



ACCA



ANNUAL REPORT: 6 APRIL 2021 – 5 APRIL 2022



UK AND IRELAND
ANTI-MONEY LAUNDERING (AML) SUPERVISION

Think Ahead

CONTENTS

About ACCA	3
Introduction	4
Section 1 – Foreword	5
Section 2 – Our role as an AML supervisor	7
Section 3 – Our AML supervised population	10
Section 4 – Monitoring activities during the period	11
Section 5 – AML resources	17
Section 6 – Whistleblowing	17
Section 7 – Looking forward	18
Appendices	19



ABOUT ACCA

ACCA (the Association of Chartered Certified Accountants) is the global professional body for professional accountants.

We're a thriving global community of **233,000** members and **536,000** future members based in **178** countries and regions, who work across a wide range of sectors and industries. We uphold the highest professional and ethical values.

We offer everyone everywhere the opportunity to experience a rewarding career in accountancy, finance and management. Our qualifications and learning opportunities develop strategic business leaders, forward-thinking professionals with the financial, business and digital expertise essential for the creation of sustainable organisations and flourishing societies.

Since 1904, being a force for public good has been embedded in our purpose. In December 2020, we made commitments to the UN Sustainable Development Goals which we are measuring and will report on in our annual integrated report. We believe that accountancy is a cornerstone profession of society and is vital in helping economies, organisations and individuals to grow and prosper. It does this by creating robust trusted financial and business management, combating corruption, ensuring organisations are managed ethically, driving sustainability, and providing rewarding career opportunities.

And through our cutting-edge research, we lead the profession by answering today's questions and preparing for the future. We're a not-for-profit organisation.

Find out more at accaglobal.com



We're a force for public good.
We lead the global accountancy
profession by creating opportunity.

INTRODUCTION

This Annual Report demonstrates how ACCA sets out to achieve its purpose through a robust regulatory framework for AML supervision.

Regulation is integral to ACCA's brand promise of global quality. ACCA's reputation, in turn, enhances the value of membership. Public value is, therefore, embedded in ACCA's regulatory system.

ACCA's regulatory structures and activities are kept under review, in order to respond effectively to developments in society and the regulatory environment. ACCA's qualifications, ethical standards, licensing, continuing professional development, monitoring and disciplinary processes are key to reassuring the public and regulators that high standards are being promoted and enforced

ACCA's regulatory and disciplinary framework is subject to oversight by a robust and independent Regulatory Board ('the Board'). The Board also has responsibility for overseeing ACCA examinations and other matters in relation to the integrity of the qualifications process. The majority of the Board's members are non-accountants. Full details of the Board's regulatory policies and activities, including minutes of Board meetings, are available at www.accaglobal.com, including its public Report on Regulation.

SECTION 1 – FOREWORD

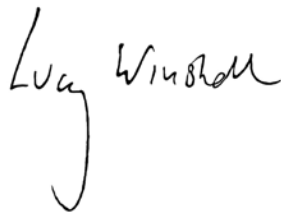
REGULATORY BOARD CHAIR'S STATEMENT

We live in very unusual and challenging times where the regulatory landscape is fast moving and ever evolving. The uncertainties and complexities have been compounded by the continued impact of the Covid-19 pandemic and the severe geopolitical tensions and conflict in a number of markets in which ACCA operates, most recently in Ukraine, creating new challenges.

The Regulatory Board – supported by the Appointments, Qualifications and Standards Boards – is tasked with providing general oversight over ACCA's regulatory arrangements. The public interest oversight arrangements in place, including the substantial level of lay (ie, non-accountant) involvement is a key differentiator and a real strength in demonstrating that impartiality and public interest are at the fore. The Board, therefore, plays a critical role in safeguarding the public interest and in delivering public value. This in turn contributes to ACCA's purpose to be a force for public good.

I and the Board are committed to ensuring that we play our part in ensuring ACCA's regulatory arrangements are robust, transparent and proportionate to meet the challenges that lie ahead.

The Board and ACCA take our role and responsibility as an AML supervisor seriously and fully understand the critical role we play in combatting money laundering and ensuring the firms ACCA supervise adhere to the highest standards.



Lucy Winksell
Chair, Regulatory Board

EXECUTIVE DIRECTOR'S STATEMENT

This report sets out the key outcomes and activities that are undertaken by ACCA to effectively fulfil our responsibilities as an AML supervisory body in the UK and Ireland during the period 1 April 2021 to 5 April 2022.

