

UK and Ireland **Anti-money laundering (AML) supervision.**

Annual report: 6 April 2025 – 5 April 2026

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ABOUT ACCA

We are ACCA (the Association of Chartered Certified Accountants), the only truly global professional accountancy body.

Since we were founded in 1904, we've been breaking down barriers to the accountancy profession. Today we proudly support a diverse community of over **266,100** members and **546,500** future members in **179** countries.

We're redefining accountancy. Our cutting-edge qualifications, continuous learning and insights are respected and valued by employers in every sector. They equip individuals with the business and finance expertise and ethical judgment to lead and drive sustainable value in organisations and economies worldwide.

Guided by our purpose and values, we're leading the accountancy profession for a changed world. Partnering with policymakers, standard setters, the donor community, educators and other accountancy bodies, we're strengthening and building a profession that focuses on people, planet and prosperity to create value for all.

Find out more at www.accaglobal.com

INTRODUCTION

This Annual Report outlines ACCA's approach to AML supervision and the work undertaken during the reporting period to support effective, proportionate and risk-based supervision of the firms within our supervisory population.

ACCA's dedicated AML Supervisory Team is responsible for monitoring compliance with applicable AML requirements, identifying areas of weakness and taking appropriate supervisory action where deficiencies are identified. Through its supervisory activities, ACCA seeks to promote high standards of AML compliance and contribute to the prevention and detection of money laundering, terrorist financing and other forms of economic crime.

As professional accountants occupy key strategic and operational roles, they have an important role to play in protecting the public interest and supporting the integrity of the financial system. Effective AML supervision is therefore an important part of ACCA's wider regulatory responsibilities and its commitment to maintaining confidence in the accountancy profession.

ACCA's regulatory approach is underpinned by the principles of public interest, proportionality, transparency and effective risk-based regulation. Through its supervisory framework, ACCA seeks to identify and respond to emerging risks while ensuring that its regulatory interventions are targeted towards areas where they can have the greatest impact.

The AML supervisory landscape continues to evolve, with significant developments during the reporting period concerning the future structure of AML supervision in the UK. ACCA remains committed to maintaining effective AML supervision and contributing constructively to the development of a robust and effective regulatory framework.

The Regulatory Board provides independent oversight of ACCA's regulatory arrangements and plays an important role in ensuring that ACCA's regulatory functions operate effectively and in the public interest. The Board maintains oversight of ACCA's AML supervisory activities as part of its wider regulatory responsibilities. More details, including published minutes, regarding the Regulatory Board can be read on our [website](#).

SECTION 1 – FOREWORD

Executive Director statement

ACCA's purpose is to act as a force for public good, and this continues to shape how we approach our responsibilities as a global professional body. Maintaining confidence in the profession requires strong governance, ethical standards and effective regulation. Our role as a professional body supervisor is an important part of this responsibility, supporting the integrity of the profession and contributing to the wider protection of the UK and global financial systems.

The threat posed by money laundering continues to evolve, with criminals making use of new technologies, increasingly complex structures and sophisticated methods to disguise the origins of illicit funds. This reinforces the importance of effective AML controls and a strong culture of compliance across the profession. Through our risk-based supervisory approach, ACCA continues to identify areas of risk, challenge weaknesses and promote effective systems and controls across the firms we supervise.

Our regulatory responsibilities extend beyond identifying deficiencies. Where firms or individuals fail to meet the required standards, ACCA takes appropriate action in line with its regulatory and disciplinary frameworks. The ACCA Code of Ethics and Conduct provides an important foundation for the ethical standards expected of our members and future members. This report sets out the key outcomes from our AML supervisory work during the period, including cases where further regulatory or enforcement action was required.

As the regulatory environment continues to develop, we remain focused on strengthening the effectiveness of our approach and delivering our statutory responsibilities. The landscape for AML supervision is changing, including through wider supervisory reform, but ACCA's commitment to effective monitoring remains unchanged. We will continue to assess compliance across our supervised population, address identified weaknesses and support firms in meeting their AML obligations and maintaining appropriate standards.

Effective supervision depends on meaningful engagement with the firms we oversee. Our AML compliance reviews remain central to this work, providing an opportunity to assess whether firms have appropriate policies, controls and procedures in place to manage their money laundering risks. They also enable ACCA to identify emerging risks, address weaknesses and highlight areas where firms can improve their knowledge and practice. Through continued monitoring and intervention, we aim to ensure that the firms we supervise are better equipped to prevent their businesses from being misused for criminal purposes and, ultimately, to help protect the public from the harm caused by money laundering.



Maggie McGhee

Executive Director, Strategy and Governance

SECTION 2 – OUR ROLE AS AN AML SUPERVISOR

Why is ACCA an AML supervisor?

ACCA has an important role in protecting the public interest by ensuring that firms within its AML supervisory population meet their obligations under applicable money laundering legislation. Accountants are well placed to identify and prevent financial crime because of their access to financial information, involvement in financial and business activities, and ongoing relationships with clients.

Through its AML supervisory activities, ACCA works to ensure that supervised firms have effective AML policies, controls and procedures in place to prevent their services from being misused by criminals.

By understanding and assessing the risks associated with their clients and services, and applying effective AML controls, our members play an important role in protecting the accountancy profession and wider financial system from criminal exploitation.

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

In Ireland, ACCA is designated a Prescribed Accountancy Body (PAB) under the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 (as amended), with statutory responsibilities to supervise and ensure compliance with AML requirements.

