due diligence procedures do they document: <ul style="list-style-type: none"> <li>• Client identification</li> <li>• Understanding of the client's activities</li> <li>• Understanding the reasons behind the services provided to clients</li> <li>• A conclusion on the level of risk?</li> </ul>			

2.5	Is the client due diligence process updated regularly (and immediately for any client on a change in their circumstances)?			
2.6	Does the firm establish the beneficial owner of the client (usually a person who owns or controls 25% or more)?  Where you have not been able to identify the ultimate beneficial ownership of a client which is a body corporate, have you taken reasonable measures to verify the identity of the senior person in the body corporate responsible for managing it and keep records of actions taken and difficulties encountered?			
2.7	Do you check the Persons with Significant Control (PSC) register on Companies House and collect proof of registration / excerpt from the register? Please see the <a href="#">Companies House guidance</a> on how to make a report if the information you hold, as an obliged entity, about a beneficial owner is different from the information on the PSC register.			
2.8	Do you have any clients where you could apply simplified due diligence?			
2.9	Do you have any clients who are <a href="#">Politically Exposed Persons (PEPs)</a> , including their family members or known close associates? And, if so, have you carried out enhanced due diligence?			
2.10	For any clients you have identified as high risk, particularly when a client is established in a high-risk third country or a relevant transaction involves a client in a high-risk third country, have you carried out enhanced due diligence?			
2.11	Has the establishment of a business relationship with a PEP or any client that is higher risk due to connections with high-risk third countries been approved by senior management?			
2.12	Has the firm obtained evidence of identification for all clients and has it certified these documents as true copies?			
2.13	Have you checked all clients against the <a href="#">Financial Action Task Force (FATF) list of high-risk and other monitored jurisdictions</a> and the <a href="#">OFSI consolidated list of financial sanctions</a> ?			
2.14	When dealing with a client non-face-to-face without reliable electronic CDD, do you carry out suitable enhanced due diligence procedures to verify their identity as required under the regulations?			
2.15	Does the firm place reliance on a third party for any of your client due diligence and, if so, do you have procedures to check that reliance is acceptable?			
2.16	If the firm has not been able to complete its client due diligence procedures satisfactorily has it ceased its business relationship with that client?			
2.17	Does the firm have processes and procedures for recording ongoing client due diligence monitoring and review records held?			
2.18	Do firm procedures include contacting any existing clients in the course of the calendar for the purpose of reviewing any information which is relevant to the firm's risk assessment, and relates to the customer's beneficial ownership?			
2.19	Does the firm have processes and procedures for updating and reviewing ongoing client due diligence monitoring in response to changes in circumstances? For example, a SAR being made, a change in business structure or ownership, involvement of a PEP, a change in services being provided to the client or a change in business activity.			

### 3. Risk assessment

		Yes	No	N/A
3.1	Has the firm carried out an assessment on itself?			
3.2	Does the firm's risk assessment cover risks associated with: <ul style="list-style-type: none"> <li>the clients</li> <li>the countries and geographic areas in which it operates</li> <li>the services provided to clients</li> <li>the types of transactions undertaken</li> <li>how it delivers its services?</li> </ul>			

3.3	Has the firm reviewed and updated this risk assessment to make sure it is up to date?			
3.4	Has the firm documented this firm-wide risk assessment? A <a href="#">template</a> is available.			
3.5	Has the firm's risk assessment been approved by senior management?			

#### 4. Record keeping

		Yes	No	N/A
4.1	Does the firm keep anti-money laundering records for at least five years after a business relationship with a client concludes?			
4.2	Has the firm <a href="#">paid the data protection fee</a> to the Information Commissioner's Office under the current GDPR legislation?			
4.3	Has the firm notified new clients of its data protection obligations and the information that will be collected from them as part of CDD and why it is collected. This information must not be used for other purposes unless the express consent of the data subjects is received.			
4.4	If another party is carrying out customer due diligence on behalf of your firm, are record keeping requirements being adhered to and you have access to the records should you require them?			

#### 5. Awareness and training

		Yes	No	N/A
5.1	Have you provided adequate up-to-date training for all staff (including subcontractors) to ensure staff have the correct level of skills and knowledge to carry out their responsibilities?			
5.2	Has the firm kept a written record of AML training provided to staff?			
5.3	Have you made all staff aware of who the Money Laundering Reporting Officer (MLRO) / deputy MLRO / compliance officer is?			
5.4	Does the firm assess relevant employees' conduct and integrity and skills, knowledge and expertise prior to appointment and regularly thereafter?			

#### 6. Supervision

		Yes	No	N/A
6.1	Have all beneficial owners, officers and managers (BOOMS) at the firm completed a criminality check and approved by AAT to conduct business in the regulated sector?			
6.2	Do you have a procedure for informing AAT within 30 days of any changes to the firm and any subsequent relevant offence conviction by a beneficial owner, officer or manager?			
6.3	If the firm is providing trust or company services, is it licensed to provide company secretarial services by AAT and on the trust or company services providers register maintained by HMRC?			

7. SAR reporting				
		Yes	No	N/A
7.1	Does the firm have internal reporting procedures for when a member of staff has knowledge or suspicion (or has reasonable grounds for knowing or suspecting) that a person is engaged in money laundering or terrorist financing?			
7.2	Do the procedures include the following factors: <ul style="list-style-type: none"> <li>• criminal offence for failing to disclose</li> <li>• reporting timescales</li> <li>• tipping off</li> <li>• guidance on what is 'suspicion'?</li> </ul>			
7.3	Has the firm made these procedures available to all staff?			
7.4	Do you have a clear written policy document outlining details of the MLRO and Deputy MLRO and reporting responsibilities are communicated and understood?			
7.5	Has the MLRO documented his/her conclusion in respect of all internal SARs received, including where the firm hasn't made a report to the NCA?			
7.6	Has the MLRO made the <a href="#">reports to NCA</a> on a timely basis or as soon as practicable?			
7.7	Has the firm reviewed the number of reports made in the past 12 months and considered whether the number or type of SARs should be reflected in the firm's risk assessment? They could pose a high risk and mitigating actions are required.			

8. Ongoing monitoring				
		Yes	No	N/A
8.1	Has the firm reviewed and updated its AML policies, procedures and controls in the last 12 months?			
8.2	Has the firm reviewed a sample of client due diligence (for both new and existing clients) to check for compliance with the firm's procedures?			
8.3	Has the firm reviewed a sample of client files to check that its policies, controls and procedures have been applied consistently?			
8.4	Has the firm collated the results and included them in the report to the firm's senior management, as well as providing feedback to the staff?			
8.5	Has the firm put in place an action plan to address any areas in this compliance review where it has identified compliance issues? For example, staff training, record keeping and client due diligence issues.			
8.6	<p>Outlined actions to be addressed and how the firm plans to implement.</p> <ol style="list-style-type: none"> <li>1.</li> <li>2.</li> <li>3.</li> <li>4.</li> <li>5.</li> </ol>			
Date of next review:				

Completed by:
Date:
Checked by MLRO:
Date: