



**ANTI-MONEY LAUNDERING
SUPERVISION ANNUAL REPORT
(6th APRIL 2021 – 5th APRIL 2022)**

Contents

1. ICB Overview	3
2. Role as a Professional Body Supervisor (PBS)	3
3. Supervised Membership Population.....	3
4. AML Structure	6
5. AML Supervision	6
6. Outcomes of the inspection Process.....	7
Desk-based reviews.....	8
Visits conducted	9
7. Enforcement Strategy	10
8. Enforcement Outcome Statistics	10
9. Appeals	12
10. Education.....	13
11. Information and Intelligence Sharing	13
12. Suspicious Activity Reports (SARs).....	14
13. The Future, Emerging Threats and Trends.....	14
14. ICB Resources	16
15. External Resources.....	17
Appendix – Fines Levied	18

1. ICB Overview

1.1 [The Institute of Certified Bookkeepers](#) (ICB) is the largest bookkeeping institute in the world. It promotes and maintains the standards of bookkeeping as a profession through the establishment of relevant qualifications and the award of grades of membership that recognise academic attainment, working experience and competence.

1.2 As a membership body, ICB provides ongoing support to members to ensure they are knowledgeable and up to date with the latest legislation, mindful of their ethical obligations, and best placed to provide a trusted and exemplary service to business.

1.3 All this is possible through demonstrating a high level of commitment to compliance ensuring that our supervised population are **Engaged, Educated, and Encouraged** to conform with the legislation but **Enforcing** when necessary.

2. Role as a Professional Body Supervisor (PBS)

2.1 ICB is proud to be one of the PBSs entrusted to ensure that our supervised members conform to the [Money Laundering Regulations \(MLRs\)](#) and associated legislation, a role which we have performed since 2007. We provide support to our members where necessary but are not afraid to use enforcement tools when required, ensuring fairness, transparency and consistency.

2.2 ICB has a strategy of providing education and guidance to its members, making available a variety of material on our website and through webinars and in-person events. We play a dual role; on the one hand, educating our members on their statutory and professional obligations, and on the other, reprimanding those that breach the legislation or ICB's [Professional Conduct Regulations \(PCR\)](#).

2.3 ICB maintains an extremely strong and focused belief in the importance of the Anti-Money Laundering (AML) Regime and we firmly believe that this attitude permeates the whole organisation and our membership body. ICB balances its roles as a regulator and supportive member body by guiding its members through AML compliance, ensuring that its efforts are not only recognised as fit for purpose but as best practice.

3. Supervised Membership Population

3.1 ICB's supervised membership consists, in the main, of sole traders and small limited companies. However, there are some larger limited companies that provide bookkeeping and/or payroll services and hold a practice licence with supervision for these activities.

3.2 Most of ICB's supervised bookkeeping practices have local clients and trade in their local area. However, we continue to see an increase in members onboarding clients outside of their normal geographical areas of operation, due to the prevalence of remote working that arose during the pandemic and the increased use of technology to source and service clients.

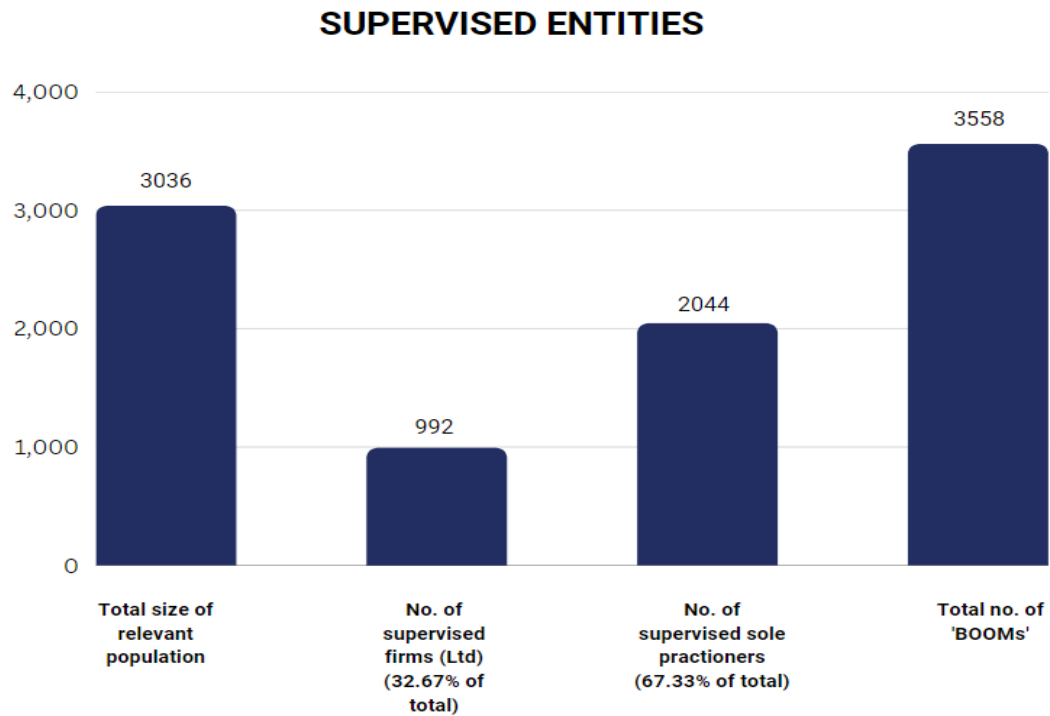
3.3 In the reporting period, **259** applications for membership were received. All of these were accepted.

3.4 All Beneficial Owners, Officers, and Managers (BOOMs) of a practice are required to receive approval by ICB. During the reporting period, **405** applications of this type were

received, all of which were approved. **Two** approvals from previous periods were invalidated in the reporting period as a result of subsequent disciplinary action being taken against the practice in question.