Together, these supervisory functions reflect ACCA's wider mission to safeguard the public interest, enhance confidence in the accountancy profession and promote a culture of ethical, compliant and socially responsible professional accountants.

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 requirements relating to AML compliance and ACCA's powers concerning the monitoring and compliance of Practising Certificate holders.

ACCA has the authority to monitor compliance, request information and conduct reviews of Practising Certificate holders to assess adherence to AML requirements. Where matters are referred to ACCA's Admissions and Licensing or Disciplinary Committees, those Committees have powers to require members to produce relevant documents, records, information and explanations.

Where non-compliance or breaches of AML obligations are identified, ACCA may take disciplinary or enforcement action in accordance with its regulatory framework and the principles of fairness, proportionality and public interest.

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

ACCA's approach to AML supervision

ACCA takes a risk-based and intelligence-led approach to AML supervision, using information from a range of sources to identify and respond to risks across its supervised population.

This includes information provided by firms through the AML annual return, intelligence from law enforcement agencies, regulators and other supervisory bodies, and information gathered through ACCA's own supervisory activities.

The AML Annual Return provides ACCA with information about each supervised firm's exposure to money laundering and terrorist financing risks and supports the assessment of its risk profile. This information, together with other relevant intelligence and the firm's supervisory history, informs ACCA's monitoring plan and enables resources to be allocated proportionately.

This approach allows ACCA to focus its supervisory activities on firms and areas presenting higher or emerging risks, while maintaining appropriate oversight of the wider supervised population.

AML compliance reviews are conducted using a range of supervisory methods by experienced AML professionals within the dedicated ACCA AML Supervisory Team. Regardless of the review method used, ACCA assesses whether firms have effectively implemented appropriate policies, controls and procedures to comply with their AML obligations and address the risks to which they are exposed.

At the conclusion of each review, firms are issued with an AML report outlining the findings. Where non-compliance is identified, the report sets out the actions required to address the identified weaknesses and the evidence that must be provided to demonstrate that corrective action has been taken. ACCA may also take enforcement action where appropriate.

Review of ACCA's approach to AML supervision

ACCA conducts an annual review of its AML supervision policy and procedures to ensure ongoing alignment with the most recent national and sectoral risk assessments, evolving risk trends, and the prevailing money laundering and terrorist financing threat landscape.

As part of this process, ACCA formally reviews its adopted AML supervision policy and procedures and produces an annual AML supervision report. ACCA's Regulatory Board provides oversight of its AML supervisory activities and meets quarterly. The Board reviews ACCA's supervisory approach, priorities and resourcing, and reports on these matters to ACCA's Council.

In addition, ACCA's AML supervisory activities are subject to periodic internal audit. The most recent internal audits were conducted in 2024 and 2022.

Oversight of AML supervisory activities in the UK

In the UK, ACCA's AML supervisory activities are subject to oversight by the Office for Professional Body Anti-Money Laundering Supervision (OPBAS), which is housed within the Financial Conduct Authority (FCA). OPBAS supervises the professional body supervisors listed in Schedule 1 of the MLRs 2017.

OPBAS's 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 PBSs overseeing the legal and accountancy sectors.
- 2 Facilitating collaboration and information and intelligence sharing between PBSs, statutory supervisors and law enforcement agencies.

OPBAS publishes a sourcebook setting out expectations for PBSs in relation to their AML supervisory responsibilities. It also publishes reports highlighting findings and themes from its supervisory assessments.

Further information, including the OPBAS sourcebook and annual reports, can be accessed at: [OPBAS](#).

Money laundering risk in the accountancy sector

In the UK

The UK's fourth National Risk Assessment (NRA) of Money Laundering and Terrorist Financing was published in July 2025. The NRA continues to assess the money laundering risk for accountancy service providers (ASPs) as high.

The accountancy sector is diverse, ranging from sole practitioners and small firms to large multinational organisations, and provides a wide range of services including payroll, bookkeeping, insolvency and tax advice. Some ASPs also provide trust and company services (TCSPs) and auditing services.

The accessibility and availability of accountancy services contributes to the sector's attractiveness to criminals. Accountancy services can be used to provide an appearance of legitimacy to transactions involving criminal funds, including through the use of accountants' certificates to support falsified accounts, invoices and other documentation.

The NRA identifies a number of vulnerabilities within the sector, including:

- Weak or inadequate AML controls: Firms with a poor understanding of money laundering risks and inadequate risk assessments, policies, controls and procedures are more vulnerable to exploitation. This is particularly relevant to smaller firms and sole practitioners where there may be limited knowledge, resources or time available to maintain effective AML arrangements.
- Customer due diligence (CDD): Poor CDD at onboarding and on an ongoing basis remains one of the most common compliance weaknesses and can leave firms exposed to criminal exploitation.
- Cash-intensive businesses: Clients operating cash-intensive businesses present an increased risk because criminal funds can be more easily mixed with legitimate earnings.

- **Fragmentation of services:** Criminals may use different accountancy firms for different services, such as tax advice, payroll and bookkeeping. This could prevent any individual firm from seeing the full picture of a client's activities and make it more difficult to identify suspicious activity.
- **Supply chains:** Where accountancy services are provided to an end user through an intermediary, the distance between the service provider and the ultimate client can increase the risk of anonymity. The risk may be further increased where intermediaries or end users are located outside the UK or in higher-risk jurisdictions.
- **International exposure:** Although most UK accountants have limited international exposure, firms with international clients should consider the risks associated with clients and individuals connected to higher-risk jurisdictions, including overseas politically exposed persons.
- **Professional involvement:** Properly delivered accountancy services can provide an important defence against economic crime. However, where services are delivered negligently, accidentally or deliberately, they may instead assist in legitimising criminal activity.