During the period the report covers, we achieved a 52% increase in the number of AML compliance reviews that we were able to conduct when compared to the previous period. This is due to the AML team reaching its target operating model after we began building the designated team in 2019 to meet our responsibilities as an AML supervisor in the UK and Ireland.

ACCA is aware of the devastating impact that money laundering has on society, and we take our role as an AML supervisor seriously so that we, and those we supervise, are effective and play our part in the fight to combat it.

Our supervised population, from those trading as sole practitioners up to large firms, play a vital role in helping the global fight to prevent money laundering.

National Risk Assessments of money laundering published by both the UK and Ireland highlight the key vulnerabilities that criminals will look to exploit in the accountancy sector. We actively and positively engage with the other accountancy body AML supervisors, law enforcement and others to ensure that we are aware of emerging risks and adapt our approach to appropriately address these.

ACCA conducts designated AML compliance reviews in order to ensure that those we supervise are operating to standards compliant with the regulations. This protects the firm itself from being exploited by criminals and ultimately helps protect society from the impacts of money laundering.

This report encompasses the activities undertaken and the key themes identified during our AML compliance reviews and highlights resources available for members to help them implement appropriate controls.



Maggie McGhee

Executive Director, Strategy and Governance

SECTION 2 – OUR ROLE AS AN AML SUPERVISOR

WHY IS ACCA AN AML SUPERVISOR?

ACCA and our members act as a force for public good and therefore we have a vital role to play in helping society to combat the harmful impacts of money laundering through our AML supervisory activities.

In the UK, ACCA is a Professional Body Supervisor (PBS) for money laundering as detailed in schedule 1 of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLRs 2017).

In Ireland, ACCA is a Prescribed Accountancy Body (PAB) under the Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Act 2010 to 2021.

WHAT MONITORING POWERS DOES ACCA HAVE?

When members apply for an ACCA Practising Certificate, they agree to be bound by the provisions of the ACCA Rulebook. The ACCA Rulebook sets out the requirement in relation to AML compliance and ACCA's powers concerning the monitoring and compliance of ACCA Practising Certificate holders.

In addition, if a case is referred to ACCA's Admissions and Licensing or Disciplinary Committees, those Committees have powers to require members to produce necessary documents and any other information and explanations relevant to the matter in question.

More can be read about ACCA's Regulation and Standards work [here](#).

ACCA'S APPROACH TO AML SUPERVISION

ACCA has a designated AML Supervisory Team with responsibility of ensuring compliance of the AML supervised population.

ACCA took a strategic decision to build a designated team to conduct specific AML compliance reviews in order to effectively meet its AML supervision responsibilities in the UK and Ireland.

The team take a risk-based approach to AML supervision and will use information collected on our firms through the AML risk assessment questionnaire and other sources to inform our monitoring plan and allocate our resources appropriately.

ACCA conducted its AML risk assessment of its supervised firms in November 2021. The data collected through this enables us to fully assess each supervised firm for its risk of being exposed to money laundering or terrorist financing. More detail on the factors included in the risk assessment is covered under the section 'Money Laundering Risk in the Accountancy Sector' in this report.

ACCA's program of specific AML compliance reviews is conducted by experienced AML professionals. We use different methods to conduct the AML compliance reviews, whichever type of review a firm receives, it will comprehensively assess the firm to ensure that it has appropriate money laundering controls and framework in place to ensure it is compliant with the AML requirements in the jurisdiction it operates.

At the conclusion of the review the firm will be issued with an AML report.

Where non-compliance is identified, a firm will be issued with an AML report that details the findings and the actions the firm is required to implement to become compliant. The firm will have a deadline of 30 days to implement the action where a control is assessed as non-compliant and provide evidence to ACCA of the action taken. ACCA may also take enforcement action in respect of the non-compliant controls.

OVERSIGHT OF AML SUPERVISORY ACTIVITIES UK

In the UK, ACCA's AML supervisory activities are subject to oversight by the Office for Professional Body Anti-Money Laundering Supervision (OPBAS). OPBAS has oversight of the twenty-two accountancy and legal sector PBSs detailed in schedule 1 of the MLRs 2017.