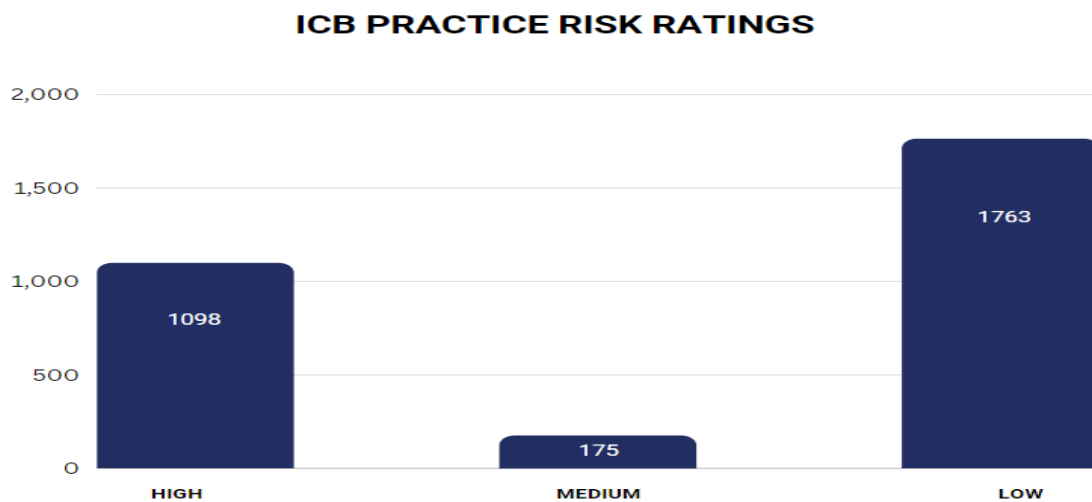
3.5 The number of supervised entities fluctuates year on year, as does the number of BOOMs. This can be due to retirement, moving to a different supervisor or obtaining employment. Table 1 shows the supervised entities and BOOMs at the end of the reporting period.

Table 1



3.6 ICB practices are subject to a risk rating (Table 2) based on several factors, including but not limited to, services provided, client risk ratings, staffing, event attendance and how long they have held their practice licence. These ratings can change daily dependent on the activities of the practice in question.

Table 2



3.7 Supervised members have a total of **86,576** clients, and of these clients **13,488** are high-risk. However, when analysing this data, the ICB portal analytics deems that all new clients are initially high-risk. This is our starting point to cross reference this data with the data provided in the request for exposure information to identify any potential exposure. As mentioned previously, this data fluctuates as clients are added or removed or risk ratings are amended on review.

3.8 The services of a Trust and Company Service Provider (TCSP) have been deemed as high-risk services in the [National Risk Assessment 2020 \(NRA\)](#), and as such, ICB monitors members who provide these services closely. Tables 3 and 4 provide a breakdown of the practices providing these services and the services provided.

Table 3

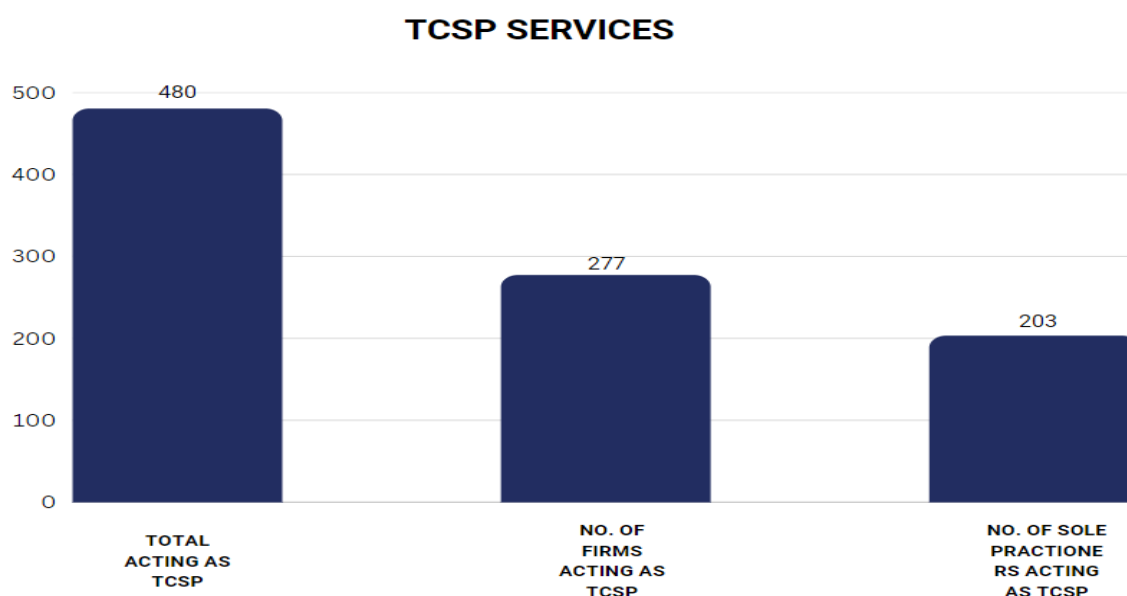


Table 4

Service	No. offering service	% of firms offering TCSP
Company formation	156	33%
Providing registered office	153	32%
Act or arrange for another person to act as a director of a company	53	11%
Act or arrange for another person to act as a trustee of an express trust or similar legal arrangement	9	2%
Forming other legal persons	15	3%
Providing business address	54	11%
Provide a correspondence address	102	21%
Provide an administrative address for a company, partnership, other legal person or arrangement	41	9%
Act or arrange for another person to act as a secretary of a company	56	12%
Act or arrange for another person to act as a partner (or in a similar position) for other legal persons	8	2%

Act or arrange for another person to act as a nominee shareholder for another person (unless the other person is a company listed on a regulated market which is subject to acceptable disclosure requirements)	3	1%
---	---	----

4. AML Structure

4.1 The structure of the AML compliance directorate currently consists of the Director of Compliance, two Intelligence and Investigations Officers, a Compliance Officer and three external inspectors. All but one of the staff members are ex law enforcement with considerable experience investigating financial crime globally.

4.2 The network of AML Compliance Inspectors is regionally based and provide nationwide coverage of our membership. Inspectors are based in Scotland, the Northeast, and the Southeast.