The NRA also highlights the importance of the sector's reporting of suspicious activity. While supervisors and professional bodies have undertaken significant work to improve awareness and understanding of AML risks, gaps in knowledge remain and the number of SARs submitted by the sector remains lower than might be expected given the assessed level of risk.

Specific accountancy services also present particular risks:

- **Payroll services:** Payroll services involve the management of client funds and may be used to legitimise criminal proceeds. Criminal funds may also be moved through fictitious employees or inaccurate payroll information. The risk may be higher where payroll is provided as a standalone service or where the firm has limited familiarity with the wider activities of the client.
- **Tax advice and compliance services:** Accountants may knowingly or unknowingly facilitate tax evasion or fraudulent claims where clients provide inaccurate or incomplete information. The proceeds of these offences may subsequently be laundered.
- **Trust and company services:** TCSP activity is assessed as high risk and can provide opportunities to conceal ownership, control and the movement of illicit funds. Firms providing both accountancy and TCSP services should ensure that they are appropriately registered and that the risks associated with both activities are properly considered.

In Ireland

Ireland's National Risk Assessment 2026 provides an updated assessment of the money laundering, terrorist financing and proliferation financing risks facing the accountancy sector.

The Irish accountancy sector comprises a broad range of service providers, from sole practitioners and small firms to large international accountancy networks. The supervised population is predominantly made up of small and micro-businesses providing services including accountancy and tax compliance, payroll, bookkeeping and insolvency support. Some ASPs also provide audit and TCSP services.

The NRA identifies significant money laundering and terrorist financing risks for ASPs. The accessibility, diversity and breadth of services provided by the sector can make it attractive to criminals seeking to give legitimacy and credibility to illicit transactions and business activities.

The involvement of a professional accountant can create a veneer of legitimacy around criminal activity. This may occur through services such as bookkeeping, payroll and tax advice, or through the use of accountants' certificates to support falsified documentation. The risk is elevated where clients operate cash-intensive businesses, as criminal proceeds can more easily be co-mingled with legitimate income.

The Irish NRA identifies a number of vulnerabilities within the sector, including:

- **Weak or inconsistent AML controls:** While most Irish ASPs demonstrate good compliance with AML regulations and CDD requirements, weaknesses remain in awareness, oversight and the consistent application of procedures. These issues can be particularly relevant to smaller firms with limited resources or dedicated AML systems.
- **Difficulty disengaging from clients:** Smaller firms may face challenges in disengaging from long-standing clients where concerns arise, particularly where formal disengagement procedures are not in place.
- **Unregulated providers:** Individuals operating outside the regulated sector may use titles such as accountant or financial adviser without formal qualifications or AML/CFT oversight, increasing the risk of inadvertent facilitation of illicit activity.
- **Falsified compliance records:** In more serious cases, regulated ASPs knowingly involved in illicit activity may understand regulatory requirements and maintain apparently complete CDD and other records to create a façade of compliance, potentially making detection more difficult.
- **Fragmentation of services:** Criminals may use different ASPs for separate functions, such as tax advice, payroll and bookkeeping. This can limit each provider's understanding of the client's wider financial activities and make it more difficult to identify suspicious patterns or inconsistencies.

The NRA also highlights the relatively low number of suspicious transaction reports submitted by ASPs. Between 2020 and 2024, annual STR submissions ranged from 9 to 33. While supervisory inspections have not identified concerns regarding under-reporting and the volumes may be proportionate to the assessed risk, the persistently low level of reporting may also indicate potential weaknesses in the identification or escalation of suspicious activity.

Key accountancy sector risks

The UK and Irish National Risk Assessments demonstrate that the accountancy sector remains exposed to money laundering and terrorist financing risks. The nature of these risks is influenced by the accessibility of accountancy services, the range of services provided, the characteristics of clients, geographic exposure and the effectiveness of firms' AML controls.

Accountants can play an important role in preventing economic crime where services are delivered effectively and appropriate AML controls are applied. However, weaknesses in risk assessment, CDD, ongoing monitoring and other AML controls can create opportunities for criminals to exploit professional services.

The fragmentation of accountancy services is identified as an area of risk across both jurisdictions. Where different firms provide individual services to the same client, each firm may only have visibility of part of the client's activities. This can make it more difficult to identify the wider financial picture or recognise suspicious activity.

The provision of services to cash-intensive businesses, complex corporate structures and clients with links to higher-risk jurisdictions can also increase exposure to money laundering and terrorist financing risks. Firms should therefore ensure that their firm-wide risk assessment and client risk assessments properly reflect the nature of the services they provide and the risks associated with their client base.

ACCA considers information from national and sectoral risk assessments, law enforcement agencies, regulators, other supervisory bodies and its own supervisory activity when assessing the risks faced by its supervised population.

Each supervised firm is required to complete the AML Annual Return, which provides information used to determine its initial and ongoing risk profile. Factors considered include:

- Firm size and structure, including the number of employees and annual revenue.
- Client characteristics, including the nature and number of clients and exposure to higher-risk client types and industries.
- Geographic exposure, including links to higher-risk jurisdictions.
- SAR/STR activity, including internal reports received by the MLRO and external reports submitted.
- Services provided, including exposure to higher-risk services such as client money, payroll and TCSP activity.

