

Client Risk Assessment

For use where the client is a Individual/Partnership/Company or Trust

1. Client Name:

2. Nature of Business:

3. Trading Address:

If a 'YES' response is given to any of the following questions 5, 10, 12, 14, 17, 18 and 26 then an overall low risk assessment is NOT possible.
If a 'YES' response is given to more than one of these questions then the overall risk assessment MUST be high.

If you have worked for this client for less than 12 months, the overall assessment cannot be low.

Potential Risk	YES/ NO	Comments	Subjective Risk Rating low / medium / high
Client introduction 1. How was client introduced to the practice?			
Verification / Identity Have you met personally with:			
2. The beneficial owner(s) of business? (if any)			
3. The principal directors of business? (if different from owners)			
4. Have you visited the principal business location?			
5. Are we aware of anything detrimental with regards to the reputation of either the business or any other individuals involved with it?			
Business risks Type of business:			
6. Is the client's business sector associated with any specific risks?			
7. Is the client a member of any professional or trade association?			
Structure			
8. Is the business structure typical for this business sector?			
Location			
9. Is the client based and does it operate within your practice's usual client catchment area?			
10. Does the client have business dealings outside the UK?			
11. If 'yes', please state the countries involved and consider the risk implications*.			
12. Are we aware of any associations with Politically Exposed Persons (PEPs), a family member of one or associated with one. If 'yes', give details.			

* If the countries involved lie outside the EU, USA, Australia, New Zealand or Canada the risk implications should be considered closely.

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<p>Operational risks</p> <p>13. Are all relevant HMRC registrations (PAYE, VAT) in place?</p> <p>14. Are you aware of any actual or threatened enquiries or investigations by any authorities, including HMRC? (please specify)</p> <p>15. Does the client operate adequate internal controls for business (based on size and sector)?</p> <p>16. Does the client trade in high value items?</p> <p>17. Is the business strongly 'cash-based'?</p> <p>18. Does the client appear to enter into transactions with limited or no commercial value or logic?</p> <p>Is financial performance 'in-line' with:</p> <p>19. expectations of this particular business sector?</p> <p>20. the level of business activity undertaken?</p> <p>21. Is the business solvent?</p> <p>22. Do major customers / suppliers appear to be 'in-line' with your expectations regarding identity and location?</p>			
<p>Client behaviour</p> <p>Does the owner and key members of the client's personnel appear to be:</p> <p>23. open and candid in dealing with you?</p> <p>24. aware and sceptical in business dealings?</p> <p>25. compliant in their approach to regulatory requirements?</p> <p>26. overtly extravagant in their lifestyles? (e.g. cars, offices, entertainment)</p>			
<p>Other matters:</p> <p>27. Does the information obtained from discussions with management tally with that available from other services? (e.g. the client's website or the company's annual return filed at Companies House?)</p> <p>28. Are there any significant discrepancies?</p> <p>29. Are there any factors which might suggest that there is an increased / decreased risk in relation to the likelihood of money laundering / terrorist financing?</p> <p>30. Does this client account for 15% or more of your gross fee income</p>			
<p>FOR COMPLETION BY THE MLRO ONLY</p>	<p>Date reviewed by MLRO:</p> <p>Signature of MLRO:</p>		