OPBAS is housed within the FCA, and its key objectives are to reduce the harm of money laundering and terrorist financing by:

- 1 Ensuring a robust and consistently high standard of supervision by the professional body AML supervisors (PBSs) overseeing the legal and accountancy sectors.
- 2 Facilitating collaboration and information and intelligence sharing between PBSs, statutory supervisors and law enforcement agencies.

OPBAS issues annual reports detailing its findings and themes from the activities that year. Further detail, including the annual reports and sourcebook, of OPBAS can be accessed [here](#).

MONEY LAUNDERING RISK IN THE ACCOUNTANCY SECTOR

In the UK, HM Treasury and the Home Office publish the national risk assessment (NRA) of money laundering and terrorist financing. The third, and latest, NRA was published in 2020. In Ireland, the Department of Finance (DoF) and the Department of Justice and Equality (DoJE) published Ireland's first money laundering and terrorist financing NRA in 2019.

Both publications assess the threats and vulnerabilities of sectors being exploited based on factors such as the products and services they offer, their client base or the jurisdictions in which they operate.

The UK NRA highlights the risk of being exposed as highest when accountancy service providers (ASPs) do not fully understand the money laundering risks that their clients pose and therefore do not implement appropriate risk-based controls. The Irish NRA also reflects this theme and states that accountants may unknowingly facilitate money laundering when client due diligence procedures are too rudimentary to establish sources of funds, or the ultimate beneficial owner of funds involved in what may be complex transactions, which may involve multiple jurisdictions and legal arrangements.

Some of the other key areas highlighted by both the UK and Ireland NRAs of why accountants are at high risk of exploitation by criminals include:

- Accountancy services remain attractive to criminals due to the ability to use them to help their funds gain legitimacy and respectability, as implied by accountant's professionally qualified status.
- Accountants providing company formation services. The risk is greatest when company formation services are offered alongside other accountancy services in order to create complex corporate structures that conceal the true source of wealth and/or funds and to obscure beneficial ownership.
- False accounting enables criminals to mask the true source of their funds. This falls under three categories: false bookkeeping, production of false documents and audit.
- Facilitation of tax evasion through the provision of tax advice and acting as an agent with HMRC.
- Criminals may target accountants who have client accounts to try and move large amounts of funds on their behalf.

ACCA use the NRAs, as well as other sources, to form the AML risk assessment of our firms. We conducted a bulk risk assessment of our firms focussing on the following factors and areas of risk:

- Size of the firm (employees and revenue).
- Total number of clients.
- Types of clients (eg, those typically considered as high-risk, such as cash-intensive, cryptocurrency, high-net-worth individuals, Politically Exposed Persons etc).
- Location of the clients and any associations with high-risk countries as listed in the MLRs.
- Number of internal Suspicious Activity Reports (SARs) received by the MLRO and subsequent number of external SARs filed by the MLRO to the NCA.
- Services offered (such as handling of client money, payroll, TCSP services etc) and percentage of turnover generated from these.

ACCA proactively engages with other accountancy bodies and HMRC through the AML Supervisors Group (AASG) in the UK and with other accountancy bodies and the Garda in Ireland through the Joint Practices Group. This ensures that we are able to share best practice and emerging trends that ensures consistency across the sector in supervisors' approaches in both jurisdictions.

The AML Supervisory Team's operating model allows for flexibility in approach as we recognise that financial crime has constantly emerging threats that often require an immediate response. During this period, the flexibility meant we were able to adapt our activities to conduct a targeted review to understand the exposure of our firms in relation to the financial sanctions applied to Russia.

SECTION 3 – OUR AML SUPERVISED POPULATION

WHO DOES ACCA SUPERVISE?

ACCA supervises firms for AML if one, or more, ACCA member holds an ACCA Practising Certificate and have combined majority control over the firm. ACCA supervises Sole Practitioners (SPs) who hold an ACCA Practising Certificate.

If a member does not hold an ACCA Practising Certificate or the majority control of the firm, then ACCA cannot act as its AML supervisor. In these situations, the member/firm would need to seek supervision from the body they hold professional membership with, or HMRC in the UK and the Minister for Justice and Equality in Ireland.