4.3 A post of Director of Professional Standards, which sits outside of the Compliance Directorate, was created and filled in April 2021. This post-holder is responsible for reviewing the fine structure, levying fines on members and ensuring consistency and transparency in line with ICB disciplinary sanctions and the PCR.

5. AML Supervision

5.1 ICB's principal tool for monitoring members' AML compliance remains via its AML Online client risk assessment tool (AML Online), which we offer free of charge to all members supervised by ICB. Although updates are planned for the tool to further enhance its capabilities, this is, in part, dependent on the outcome of the review of the UK's AML/CFT regulatory and supervisory regime. Further details of this are documented in Section 14.

5.2 A requirement of being a supervised ICB member is that such members input all their clients onto the AML Online system and complete a template which contains AML risk-related questions regarding each of these clients. These questions are designed to assess the AML risk that each client poses by looking at their behaviour, geographical areas of operation, services provided, transactions and delivery channels. These questions mirror the provisions of [Regulation 18 \(2\) \(b\) of the MLR 2017](#), which a relevant person must take into account when assessing their AML risk.

5.3 The answers provided are subject to a series of algorithms, which generate a risk score of High, Medium or Low. The member is required to manage the AML compliance of their client in accordance with this scoring. This information is enhanced further with data captured through our practice licence application and renewal process, as well as through all other interactions that ICB has with its members.

5.4 Intelligence and Investigations Officers within ICB constantly review members' AML compliance and look for any possible negative indicators or red flags through our use of open-source data, social media, Companies House registration and any other information and intelligence that might alert us to any issues affecting their AML risk. This information is collated and provides ICB with an AML Risk Profile for each member, which, together with the findings of the National Risk Assessment, thematic reviews and other resources is how we manage our Risk Based Approach (RBA) to supervision.

5.5 AML Online also generates our AML risk reports, which will indicate a possible AML risk within our membership. This helps us to forensically target investigations by our Compliance Team. ICB risk assessment of its members is a dynamic and ongoing process and member risk is subject to constant change depending on underlying circumstances at a particular time as well as any activity or inactivity by them.

5.6 The approach ICB takes is unlike most other supervisory authorities who conduct an annual data collection exercise from which they allocate an AML risk rating on one day each year. AML online is designed to be a dynamic system, allowing risk ratings to be generated at any time throughout the reporting period.

5.7 ICB does not have a set AML compliance inspection programme whereby we inspect practices on a rolling program. With the exception of our random compliance inspection programme, which tests how our RBA is working, all compliance inspections are completed on those practices that we suspect are breaching the MLRs, which are identified through our RBA by the ICB Intelligence and Investigations Officers. Our AML compliance inspection programme is driven by our RBA and we prioritise our resources accordingly, in line with intelligence received, and the findings of publications such as the National Risk Assessment.

5.8 Our supervisory strategy continues to be effective as we are identifying and dealing with areas of non-compliance within our supervised population. We also continue to be more effective since we employed two Intelligence and Investigations Officers in May 2021. Our new enforcement strategy has grown from being purely education-based, to one that will actively reprimand breaches of the legislation. We also have in place a new fine structure being administered by a newly appointed Director of Professional Standards.

5.9 As previously reported, from January 2021 the decision was made that ICB would only provide ratings of compliant or non-compliant, removing the generally compliant category. We took this approach to increase the objectivity of the reviews and inspections and in doing so, drive up compliance. If a member is found to have breached any of the legislation, they would be found to be non-compliant. Before this change was enacted, The Office for Professional Body Anti-Money Laundering Supervisors (OPBAS) were consulted. The body agreed that this approach provides more certainty and transparency both for ICB members and inspectors.

5.10 During the reporting period, ICB has appointed a new Director of Compliance and another for Professional Standards. As a consequence of this change in personnel, the procedure in relation to our AML reviews of members has altered accordingly. We have conducted 192 member reviews during this period to establish which members were believed to be non-compliant and therefore identified for further inspection.

5.11 The figures in Section 7 reflect the member reviews carried out during the reporting period. Any members found non-compliant for AML or AML and Professional Conduct Regulations (PCR) were forwarded for inspection and full intelligence research carried out.

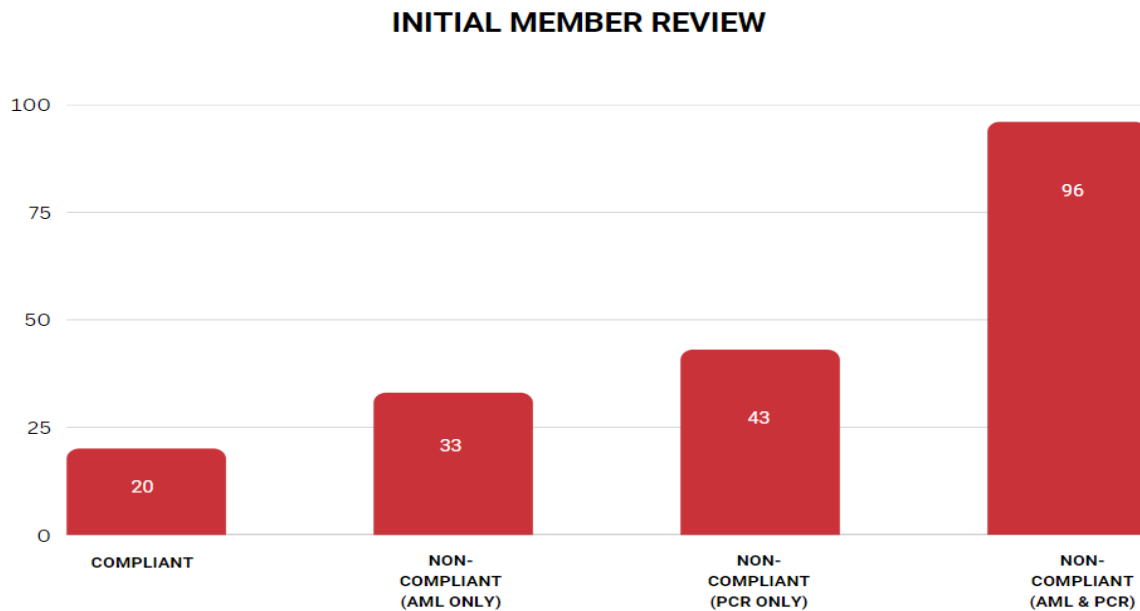
6. Outcomes of the inspection Process

6.1 192 initial AML Member Reviews were undertaken. Of these, 20 were found to be compliant and no further action was required. The remaining 172 were found to have breached either the MLRs or the Professional Conduct Regulations, with 96 having been found to have breached both. All 172 firms were put forward for further action. We credit the high

level of detection of non-compliance to our previously stated forensic approach to identifying candidates for inspection.