The data collected through the AML Annual Return is analysed alongside wider intelligence and the firm's AML supervision history to produce a risk-rated profile for each supervised firm.

ACCA also works collaboratively with other accountancy supervisors and relevant authorities. In the UK, this includes engagement through forums such as the Accountancy AML Supervisors' Group (AASG). The updated **AASG risk outlook: Money laundering, terrorist financing and proliferation financing risk in the accountancy sector** published in September 2025, provides further sector-specific information on money laundering, terrorist financing and proliferation financing risks. It also identifies circumstances and indicators that may increase the risk of criminal exploitation of accountancy services. A key theme highlighted in the AASG Risk Outlook is the risk of professional enabling. Criminals may seek to exploit professional services to obtain expertise, credibility or legitimacy that assists in disguising the nature, source, ownership, control or movement of illicit funds. This reinforces the importance of accountants understanding the purpose and nature of their clients' activities and applying appropriate risk-based AML controls.

In Ireland, ACCA engages with relevant accountancy bodies and authorities through appropriate supervisory and information-sharing forums.

This collaboration supports the sharing of best practice, intelligence and emerging trends and helps promote consistency in AML supervision across the accountancy sector.

The AML Supervisory Team's operating model allows flexibility in its supervisory approach, recognising that financial crime threats and risks continue to evolve and that emerging risks may require a timely supervisory response.

SECTION 3 – OUR AML SUPERVISED POPULATION

Who does ACCA supervise?

ACCA is responsible for AML supervision of firms where one or more ACCA members hold an ACCA Practising Certificate and collectively have majority control of the firm. In certain circumstances, ACCA also supervises firms where ACCA Practising Certificate holders do not have majority control. ACCA also supervises sole practitioners who hold an ACCA Practising Certificate.

Where an ACCA member does not hold an ACCA Practising Certificate, ACCA does not have supervisory responsibility for their AML compliance. In these circumstances, the member or firm must obtain AML supervision from the professional body with which they are registered, or, where applicable, from HMRC in the UK or the Anti-Money Laundering Compliance Unit of the Department of Justice, Home Affairs and Migration (AMLCU) in Ireland.

ACCA’s AML supervised population

During the reporting period, ACCA supervised 8,511 firms and sole practitioners for AML purposes across the UK and Ireland, comprising:

Supervised population		
UK	Ireland	Total
7,876	644	8,511

Of the UK population, 5,052 were sole practitioners and 2,815 were firms. In Ireland, 465 were sole practitioners and 179 were firms.

Within the UK supervised population, 8,386 individuals met the criteria for Business Owners, Operators and Managers (BOOMs), as defined in Regulation 26 of MLRs 2017.

Trust or Company Service Providers (TCSP)

Accountancy firms and sole practitioners may also provide services that fall within the definition of a TCSP. Where these services are provided in addition to accountancy services, ACCA is responsible for AML supervision of the relevant activities. Firms and sole practitioners are required to notify ACCA when they provide TCSP services.

The allocation of supervisory responsibility differs where TCSP services are provided independently of accountancy services. In the UK, entities providing only TCSP services are supervised by HMRC, even where an ACCA Practising Certificate holder is involved. In Ireland, the AMLCU is responsible for supervising TCSP activities that are unrelated to accountancy services. The respective supervisory responsibilities of the AMLCU and the professional accountancy bodies are set out in a [Memorandum of Understanding](#).

Within ACCA's AML supervised population during the reporting period, 4,751 provided TCSP services in addition to their core accountancy services, comprising:

Supervised population providing TCSP services		
UK	Ireland	Total
4,525	226	4,751

Out of the firms supervised by ACCA for AML that provide TCSP services in the UK, 2,929 are SPs and 1,654 are firms. In Ireland, 89 are SPs and 45 are firms.

SECTION 4 – MONITORING ACTIVITIES DURING THE PERIOD

ACCA's AML compliance reviews

ACCA's principal means of monitoring its supervised population and assessing compliance with AML requirements is through its AML compliance review programme. Reviews are designed to assess whether firms have established appropriate AML controls, whether those controls are operating effectively and whether firms can demonstrate compliance through appropriate documentation and records.

A key element of each review is an assessment of the firm's AML control framework. This includes considering whether the required controls are in place, the extent to which they have been implemented in practice, and whether they are sufficiently effective and appropriate to the risks faced by the firm.

The MLRO is normally the principal point of contact throughout the review, reflecting their responsibility and authority for the firm's AML compliance arrangements. Where appropriate, ACCA may also speak with other employees to understand how AML controls operate in practice and to assess whether employees have received appropriate training and understand their responsibilities.

ACCA uses a range of approaches to monitor its supervised population. The type and scope of review undertaken is informed by information and data gathered through the AML Annual Return, previous supervisory activity and other relevant intelligence. This enables ACCA to apply a proportionate, risk-based approach to its supervisory resources.

Our monitoring activity is also informed by emerging threat intelligence and information received from law enforcement and other relevant agencies, including trends and typologies relating to money laundering and terrorist financing. Where appropriate, intelligence relating to individual firms may also inform the scope or timing of supervisory activity. This allows ACCA to respond to emerging risks and undertake thematic work where this is considered appropriate.

Regardless of the type of review undertaken, firms are required to provide relevant records and documentation to ACCA's AML supervisory team. This enables us to assess not only whether firms have established appropriate controls, but also whether they are being applied consistently and whether there is sufficient evidence to demonstrate the work undertaken.