ACCA'S AML SUPERVISED POPULATION

The table below reflects the number of firms, including SPs, supervised by ACCA during the relevant period covered by this report:

Supervised population	
UK	6,846
Ireland	582
Total	7,428

Accountancy firms/SPs may also act as Trust or Company Service Providers (TCSP). Any ACCA supervised firms/SPs that provide services that fall into the scope of the TCSP definition in addition to their accounting services are required to declare this to ACCA.

In the UK, where an entity is solely providing TCSP services unrelated to an accountancy business, even though it may include an ACCA member, it is expected that the entity will be supervised by HMRC.

In Ireland, the Department of Justice – AML Compliance Unit (AMLCU) are responsible for supervision of TCSP services unrelated to an accountancy business. There is a Memorandum of Understanding that sets out the role of the AMLCU and professional bodies in supervising TCSPs.

This can be accessed [here](#).

Of the firms we supervised during the period covered by this report, the table below reflects the number of firms who also provided TCSP services:

Supervised firms providing TCSP Services	
UK	4,352
Ireland	54
Total	4,406

SECTION 4 – MONITORING ACTIVITIES DURING THE PERIOD

ACCA'S AML COMPLIANCE REVIEWS

ACCA conducts specific AML compliance reviews which purely focus on the money laundering controls and framework that are in place in the firm. The reviews comprehensively assess them to ensure the firm's compliance with AML requirements in the jurisdiction it operates.

The review will be primarily conducted via the Money Laundering Reporting Officer (MLRO) of the firm but there may also be a need to interview one or two employees as well.

ACCA uses a range of methods to conduct the AML reviews. However, whatever method of review a firm receives it will be required to submit records and documentation to the AML supervisory team during the process.

The controls that are typically reviewed and tested during the process are:

- The firm's firm-wide risk assessment.
- Anti-Money Laundering and Counter Terrorist Financing policies and procedures.
- Client risk assessment processes, eg for consistency and documentation of rationale for client risk ratings.
- Client due diligence (CDD), enhanced due diligence (EDD) and ongoing monitoring procedures, including a review of a sample of client files, eg for evidence of relevant and up-to-date Know Your Client (KYC) information and evidence of the client risk assessment.
- The firm's process for identifying and reporting suspicious activity/transactions, including a sample of records of internal and external SAR/suspicious transaction report for accuracy and completeness.
- AML training provided to firm's employees (including evidence of their understanding of money laundering regulations and how to recognise red flag indicators and deal with suspicious activities/transactions). This includes reviewing AML training records to ensure materials are up to date and cover appropriate topics.
- Record-keeping systems, procedures and controls.

The table below reflects the number of AML compliance reviews conducted in the relevant period with a comparison against the previous period:

Number of AML compliance reviews				
Review type	2020/2021		2021/2022	
	UK	Ireland	UK	Ireland
Desk based	156	26	299	48
Total	182		347	

ACCA records the outcome of AML compliance reviews as compliant, non-compliant or generally compliant.

A compliant rating is applied to a firm where it can demonstrate, and provide evidence, that it has effective and appropriate systems and controls in place that meet the requirements of the relevant money laundering legislation. The controls minimise the likelihood that the firm will be exploited by those engaged in financial crime. A compliant firm will be able to provide evidence that these policies, procedures and controls are used consistently and are reviewed by the MLRO for effectiveness on a regular basis.

A generally compliant rating is applied to a firm that demonstrates it has systems and controls in place but there is insufficient evidence that they are fully effective; or they are not applied consistently in line with how they are written; or there is no evidence they are embedded into the firm's practices. An example is where firms rely on a third-party template for their AML policies and procedures that have not been tailored to reflect how the firm conducts its activities. A generally compliant firm will be given actions to address the weaknesses we have identified, typically, these will be checked as part of our next AML compliance review to ensure they have been effectively implemented.

A non-compliant rating is applied when a firm's systems and controls are non-existent, or lacking to the extent that the firm is vulnerable to exploitation by criminals. A non-compliant firm will be given 30 days to rectify the issues identified and provide evidence of the action taken. The firm may be referred to ACCA's Professional Conduct Department for further investigation that may lead to financial sanctions and/or exclusion of membership.