6.2 Although 172 firms were put forward for inspection, not all of these were reviewed within the reporting period and some will fall into next year’s figures. This is also true of last year’s firms identified for inspection, where a number have been inspected in this reporting period.

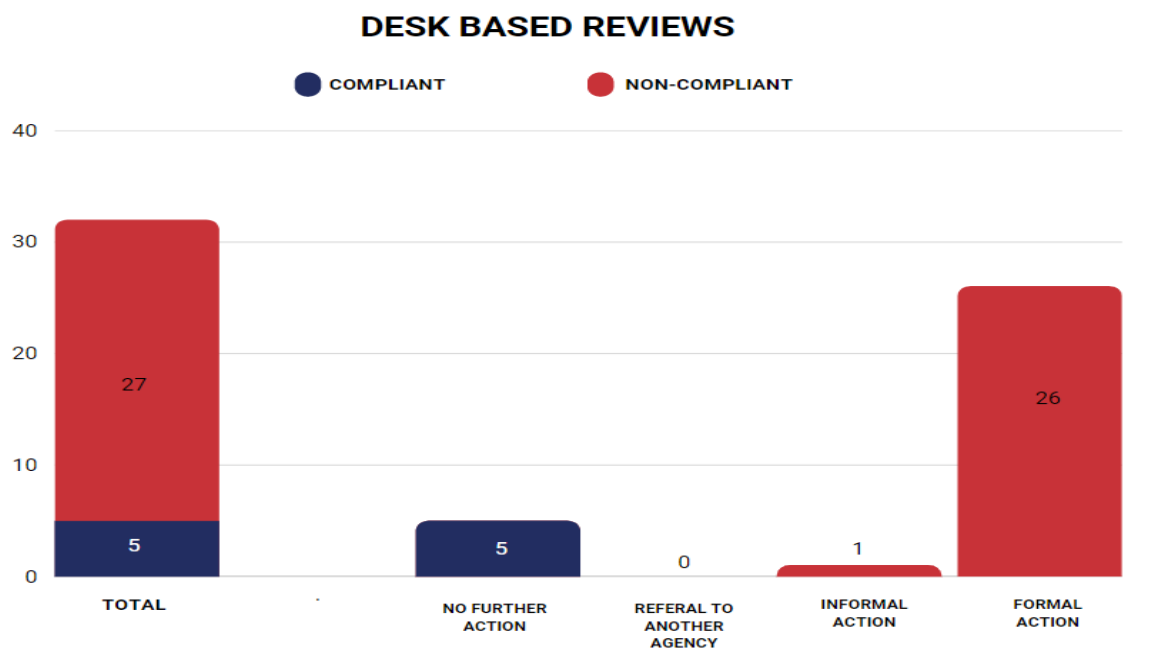
Table 5



Desk-based reviews

6.3 32 desk-based reviews were conducted. Of these five were found to be compliant and 27 non-compliant. (Table 6)

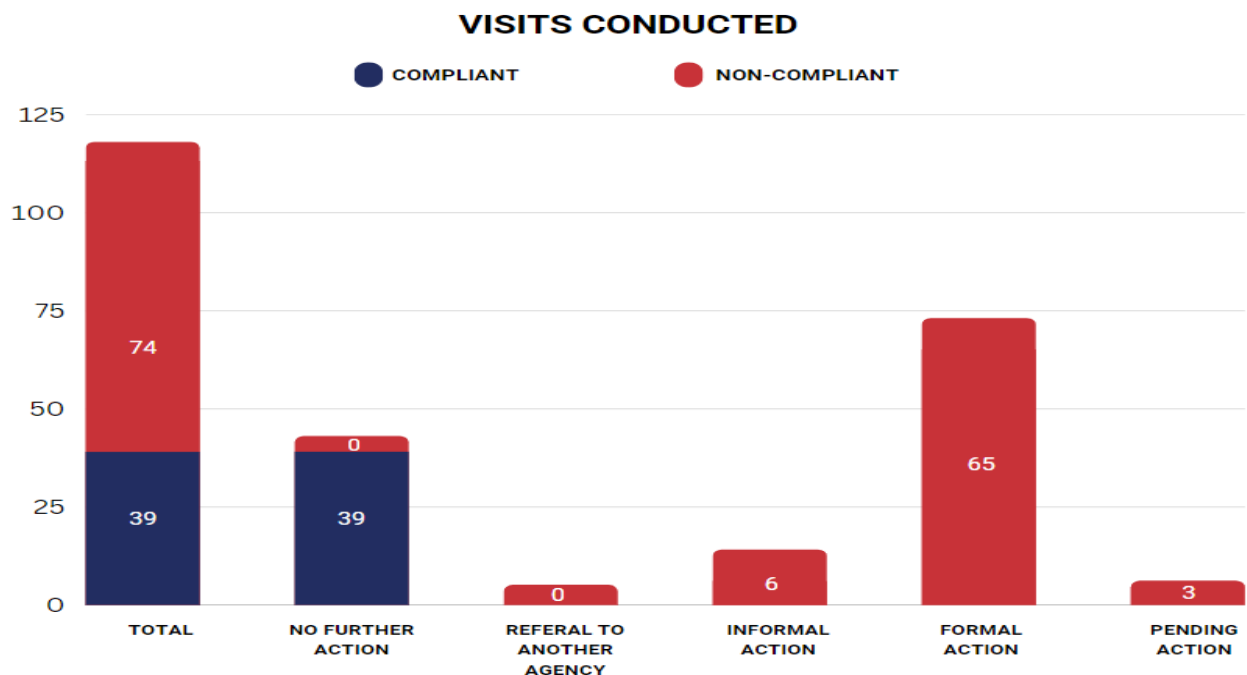
Table 6



Visits conducted

6.4 113 physical or zoom inspections were conducted. 39 of these practices were found to be compliant while 74 were found to be non-compliant. (Table 7)