Controls typically reviewed

The controls that are typically assessed during an AML compliance review include:

- The firm-wide risk assessment.
- AML policies and procedures document.
- Client risk assessment processes, including the methodology used to determine client risk ratings and the rationale supporting those ratings.
- Client due diligence (CDD), enhanced due diligence (EDD) and ongoing monitoring, including testing of a sample of client files.
- Suspicious activity/transaction reporting processes, including the escalation of concerns to the MLRO and the quality and completeness of relevant internal and external reports.
- AML training, including the content and frequency of training, the employees receiving training and evidence of their understanding.
- Record keeping arrangements, including the retention of evidence supporting the firm's AML controls and activities.

AML compliance reviews completed

The table below sets out the number of AML compliance reviews conducted during the reporting period, together with comparative figures for the previous reporting periods:

Number of AML compliance reviews						
	2023/2024		2024/2025		2025/2026	
	UK	Ireland	UK	Ireland	UK	Ireland
	319	52	244	59	325	85
Total	371		303		410	

AML compliance review volumes increased during the period, reflecting the AML supervisory team operating at full capacity and taking advantage of the improvements delivered through ACCA's Digital Transformation programme. These improvements have enabled the team to work more efficiently and support a return to review volumes consistent with, and exceeding, previous years.

AML compliance review outcomes

ACCA records the outcomes of AML compliance reviews as compliant, generally compliant, or non-compliant. To ensure consistency, ACCA works collaboratively with other accountancy supervisory bodies, and all apply the same standards and definitions for these outcomes.

A compliant firm has effective systems and controls (including training) in place to minimise the risk of the firm's involvement in financial crime and to ensure the reporting of suspicious activity or transactions. The firm can demonstrate that these controls are in place and are reviewed regularly for effectiveness.

A generally compliant firm has systems and controls (including training) in place to minimise the risk of involvement in financial crime and to report suspicious activity or transactions. However, improvements are required to enhance effectiveness, or there is insufficient evidence that these controls are reviewed regularly.

A non-compliant firm will have no systems and controls (including training) in place, or the existing systems and controls are so weak that the firm is vulnerable to exploitation by criminals. Firms receiving this rating are given 30 days to address the issues identified and to provide evidence of corrective action. In addition, the matter may be referred to ACCA's Professional Conduct Department (PCD) for further investigation, which could lead to financial sanctions and/or exclusion from membership.

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

Outcome of AML compliance reviews									
Rating	2023/2024			2024/2025			2025/2026		
	UK	IRE	Total	UK	IRE	Total	UK	IRE	Total
Compliant	3	2	5	0	4	4	25	14	39
Generally compliant	293	50	343	224	52	276	270	71	341
Non-compliant	23	0	23	20	3	23	30	0	30

Case study 1.

AML compliance review with remedial action

ACCA conducted a routine AML compliance review of Firm A. The review identified that, although Firm A had AML controls in place, a number of these were not sufficiently developed or maintained to operate effectively. For example, key controls had not been reviewed and updated regularly, while important documents, including the firm-wide risk assessment and AML policies and procedures, did not contain sufficient detail to demonstrate that they reflected the firm's specific circumstances, risks and processes.

In light of the findings, the MLRO was required to complete an MLRO assessment to provide ACCA with assurance that they had the necessary knowledge and understanding to effectively fulfil the role. Firm A was also required to make improvements to a number of its AML controls, submit revised documentation and provide ACCA with an action plan setting out how it would maintain compliance going forward.

The MLRO responded promptly to the findings and completed the required remedial actions. Firm A subsequently provided evidence demonstrating that the deficiencies identified during the review had been addressed and that its AML controls were operating in accordance with its regulatory obligations.

Case study 2.

Tailoring of third-party templates

ACCA conducted a routine AML compliance review of Firm B. As part of the review ACCA identified deficiencies in Firm B's firm-wide risk assessment - it did not adequately identify or explain the money laundering risks specific to the firm and its client base. The review established that the firm had relied heavily on a third-party template when preparing the assessment.

The template provided a list of potential risk factors covering the key risk categories of clients, geography, products and services, transactions and delivery channels. However, the content was largely pre-populated and focused predominantly on specific red-flag scenarios. It did not provide sufficient consideration of wider factors that could be relevant to Firm B, including the nature of clients' business activities and services provided by Firm B. ACCA concluded that the limited range of risk factors within the template, together with the reliance on the pre-populated content, had contributed to the firm-wide risk assessment failing to identify the firm's actual exposure to money laundering risk.

This case demonstrates that third-party templates and tools can assist firms in developing their AML controls, but they do not replace the need for firms to undertake their own assessment of risk. Firms remain responsible for ensuring that any third-party material they use is appropriate, sufficiently tailored and reflects the risks to which they are actually exposed.

Case study 3.

Intelligence led supervision

ACCA received intelligence from another professional body concerning an ACCA member and AML-supervised firm.

Following an assessment of the intelligence received, ACCA selected the firm for an accelerated AML compliance review. During the planning stage of the review, a law enforcement agency independently contacted ACCA and provided additional intelligence relating to the same individual.

The information received from both sources enabled ACCA to undertake a targeted review informed by the specific risks identified. The findings from the review were subsequently shared with the relevant law enforcement agency to support its ongoing investigation.