The outcomes of reviews, with a comparison against the previous period, can be found below:

Outcome of AML compliance reviews						
Rating	2020/2021			2021/2022		
	UK	Ireland	Total	UK	Ireland	Total
Compliant	1	0	1	0	6	6
Generally compliant	132	24	156	271	40	311
Non-compliant	23	2	25	28	2	30

CASE STUDY 1 – AML Compliance Review

During a routine AML compliance review Firm A was identified to be non-compliant as it had no firm wide risk assessment, AML policies and procedures and did not provide AML training to employees. The firm was given a report detailing the remedial action it needed to take and were required to do this within 30 days. Within the report, it was requested that the firm provided evidence to ACCA so that it could be assessed to confirm it was now compliant. Firm A was also referred to ACCA's Professional Conduct Department for potential disciplinary action due to the seriousness of the breaches of the MLRs 2017.

CASE STUDY 2 – AML Compliance Review

ACCA identified some negative news in respect of an individual who was a client of Firm X. As a result of this Firm X were escalated for an AML compliance review to establish if they had appropriate controls in place. The firm were found to be generally compliant in all controls tested. However, ACCA identified some areas of improvement, which were outlined within the AML Report issued. ACCA will check at Firm X's next AML compliance review that it is now fully compliant.

COMMON FINDINGS FROM THE AML COMPLIANCE REVIEWS

Where non-compliance with the requirements is identified, a firm will be issued with the AML report that details the findings from the review and the actions the firm is required to implement.

For controls assessed as non-compliant, the AML report will provide actions that the firm is required to implement within 30 days of the report date. The firm will be required to provide evidence to ACCA of what has been done. ACCA will examine the response and assess if the firm is 'compliant'. Once fully satisfied ACCA will close the AML review and at the firm's next review we will test to ensure the control has been maintained to the required standard.

ACCA has created a number of supporting factsheets for members that help firms understand their responsibilities. The factsheets will help them put the appropriate controls in place. They are available for all members and the link to access them can be found in the 'AML Resources' section of this report.

The following is a summary of the common findings from our reviews during the period covered by this report:

1 Firm wide risk assessment

Firm wide risk assessment is not specific to the firm and the risks it faces. During AML compliance reviews we have seen some firm wide risk assessments that are templates and generic. They have not assessed the specific risks of the firm and often consider factors that are not applicable as they use the examples or potential risk factors contained in the template obtained from a third party. Therefore, the firm has not accurately assessed the risk of it being exposed to money laundering.

Additionally, we have found a significant number of firm wide risk assessments that do not have sufficient detail to explain the rationale of the findings documented.

2 AML policies and procedures (AML P&Ps)

Policy and procedures need to be relevant for the firm and informed by the firm-wide risk assessment. We have seen several documents that are templates from external sources. This itself is not an issue, but firms have not tailored the documents sufficiently to align with their process and its inherent risk. ACCA expects that the procedures a firm produce should ideally provide the firm's employees with a step-by-step process and therefore should not be generic.

3 AML training

AML training programme is not conducted regularly or is missing key components. In addition to this, insufficient training records are kept to demonstrate what AML training has been provided to relevant employees and when. As well as no evidence of employee understanding of the training (e.g., assessment results).

4 Client due diligence (CDD)

We have found a number of firms know and understand their clients. However, on several occasions the supporting documentation or records have not been recorded in the client file. ACCA expects that they are recorded as the evidence supports the work that has been done. We have found that records, such as identification and proof of address, are sometimes absent. We have also found on occasions that not all directors or person of significant control have been identified.

5 Client risk assessment

When a client is risk assessed the appropriate risk rating is not applied consistently and therefore clients have not been appropriately risk rated. This means that an insufficient level of CDD and EDD has been applied to the client. Consequently, the money laundering risks associated with the client are not mitigated. For example, the appropriate risk factors haven't always been considered or they have not been documented so it's not clear how it has been defined. Some firms consider clients low risk when there are high-risk factors present and no documentation or rationale recorded to advise how the low-risk rating has been reached.

6 Inconsistent escalation of suspicious activity

Firms do tend to have some form of process. However, we have found it's either not documented or not consistent. For example, some firms have stated that their employee would verbally discuss the suspicious activity with the MLRO. During the AML compliance review we will also review a sample of suspicious activity reports filed with the NCA to ensure they are of the required standard.

In response to the common issues outlined above ACCA developed specific AML factsheets that provide guidance for members to ensure that they are compliant. Links to access the resources can be found in the 'AML Resources' section of this report.