Table 7



There are three pending cases awaiting completion of an action plan and as yet are not finalised therefore the actions taken has not been established

CASE STUDY

In July 2021 following a member review, it was identified that a member, a sole practitioner of a limited company, had no clients on their ICB AML online portal, as per the requirements of the ICB PCR. If the member has clients and is not registering them on AML Online, this is a breach of the PCR, but as the portal also risk assesses the clients, it is a red flag that the member may not be risk assessing their clients elsewhere, which would be a breach of the MLR. Further open-source research was undertaken by intelligence officers at ICB, which identified that the practice had a very professional website and an active Facebook profile. This evidence indicated that the member had numerous clients, and as such, the practice was allocated for inspection.

On inspection, it was identified that the member had 146 clients which had not been input into the AML Online portal and had not been risk assessed. No training had been undertaken or training record completed. No whole of practice risk assessment, or policies and procedures document had been completed, and no Customer Due Diligence (CDD) carried out on any clients. The member was provided with an action plan to rectify the above and given a period of time in which to do so. A considerable amount of time was spent by the AML team assisting the member and three months following the initial inspection the member was re-inspected. Over that grace period, the member had made very little progress in becoming compliant, despite the help provided.

The matter was referred to the Director of Professional Standards and following dialogue with the member, it was decided that ICB could not consider them to be fit and proper to hold AML supervision. As a result of that determination, their practice licence was revoked. The member subsequently appealed the decision which was upheld by the appeals panel.

7. Enforcement Strategy

7.1 ICB has adopted a zero-tolerance approach, whereby any member found to be breaching the MLRs will face a financial penalty. Where members have been found to be in breach of the Professional Conduct Regulations only, consideration of the breach has been made and in a small number of cases, no financial penalty was levied, with a reprimand being given instead.

7.2 Penalties are required to be proportionate to the breach, as well as effective and dissuasive. ICB also endeavours to ensure the fines are proportionate to the member's practice and their ability to pay. Those subject to a fine are invited to submit their financial information for review. A number of members have taken this action and fines have been reduced accordingly.

7.3 With two years of data now available on this approach, ICB are undertaking a review of the disciplinary sanctions to ensure they are fulfilling their purpose.

8. Enforcement Outcome Statistics

8.1 The most common areas for non-compliance that we see continue to be the member's failure to complete an adequate practice risk assessment (Reg 18), or a policies and procedures statement (Reg 19). In addition to this, a number of those that fail their inspection have no adequate training or training records (Reg 24) and have demonstrated inadequate Customer Due Diligence (Reg 27/28). This is despite substantial training and resources provided to members by way of regular webinars and roadshows undertaken by ICB to alert them to their obligations. (*Appendix 1* shows breakdown of areas of non-compliance)

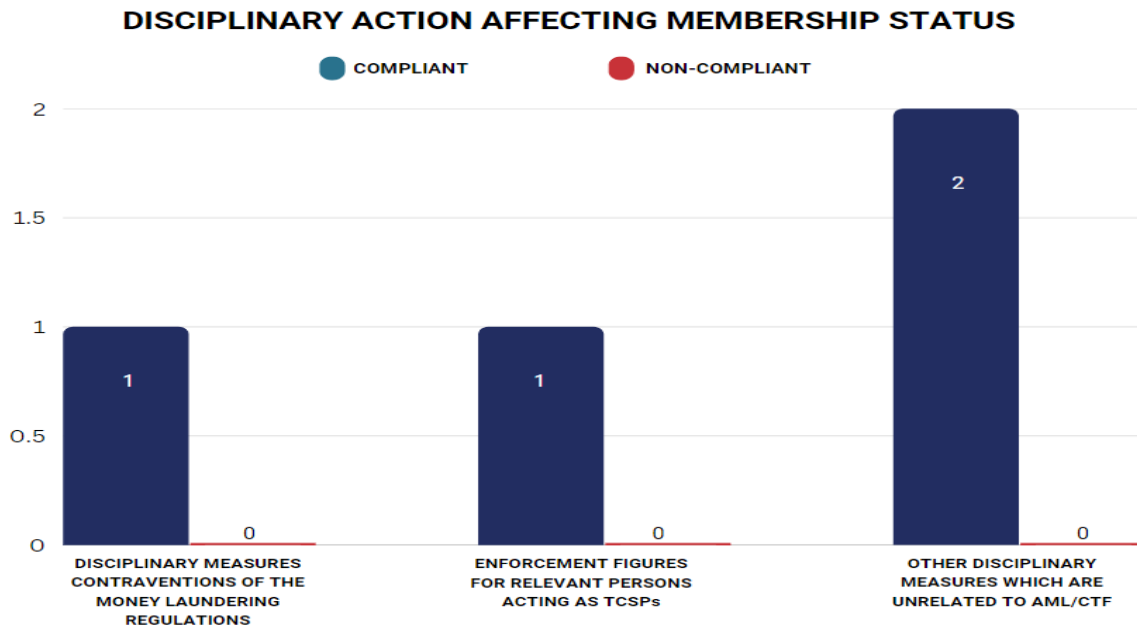
8.2 As previously reported, another problem area identified is where members remain naïve about the money laundering risk they face, despite ICB's efforts to reach out to them in this regard. We are continually embedding an AML compliance culture within our membership to remedy this situation and provide a series of AML workshops on our ICB TV platform, which gives guidance and assistance on a range of AML issues.

8.3 There still does not appear to be any pattern in relation to failings when compared to services offered, but this is kept under review with further analytical research.