This case demonstrates the value of effective intelligence sharing between professional body supervisors and law enforcement and how information received from multiple sources can be used to inform targeted, risk-based supervisory activity.

Findings from the AML compliance reviews

When non or partial compliance with regulatory requirements is identified, the firm receives an AML report outlining the findings from the review, together with the specific actions required to address them.

Where severe deficiencies are identified, firms are required to implement the actions set out in the report within a set timeframe and provide ACCA with evidence demonstrating that the required actions have been completed. ACCA reviews the firm's response and supporting evidence to determine whether compliance has been achieved. Once satisfied that the required action has been completed, ACCA will close the AML review. Controls are subsequently revisited as part of future monitoring activity to ensure that compliance has been maintained.

To support members in understanding and meeting their obligations, ACCA provides a range of practical AML factsheets, webinars, articles and online learning resources. These resources are regularly reviewed and updated to reflect changes in legislation, best practice and insights arising from ACCA's supervisory activities. Details of these resources can be found in the 'AML Resources' section of this report and CPD opportunities can be accessed through [CPD online | ACCA Global](#).

A summary of the most common findings identified during our reviews in the reporting period is provided below:

1 Record keeping and evidence

A recurring finding during AML compliance reviews was insufficient record keeping to demonstrate that AML controls had been undertaken effectively and on an ongoing basis. Firms were sometimes unable to provide evidence that their AML controls, including their firm-wide risk assessment, had been reviewed and updated regularly.

We also identified instances where firms had not maintained adequate records of AML training completed by employees, including details of the training undertaken, when it was completed and who had participated.

Similarly, client files did not always contain sufficient evidence to demonstrate that appropriate due diligence, client risk assessments and ongoing monitoring had been undertaken. Good record keeping is an essential component of an effective AML control framework and enables firms to demonstrate compliance with their regulatory obligations.

2 Use of third-party templates and software

The use of third-party templates, tools and software remains a common feature of firms' AML control frameworks. While such resources can assist firms in meeting their obligations, they must be appropriately tailored to reflect the individual circumstances, risks and activities of the firm.

Our reviews identified instances where firms had adopted third-party templates without sufficiently considering whether the content accurately reflected their own business, risk profile or procedures. In some cases, this resulted in generic risk assessments and AML policies and procedures that did not adequately address the specific risks faced by the firm.

We also identified issues with firms relying on third-party electronic verification services as part of their client identification procedures without having a sufficient understanding of the checks being undertaken or the assurance provided by the service. Firms may use electronic identification processes, either independently or alongside other evidence. However, firms must consider whether the particular service provides adequate assurance as to the identity of the individual and retain sufficient evidence to demonstrate the checks undertaken and the basis for the verification. Where firms rely on a digital verification service for these purposes, they should ensure that the service is certified and appears on the [digital verification services register](#).

3 Customer due diligence (CDD), risk assessment and ongoing monitoring

In addition to record-keeping weaknesses, our reviews identified instances where firms had not demonstrated that CDD, client risk assessments and ongoing monitoring had been undertaken to an appropriate standard.

In some cases, firms appeared to have a good understanding of their clients but had not documented sufficient evidence on the client file to support this understanding. We also continued to identify risk assessments that were not sufficiently tailored to the individual client or did not provide an adequate rationale for the risk rating applied.

Firms should ensure that their approach to CDD and risk assessment is proportionate to the risks presented by the client and that ongoing monitoring is undertaken where required. The outcome of these activities, including the rationale for decisions made, should be clearly documented and retained.

4 AML training and employee awareness

The quality and frequency of AML training remains an area requiring improvement. Our reviews identified instances where relevant employees had not received sufficient or regular AML training and where firms were unable to provide adequate records to demonstrate the training undertaken.

Firms must ensure that relevant employees receive appropriate training. Training should be refreshed regularly and records should be maintained to demonstrate what training has been provided, to whom and when.

Effective training is particularly important in ensuring that employees understand how to identify and escalate suspicious activity. A lack of sufficient awareness of the risks faced by the firm and its clients may contribute to the under-identification and reporting of suspicious activity.

ACCA's thematic reviews

ACCA continues to take a proactive, risk-based approach to identifying emerging trends and risks and implementing appropriate mitigation measures. Thematic reviews allow ACCA to examine specific areas of AML compliance in greater depth and identify common issues across the supervised population.

During the reporting period, ACCA undertook a thematic review focusing on firm-wide risk assessments and the identification and reporting of suspicious activity, including SARs/STRs.

The findings from the thematic review indicated that a number of firms' firm-wide risk assessments did not sufficiently identify or assess all of the money laundering risks to which the firm was exposed. In particular, some assessments lacked sufficient consideration of the firm's specific activities, client base and geographic or other relevant risk factors.

The review also identified a trend of relevant employees not receiving sufficient or regular AML training. This is an area of particular importance in relation to the identification and escalation of suspicious activity, as employees need to understand the risks faced by the firm and how these risks may manifest themselves in practice.

These findings may contribute to weaknesses in the identification and reporting of suspicious activity and highlight the importance of firms maintaining a robust firm-wide risk assessment and ensuring that relevant employees receive appropriate and effective AML training.

Isle of Man

In addition to the UK and Ireland, ACCA also acts as a supervisory authority in the Isle of Man (IOM), responsible for ensuring compliance with the Anti-Money Laundering and Countering the Financing of Terrorism Code 2019. The table below outlines ACCA's monitoring activity in the IOM during the reporting period.