ACCA'S RISK ASSESSMENT OF TCSP SERVICES

ACCA conducted a thematic review of a sample of UK AML supervised firms that provide TCSP services. We also analysed the data obtained through our AML risk assessment questionnaire. ACCA published its findings in a report to raise awareness, as well as to aid firms in adopting a risk-based approach to mitigate the risks such as those highlighted in the NRA's assessment.

The report can be accessed [here](#).

ENFORCEMENT

ACCA has developed specific AML sanctions guidance. This is a Regulatory Board approved policy document – and this has been published on ACCA's website. It can be accessed [here](#).

Twelve firms were subject to disciplinary action following AML compliance reviews during the period covered by this report.

The disciplinary action was taken for the following reasons: eight firms were found to be in breach of money laundering regulations; three firms were referred for both breaches of money laundering regulations and conduct issues; one firm was referred for conduct issues.

The table below details the financial sanctions imposed by ACCA during the period covered by the report with a comparison against the previous period:

AML PENALTIES	2020/2021	2021/2022
Number of members fined	6	12
Total of fines	£18,000	£44,000
Total costs	£14,974	£12,914
Members excluded	1	1

CASE STUDY 3 – Enforcement Activity

The Chair of the Complaints and Disciplinary Committee approved a Consent Order for a severe reprimand, a fine of £5,000 and costs to ACCA in the sum of £1,368.50 in relation to Firm C. Following a routine AML compliance review Firm C was found to be non-compliant in its requirements to have documented AML policies and procedures; a formal procedure for reporting suspicious activity and did not have a process to conduct a formal client risk assessment or enhanced due diligence. Firm C admitted these allegations and the case was resolved by a Consent Order.

CASE STUDY 4 – Enforcement Activity

The Chair of the Complaints and Disciplinary Committee approved a Consent Order for a severe reprimand, a fine of £6,000 and costs to ACCA in the sum of £2,035.50 in relation to Firm Y. Following a routine AML compliance review Firm Y was found to be non-compliant in its requirement to conduct a firm wide risk assessment and to have documented AML policies and procedures. Additionally Firm Y had failed to co-operate with ACCA's monitoring process by not providing information during the AML compliance review within specified deadlines. Firm Y admitted these allegations and the case was resolved by a Consent Order.

ACCA publishes decisions of regulatory and disciplinary hearings and they can be accessed [here](#).

In addition to the AML cases, ACCA also deals with complaints about its members, affiliates and students, including allegations of misconduct. ACCA's responsibilities encompass conciliation, investigation and discipline. In all of these areas, ACCA acts in the public interest and in accordance with the principles of better regulation. It strives to take effective and proportionate disciplinary action, where appropriate, while carrying out procedures that are consistent and transparent. ACCA is a global regulator and applies the same standards to all its members, affiliates and students worldwide.

For context against the AML data provided above, ACCA received a total of 1,063 complaints in 2021, compared to 556 in 2020. ACCA believes that the reduced number of complaints received in 2020 were due to the impact of the Covid-19 pandemic. We conducted 294 hearings.

Further information on complaints and discipline is provided in ACCA's *Report on Regulation 2022* which can be accessed [here](#).

SECTION 5 – AML RESOURCES

ACCA has produced a number of technical resources that are hosted in the AML section of our website that help members understand and comply with the requirements of the money laundering legislation.

For the UK, this can be located [here](#).

For Ireland, this can be located [here](#).

In Ireland, the above pages receive an average of 400 page views per month with approximately 20 example or guidance documents being downloaded each month. The most used resource dealt with guidance on the identification of client risk.

In the UK, the above pages have been visited 6,960 times since January 2022 and of these visits 3,807 are unique member visits.

Members can also contact the ACCA Technical Advisory function for specific advice. This is a free resource available to members. In the UK, the team handled 2,136 queries from ACCA members in respect of AML, or practice related issues, that resulted in a reference to the AML resources to assist the member with their query.

In addition, members can attend relevant ACCA courses and events. For example, the 'Understanding AML webinar' delivered in April 2022 had 1,153 registrations. The course is available on-demand and can be accessed from [here](#).