8.4 As commented on previously, there is a naïve attitude amongst members that they are immune to the risks of money laundering. This is a mindset we strive to eradicate through our education of members and zero-tolerance enforcement strategy, the effectiveness of which will be reported once data is collated and analysed.

8.5 Disciplinary action taken affecting membership status can be seen at *Table 8* together with the number of fines relating to AML breaches and non-AML breaches, *Table 9* and the cumulative fine totals, *Table 10*.

Table 8



The same member appears in all three of the sections for membership cancelled with one additional member having their membership cancelled under Other Disciplinary measures. Therefore, in total 2 members have had their membership cancelled in the reporting period.

Table 9

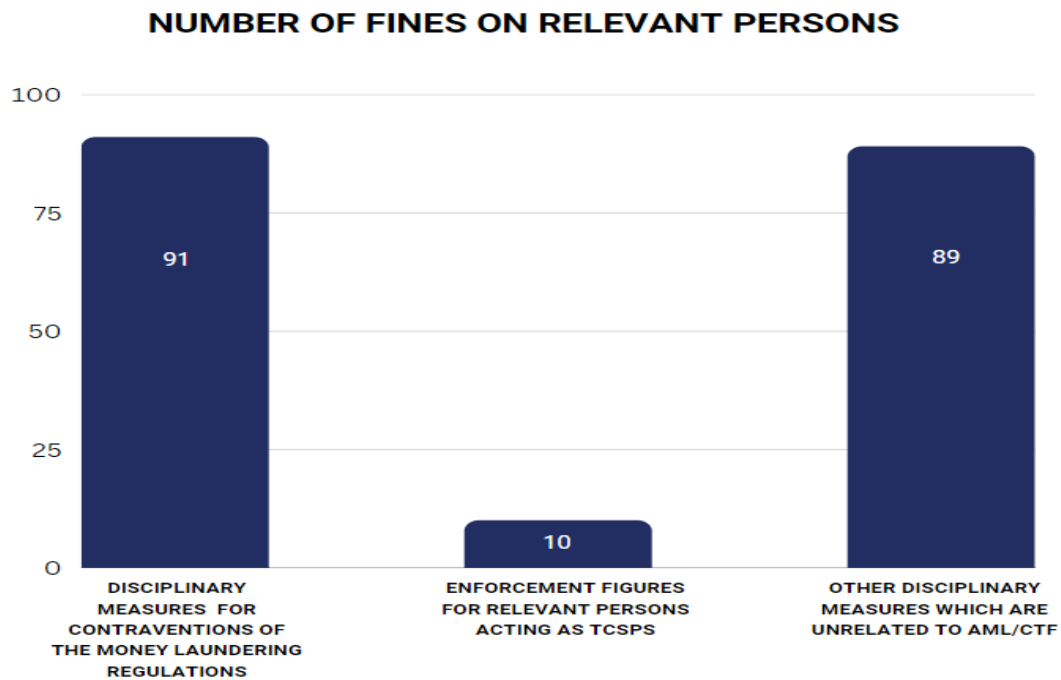
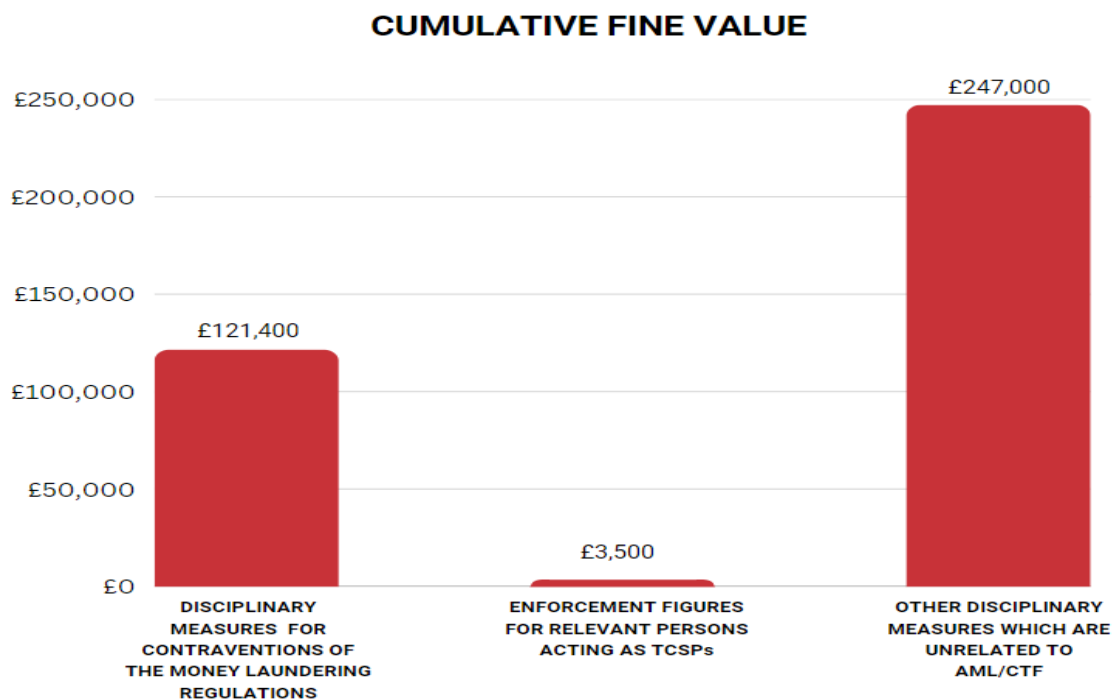