Outcomes from reviews	
Supervised population	14
Compliance reviews completed	7
Compliant	1
Generally compliant	5
Non-compliant	1

Enforcement

ACCA has an obligation to take appropriate action where non-compliance with legislation is identified. ACCA's approach to referrals following has been developed to provide a consistent approach across its supervised population.

Within the period, 37 firms were referred to ACCA's Conduct Department to face potential disciplinary action for the following reasons: breach of money laundering regulations; breaches of money laundering regulations and conduct issues; non-cooperation, and dishonesty and integrity behaviours.

Enforcement action was concluded against 23 firms, with the allegations proven. Proceedings remain ongoing in respect of other firms.

The table below details the financial sanctions imposed by ACCA during the period covered by the report for its supervisory activities in the UK, Ireland and Isle of Man with a comparison against the previous periods:

AML penalties	2023/2024	2024/2025	2025/2026
Proven enforcement actions completed	5	10	23
Total of fines and costs	£31,742	£86,554.50	£142,150.50
Members excluded	1	2	0

ACCA publishes decisions of regulatory and disciplinary hearings on its website: [Disciplinary and regulatory hearings](#).

In addition to AML-related matters, ACCA considers complaints concerning its members, affiliates and students, including allegations of misconduct. Its regulatory responsibilities include conciliation, investigation and disciplinary action. Across all these functions, ACCA acts in the public interest and follows the principles of better regulation. It aims to take disciplinary action that is effective and proportionate where necessary, while ensuring procedures remain consistent and transparent. As a global regulator, ACCA applies the same standards to its members, affiliates and students worldwide.

Case study 4.

Enforcement activity – consent order

ACCA conducted a routine AML compliance review of Firm D, during which a number of significant deficiencies were identified. These included:

- Failure to conduct and document a firm-wide risk assessment until several years after the relevant regulations had come into force.
- Failure to establish documented AML policies and procedures until several years after the relevant regulations had come into force.
- Failure to provide appropriate AML training to relevant employees and maintain written records of the training provided until several years after the relevant regulations had come into force.

As a result of the findings, the matter was referred to ACCA's Professional Conduct Department for investigation. During the investigation, the MLRO addressed the deficiencies identified and completed the required remedial actions.

Following the investigation, the matter was referred to a Consent Order Committee. At the conclusion of the proceedings, the Chair found in favour of ACCA and ordered that the member receive a severe reprimand and pay a fine of £5,000, together with ACCA's costs of £2,122.50.

SECTION 5 – AML RESOURCES

ACCA provides a range of technical resources, available in the AML section of our website, to help members understand and meet the requirements of money laundering legislation.

For UK members, resources can be accessed: [AML Hub](#)

For Ireland, resources can be accessed: [AML guidance](#)

Members may also contact ACCA's Technical Advisory team for tailored guidance – advisory@accaglobal.com. This free service offers support on specific AML queries.

In addition, ACCA organises a variety of AML-related courses and events throughout the year to help members stay informed and compliant.

SECTION 6 – WHISTLEBLOWING

ACCA has set up 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 more easily alerted about instances of non-compliance with the AML 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 Money Laundering Regulations; 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: [ACCA whistleblowing form](#)

ACCA encourages timely, responsible and lawful reports about what you know or suspect. Your report could help identify, stop or prevent reckless or dishonest behaviour which might pose a risk to the public.

Anyone wishing to make a report to ACCA may withhold their identity completely. However, ACCA would encourage everyone making a report to provide contact details to allow us to obtain further information if required.

SECTION 7 – LOOKING FORWARD

Enhancing our supervision regulatory framework

As part of its regulatory responsibilities, ACCA remains committed to maintaining and continuously strengthening its risk-based AML supervision framework. Our objective is to ensure that supervisory resources are directed proportionately towards areas of greatest risk and that our approach remains responsive to emerging risks and developments across the accountancy sector. To achieve this, we will:

- **Leverage data and intelligence:** We will continue to use data and intelligence obtained through AML Annual Returns, firm-level AML reviews and other supervisory activities to assess the risk profile of our supervised population and inform the nature, frequency and scope of our supervisory activity.
- **Enhance the AML Annual Return process:** We will continue to strengthen the quality and timeliness of AML Annual Return submissions, recognising that the information provided is integral to our risk-based supervision model. We will also continue to develop the processes supporting the collection and use of this information.
- **Conduct targeted and thematic reviews:** We will continue to identify emerging risks and sector trends and use these insights to plan and deliver targeted and thematic reviews. Specific areas of focus will be determined through our risk-based approach and may include the identification and reporting of suspicious activity, firm-wide risk assessments, customer due diligence and other areas where supervisory intelligence indicates increased risk.
- **Strengthen regulatory and disciplinary coordination:** We will continue to work constructively with our independent Professional Conduct Department to ensure that cases involving breaches of AML legislation, regulatory requirements or professional obligations are addressed effectively, proportionately and in the public interest.
- **Expand guidance and sector outreach:** We will continue to update and publish AML factsheets, guidance and other compliance resources to support firms in understanding and meeting their AML obligations. The AML supervision team will also continue to contribute to ACCA's wider CPD programme and sector outreach activities, ensuring that relevant AML information reaches regulated accountancy professionals across the UK.

UK AML supervisory reform

The UK Government's decision to reform the AML supervisory regime represents a significant change to the regulatory landscape for accountancy service providers. HM Treasury has confirmed its intention to establish a Single Professional Services Supervisor (SPSS), with AML supervisory responsibility for accountancy service providers, legal service providers and trust and company service providers transferring from professional body supervisors and HMRC to the FCA.