SECTION 6 – WHISTLEBLOWING

ACCA has a dedicated whistleblowing hotline and email address for those who wish to make a report about an ACCA member or firm. These have been set up so that ACCA can be instantly alerted about instances of non-compliance with the AML laundering regime, or potential involvement in money laundering or terrorist financing by ACCA members or firms. ACCA is committed to supporting anyone who wishes to make a confidential report about an ACCA firm, member, affiliate or student, where it is known or suspected that they:

- a Should be regulated under the Money Laundering Regulations, but are not; or
- b Appear to be ignoring the MLRs; or
- c Appear to be engaged (whether inadvertently or knowingly) in money laundering or terrorist financing.

If you wish to report an individual or firm whose supervisor for AML is ACCA you can report the matter confidentially to ACCA [here](#).

SECTION 7 – LOOKING FORWARD

ACCA'S AML compliance reviews are constantly evolving. Firms should look out for notifications from the AML supervisory team that will inform them when they are due for an AML compliance review. The notification will also provide further detail on what must be provided to the AML supervisory team for the review.

We will continue to use our ability to assess intelligence or emerging threats to conduct specific targeted reviews. For example, as a consequence of the Russian invasion of Ukraine, the UK Government imposed new sanctions. Using typologies and intelligence on how sanctions are evaded, we analysed the data we hold from our AML risk assessment to identify areas of risk in our supervised firms. We then addressed the potential exposure by conducting a bespoke compliance review of the supervised firms we identified as most at risk.

Information and intelligence sharing will continue between the accountancy sector supervisory bodies. We have long-standing methods of sharing information with other supervisors, such as the AASG and Accountancy Sector Intelligence Sharing Expert Working Group (ISEWG) as well as utilising the SIS and FIN-NET platforms to which we subscribe via the FCA.

We will work together with the other professional body supervisors on how we can use the extended Regulation 52 gateway in the UK MLRs that we are expecting to see via new legislation in 2022/2023. We will seek to encourage law enforcement to be more proactive by sharing information with us and the other professional body supervisors. This will enable us to use our disciplinary frameworks to either disrupt or sanction and discipline where law enforcement has not been able to take action.

We will continue to work with other professional body supervisors, supervisory authorities, government and law enforcement through the AML Steering Committee in Ireland and the Joint Practices Group.

We hope to see more sharing from law enforcement of trends and typologies that are specific to our sector so that we can factor these into our supervisory activities and hope for the opportunity to work proactively with law enforcement in this area.

MLROs of our supervised firms should continue to keep up to date with money laundering news and any imminent changes. They should continually review the ACCA resources available to ensure that they are compliant with the regulations.

APPENDIX 1 – ACCA FACTSHEETS AND RESOURCES

[New AML Risk Assessment link](#)

[ACCA Technical Factsheets – UK](#)

[ACCA Technical Factsheets – Ireland](#)

[ACCA disciplinary sanctions guidance](#)

[ACCA regulatory board](#)

[ACCA Disciplinary and regulatory hearings](#)

[ACCA Report on regulation](#)

[ACCA regulatory board AML policy statement](#)

[ACCA Rulebook](#)

[ACCA Whistleblowing Policy](#)

[ACCA Consultation Response October 2021 – UK AML regime call for evidence](#)

APPENDIX 2 – EXTERNAL LINKS

[UK National risk assessment of money laundering and terrorist financing 2020](#)

[Irish National risk assessment of money laundering and terrorist financing 2019](#)

[Consultative Committee of Accountancy Bodies \(CCAB\) AML Guidance](#)

[Consultative Committee of Accountancy Bodies Ireland \(CCAB-I\) AML Guidance \(accessed via the ACCA Ireland Technical Pages\)](#)

[Money Laundering, Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulations 2017](#)

[Criminal Justice \(Money Laundering and Terrorist Financing\) \(Amendment\) Act 2010 to 2021](#)

[Proceeds of Crime Act \(POCA\)](#)

[Office for Professional Body Anti-Money Laundering Supervision \(OPBAS\)](#)

[Department of Justice Ireland](#)



ACCA Connect
110 Queen St
Glasgow G1 3BX
United Kingdom

+44 (0)141 582 2000
info@accaglobal.com

www.accaglobal.com

The information contained in this publication is provided for general purposes only. While every effort has been made to ensure that the information is accurate and up to date at the time of going to press, ACCA accepts no responsibility for any loss which may arise from information contained in this publication. No part of this publication may be reproduced, in any format, without prior written permission of ACCA.

© ACCA OCTOBER 2022.

Think Ahead