Table 10



A breakdown of all fines levied can be found at Appendix 1

9. Appeals

9.1 Appeals will only be considered on the following basis:

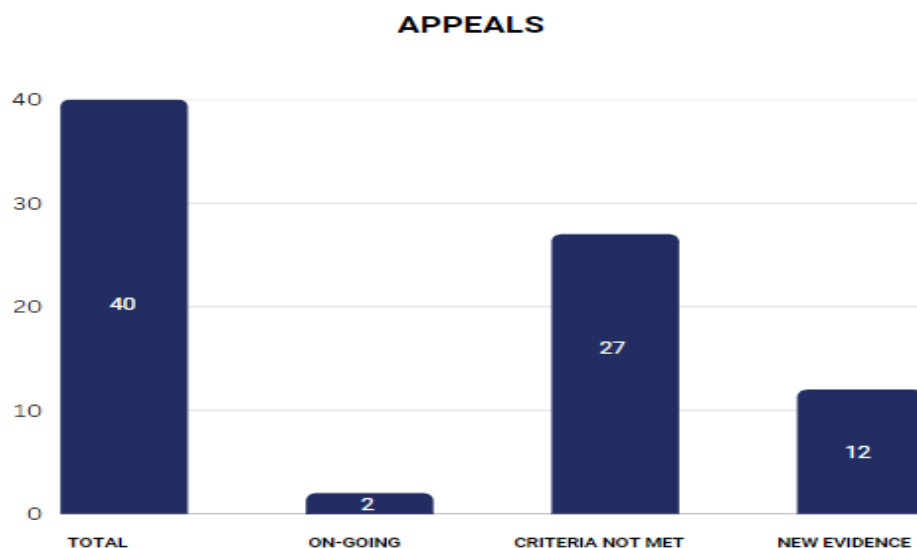
- i) there is new evidence that was not available at the time of the inspection.
- ii) there was a procedural flaw in the conduct of the inspection process that materially affected ICB's ability to reach a fair decision.

Members must provide full reasons for appeal and comprehensive supporting evidence.

9.2 Any member subject to disciplinary action has the option to appeal. This must be done within 21 days of the date that the penalty was issued, and is heard by the appeals panel. This consists of ICB's Chief Executive Officer, a member of our Advisory Council, and a layperson. Both the Advisory Council member and the layperson positions on the appeals panel are subject to a rota ensuring a dynamic panel. The Director of Professional Standards acts as Chairman and the Director of Compliance attends to provide information, however, neither has a vote on the outcome of the appeal.

9.3 In the reporting period, 40 Appeals were heard. 12 appeals provided new evidence, resulting in a credit being issued to the member. Of these appeals, two members had their fines overturned and their status as a member of good standing reinstated as at the date of the inspection. One appeal met the required criteria, but the member was later found to have misled the panel and the fine was reinstated.

Table 11



9.4 Some members have written only to register their disagreement to the fine imposed. Although these do not meet the criteria for appeal, they are presented to the appeals panel, featuring in the figures above, for comment and to feed into the annual enforcement strategy review.

9.5 Nine firms had their fine reduced on the grounds of proportionality, resulting in credits of over £11,000 being issued.

10. Education

10.1 ICB continues to provide education for our supervised members through a series of resources, including webinars, a dedicated area of the website, helplines for members to receive free, personalised advice and regular presentations at ICB events.

10.2 The examinations provided by ICB are being reviewed by the training department to add a compulsory element in relation to AML. Also, an AML course is being developed in line with the CCAB guidance.

10.3 The reporting period saw 727 inquiries to the AML helpdesk from members seeking assistance with AML related matters.

10.4 The AML compliance team gave 23 presentations to member groups in relation to AML.

10.5 The Access to AML section on ICB's website, which contains our AML online system, and an overview and guidance on AML, had 260,398 page views and 131,518 unique page views over the reporting period. The Access to MLR section of the website, which includes MLR forms, checklists and risk assessments, had 296,745 views, 158,079 of which were unique views over that same period of time.

11. Information and Intelligence Sharing

11.1 ICB is fully committed to sharing information and intelligence to those that need to know, including other PBSs, HM Revenue and Customs (HMRC) and law enforcement. ICB is a

member of the Shared Intelligence Service (SIS), located within the UK's Financial Conduct Authority (FCA) and provides a mechanism for information sharing. With ICB's compliance team consisting, in the main, of ex law enforcement professionals, the value of sharing such information is deep-rooted and cannot be underestimated.

11.2 As members of the Accountancy Intelligence Sharing Expert Working Group (Accountancy ISEWG), the Anti-Money Laundering Supervisors Forum (AMLSF) and the Accountancy AML Supervisors Group (AASG), we closely work together to share information and intelligence on threats and red flag indicators to assist our supervised members to not only identify threat and risk, but to mitigate it.

11.3 There still remains work to be done within the intelligence-sharing arena, particularly in relation to receiving such data from law enforcement agencies. It is vital that the flow of such information and intelligence is two-way.

12. Suspicious Activity Reports (SARs)

12.1 ICB continues to monitor the quality and relevance of internal reports and SARs when members are inspected, providing advice and assistance where there have been concerns identified.

12.2 The UK Financial Intelligence Unit (UKFIU) has also provided input in the form of webinars to ICB members and personnel additionally attended the ICB Inspire Tour in London in May, presenting to members on the value of SARs and their submission.

12.3 Following dialogue with UKFIU, the overall quality of SARs submitted by ICB supervised members was of good quality and improving. With the recent amendments to the MLR, there is now the power to require a member to provide a copy of any suspicious activity disclosures made to the NCA for inspection.

13. The Future, Emerging Threats and Trends

13.1 The coming years, like previous, will see continued change within the sector, not least with HM Treasury's future call for evidence on improving the effectiveness of the Money Laundering regime, on which ICB will work closely with other PBSs, HM Treasury, and other stakeholders.

13.2 The review is structured around three key themes.

- **Systemic Effectiveness:** ensuring the government works to reform and improve the UK's regime.
- **Regulatory Effectiveness:** ensuring that those firms and individuals on the frontline of the UK's fight against illicit finance are well-equipped, with a strong risk understanding and capability to implement effective risk-based controls within their businesses, as well as the scope to target that activity at areas of highest risk.
- **Supervisory Effectiveness:** continuing reform of the supervision regime, building on the improvements made in recent years while assessing the rationale for further structural change to the regime.