The proposed reforms are subject to legislation being passed by Parliament and further development of the legislative and regulatory framework. At the time of publication, no definitive implementation timetable has been confirmed, however it is currently proposed that firms could begin transitioning to the new supervisory arrangements in tranches from late 2028, although this remains dependent on the progress of legislation and subsequent implementation arrangements.

ACCA will continue to engage with HM Treasury, ministers, the FCA and other relevant stakeholders as the reforms develop. We will contribute to future consultations and discussions to ensure that the experience and expertise of professional body supervision, together with the specific characteristics and risks of the accountancy sector, are appropriately reflected in the design and implementation of the new regime.

ACCA remains committed to ensuring that any changes to the supervisory framework deliver effective AML supervision while being practical, proportionate and responsive to the needs of the sector. We will continue to highlight the importance of avoiding unnecessary regulatory burdens and costs for firms and will engage constructively with government on approaches that can achieve these objectives.

Until responsibility for AML supervision formally transfers, ACCA will continue to provide effective and risk-based supervision to its regulated firms. We will maintain continuity of supervision and continue to support firms in meeting their AML obligations throughout the transition period. As further details become available, ACCA will communicate relevant developments to its supervised population and provide appropriate guidance to support firms through any changes to the supervisory arrangements.

Driving effectiveness of AML regulations and supervision

ACCA remains committed to contributing to the wider effectiveness of the UK and Ireland AML regulatory frameworks. To achieve this, we will:

- **Engage with policy and regulatory reform:** We will continue to engage with HM Treasury, government departments and other relevant stakeholders on forthcoming consultations and policy developments relating to AML regulation and supervision. Our supervisory experience and insights from monitoring activity will continue to inform our responses to such consultations.
- **Collaborate across supervisory and law enforcement networks:** We will continue to work closely with professional body supervisors, statutory supervisory authorities, government and law enforcement through established networks and forums, including the AML Supervisors Forum in the UK and relevant supervisory and intelligence-sharing groups in Ireland. This collaboration will support the sharing of intelligence, emerging risks and supervisory best practice.
- **Support the effectiveness of the AML supervisory system:** As the UK supervisory reforms develop, ACCA will continue to interact with relevant stakeholders. We will seek to support a transition that maintains effective supervision, minimises disruption to firms and preserves the sector-specific knowledge and expertise necessary to identify and mitigate money laundering risks effectively.
- **Support Companies House reform implementation:** We will continue to engage with Companies House and other relevant stakeholders in relation to the implementation of reforms introduced under the Economic Crime and Corporate Transparency Act 2023 (ECCTA), including developments relating to authorised corporate service providers (ACSPs), and will support our supervised population in understanding and meeting their obligations.

Information and intelligence sharing

ACCA recognises that effective AML supervision relies on high-quality information sharing and intelligence coordination across the AML ecosystem. We remain committed to strengthening collaboration between supervisors, regulated firms, law enforcement and other relevant stakeholders. To achieve this, we will:

- Collaborate through established information-sharing networks: We will continue to participate actively in relevant supervisory and intelligence-sharing groups, including the AASG, and Joint Practices Group, and make appropriate use of established intelligence-sharing platforms. These arrangements enable ACCA to identify emerging risks, share typologies and best practice, and strengthen the collective effectiveness of the AML supervisory framework.
- Integrate law enforcement intelligence into AML supervision: We will continue to work proactively with law enforcement and other supervisory authorities to obtain and share relevant intelligence on emerging money laundering risks, typologies and sector-specific trends. Where appropriate, this intelligence will be incorporated into our risk assessment, supervisory planning and AML review activities.
- Strengthen intelligence-led supervision: We will continue to develop our use of intelligence from across the AML ecosystem to ensure that our supervisory activity remains targeted and responsive. This will enable ACCA to identify emerging risks at an early stage and take appropriate supervisory action to mitigate those risks across the supervised population.

APPENDIX 1 – ACCA FACTSHEETS AND RESOURCES

[ACCA Technical Facstsheets – UK](#)

[ACCA Technical Factsheets – Ireland](#)

[ACCA Regulatory board](#)

[ACCA Disciplinary and Regulatory Hearings](#)

[ACCA Report on regulation 2026](#)

[ACCA Rulebook](#)

[ACCA Whistleblowing Policy](#)

[ACCA's Risk Assessment of Trust and Company Service Provider \(TCSP\)](#)

[ACCA's Proliferation Financing Guidance Article](#)

[Companies House reform – what you need to know for ACSP registration](#)

[2026/27 ACCA AML Annual Return – UK](#)

[2026/27 ACCA AML Annual Return – Ireland](#)

APPENDIX 2 – EXTERNAL LINKS

[UKFIU SARS reporting portal](#)

[FIU Ireland reporting portal](#)

[UK National Risk Assessment 2025](#)

[Ireland National Risk Assessment 2026](#)

[UK National Risk Assessment of Proliferation Financing 2021](#)

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

[New Anti-Money Laundering Guidance published for the accountancy sector in Ireland](#)

[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 \(POCA\)](#)

[Criminal Finance Act 2017](#)

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

[Department of Justice, Home Affairs and Migration Ireland](#)

[UKFIU SAR Best Practice Guidance](#)

[Companies House confirms identity verification rollout from 18 November 2025](#)

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THINK AHEAD