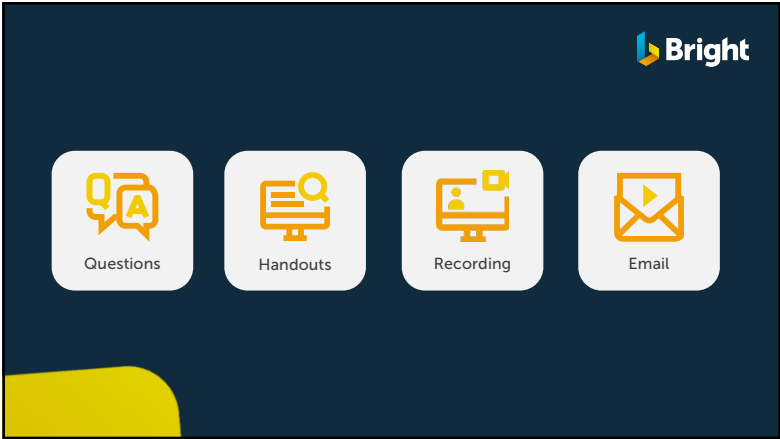




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Simply brilliant software

AML

Turn anti-money laundering challenges into triumphs



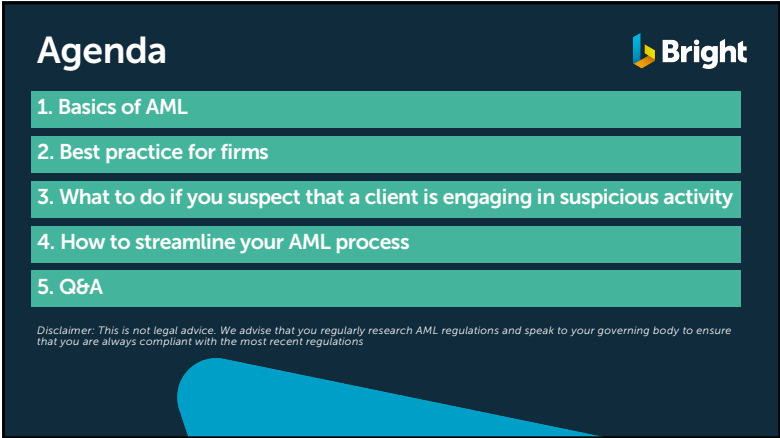
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- Questions
- Handouts
- Recording
- Email



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Accountancy, tax, payroll, proposal, and company secretarial software.



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Agenda


1. Basics of AML
2. Best practice for firms
3. What to do if you suspect that a client is engaging in suspicious activity
4. How to streamline your AML process
5. Q&A

Disclaimer: This is not legal advice. We advise that you regularly research AML regulations and speak to your governing body to ensure that you are always compliant with the most recent regulations.




AML: The basics

- › Laws and regulations to help prevent and detect money laundering activity
- › Over 900,000 SARS received and £300 million in funds denied from DAML requests between 2021-2022



AML: The basics


- › Taking on a client who launders money isn't unheard of
- › Have you or a firm you know ever taken on the odd 'problem client'?
- › This is how problems can first start, and then snowball into much bigger issues with disastrous consequences



AML best practice tips




Staff training




- › Make sure staff are trained in AML procedures
- › Must be aware of AML regulations and who MLRO is
- › Not a one-time event. AML training should be ongoing and done regularly

Record keeping





- › Keep record of staff training
- › Policies and procedures must be in writing and read regularly
- › CDD records must be kept for 5 years from end of business relationship
- › How frequently do checks need to be done after onboarding a new client?

For example



- › ICAEW on-site reviews would also consider factors such as role of MLRO, sanctions compliance, prohibiting providing accountancy services to high-risk countries, etc.
- › Think about how regularly these need to be reviewed
- › What could constitute an increased frequency in checking?

Customer Due Diligence



- › You must carry out CDD
- › Risk assessments and verifying IDs
- › Assess risk level for each client
- › Go back to your policies and procedures and act accordingly based on risk level



What if someone is suspicious?

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Signs of suspicious activity

- › Reluctant to provide paperwork and ID
- › Predominantly cash-based
- › Lots of layers to company structure
- › Push for quick returns
- › Unclear source funds
- › Rapid turnover rate

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Reporting an SAR

- › MLRO reports suspicious activity by making an SAR
- › Done on NCA website
- › Give as much information as possible
- › Helps safeguard your firm and the profession
- › Non-compliance can lead to legal action, loss of credibility and reputation

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Consequences of non-compliance

- › Could lead to legal action
- › Names of business who face penalties are published on HMRC
- › MLRO takes on significant personal liability in their firm

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How to streamline your AML process



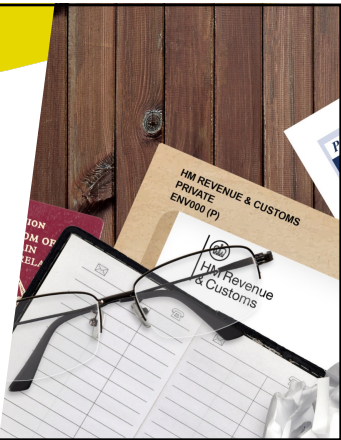
Onboarding and task delegation

- › Streamline onboarding and task delegation
- › Ensures smooth workflow from the get-go
- › Real-time team collaboration
- › Notify staff when it's their turn to take over a task
- › Look out for solutions tailored to the industry that can offer additional features to automate your firm further



ID checks

- › Even if you know the client personally, **it still has to be done**
- › Vary in cost – shop around and see what suits best
- › Automated approach streamlines your AML process
- › Cuts down on printer ink and paper costs



Risk assessments

- › If you're manually writing or typing up risk assessments, big changes must be made
- › Use a system with a built-in risk assessment questionnaire
- › Make sure it's tailored for the industry
- › Makes it much easier for your team to get through and ensures no details get lost

All-in-one system!

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How to undertake AML checks

- Purchase AML credits
- Confirm details
- Carry out new AML check
- Enter details
- Act accordingly based on result
- Carry out risk assessment
- Act accordingly based on client risk level

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Highlight Areas of Risk

Question Yes/No

Does the client want to use the firm's client account as a bank account? Yes No

Is it a cash based business? Yes No

Is there a lack of independent audit evidence? Yes No

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Has there been a change in business activity? Yes No

Is there intra group trading? Yes No

Have there been any dramatic increases in turnover? Yes No

Does the client have high turnover/volume from small business locations? Yes No

Have there any transactions in the year without an immediate or obvious purpose? Yes No

Does the client require a client account denominated in a foreign currency? Yes No

Does the client have a history of persistent and untimely errors in tax returns? Yes No

Credit reference check Yes No

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ACCOUNTANCYMANAGER

Upcoming webinar:

Ask us anything
About AccountancyManager's
AML tool

Friday, 17th November, 11:00 am

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Questions and answers 

Three circular icons are displayed horizontally. The first is blue and contains a white outline of a person wearing a headset. The second is orange and contains a white outline of a speech bubble. The third is yellow and contains a white outline of a lit lightbulb.