In relation to supervisory effectiveness, four options have been tabled;

- i) OPBAS+
- ii) PBS consolidation
- iii) Single professional services supervisor (SPSS)
- iv) Single AML supervisor (SAS)

Further detail will be provided by HM Treasury later in the year.

13.3 The 2020 National Risk Assessment produced by HM Treasury commented that Trust and Company Service Providers (TCSP) continue to be the highest risk service provided by accountancy service providers (ASPs) for money laundering. Such services can be exploited by the money laundering actor to launder illicit funds through companies by creating complex corporate structures and providing anonymity.

It is a requirement of the MLR that any ASP who is a TCSP must register with HMRC, which they are able to do via their PBS. ICB, along with other PBSs, has recently carried out a thematic review of their supervised population via a TCSP survey.

ICB strives to keep up to date with all those supervised members that offer TCSP services, and as part of this, recently issued a survey to chart how many in the current member population are operating in this way. If the respondent offered TCSP services, the survey asked what type of services they provided and whether ICB had been notified of their need to be on the TCSP register. The data from this exercise is currently being analysed and the full results will be published when complete.

13.4 ICB will soon undertake a similar thematic review in relation to those providing payroll services, another high-risk area for money launderers.

13.5 [The Economic Crime Plan \(ECP\) 2019 to 2022](#), which set out the UK's strategic priorities for combatting economic crime is due to conclude this year, and as such, ICB is working closely with ECP2 to further enhance the work already done in the fight against economic crime.

13.6 With the onset of the war in Ukraine, sanctions and their associated risks have moved up the agenda and are now on the radar of ICB's supervised membership. At ICB, we are keen to promote awareness of this important issue and have a dedicated area on our website with information for members in practice, as well as content in our newsletter and on member webinars.

Although there has been minimal impact on the ICB supervised population, there has been some traffic to our AML helpline to support members and onward referral to the Office of Financial Sanctions Implementation (OFSI).

The new sanctions announced by the UK Government relating to Russia, including the prohibition on the provision of professional services, trade restrictions and investment bans have provided further guidance to the sector.

13.7 [The Money Laundering and Terrorist Financing \(Amendment\) \(No. 2\) Regulations 2022](#), also provide additional requirements including the reporting of material discrepancies to Companies House, proliferation financing, Suspicious Activity Reports, information sharing and confidentiality, crypto assets and Trust and company service provider (TCSP) services. The effect of this amended legislation will be evident in the coming months.

13.8 ICB has seen an increase in requests for information in relation to crypto assets and their role in money laundering. As technology is developing rapidly, and with many crypto asset

brokers being unregulated, there needs to be further education in this space and sharing of information and intelligence between all parties concerned both within the private and public sectors.

Such digital assets, although not regularly seen across ICB's supervised population, have warranted further member education about what the warning signs of financial crime might look like. ICB endeavours to provide this support by placing information on the ICB website in relation to such assets, together with a link to the Financial Action Taskforce report, [Virtual Assets Red Flag Indicators](#). To further member understanding, we also have a webinar planned to cover the associated risks and mitigation, using subject matter experts, to run alongside our core AML course.

13.9 Automation and digital advancements continue to develop at pace. With developing technologies, automation is, and will increasingly be, vital for the accounting sector in general. This progress undoubtedly represents opportunities to bookkeepers, but may similarly advantage money laundering actors. Risk management systems, knowledge of the risk of the advantage that technological advances may present to the money launderer, and mitigation of such will require the sector to ensure knowledge and legislation is up to date to combat these threats in a timely fashion. Technical deficiencies need to be identified and addressed as they arise.

13.10 The new register that has been created under the [Economic Crime \(Transparency and Enforcement\) Act 2022](#), which requires overseas entities that own UK land or property to declare their beneficial owners or managing officer, is seen as a positive step towards identifying ownership and control of such assets. The register forms part of the Government's strategy to combat economic crime and will help to prevent such money laundering activities.

13.11 The Stop the Traffik Group and Hope for Justice have been analysing the conflict in Ukraine and there is concern in relation to the possible exploitation of vulnerable refugees after fleeing the country. This is something that the sector must remain alert to in relation to enforced labour.

13.12 As previously mentioned, ICB's enforcement strategy has developed to have a greater emphasis on reprimanding non-compliance. Now that we have the data this will be analysed to establish its effectiveness and dissuasive effect.

13.13 ICB is committed to ensuring that all of our supervised population is compliant with the money laundering legislation and will work together with members to ensure this is the case.

14. ICB Resources

14.1 ICB continues to make full use of all technology available and continues to provide members with the following resources:

- **ICB TV - Wages Wednesday** with ICB's Payroll Policy Advisor, which provides payroll advice, an area that the NRA identifies as being at most risk of exploitation.
- **ICB TV – Mike on Monday** with ICB Director of Compliance, Mike Jardine, is available for members on demand. This series provides MLR guidance and an opportunity for members to ask Mike questions about compliance.

- **Inspire Tour** – Prior to the pandemic, ICB toured the UK with its annual roadshow engaging members with technical knowledge, regulatory updates and sharing best practice. This has now evolved into a hybrid event, which last year featured an appearance from UKFIU.
- **Bookkeepers Summit** - Now in its 13th year, the Bookkeepers Summit is an immersive, digital and in-person experience. It brings together bookkeeping professionals from across the globe, and featuring trademark inspirational content and high-impact workshops covering AML.
- **Branch Meetings** – ICB has 32 branches across the UK which hold regular meetings. These gatherings are attended by the compliance team to provide presentations and updates in relation to their regulatory obligations.
- **Technical helpline** – ICB members have access to a free technical helpline, providing personal support on technical and membership queries.
- **AML email** – direct access to the compliance team for members to ask anything AML or regulatory.
- Comprehensive money laundering section of the website for members in practice to keep abreast of everything ML related. Templates to complete for risk assessments etc.

15. External Resources

The below are some of the external resources of interest to supervised members. Further resources can be found on the ICB website.

[National Risk Assessment of Money Laundering and Terrorist Financing 2020](#)

[NCA SAR's](#)

[NCA Guidance Signpost](#)

[CCAB Guidance](#)

[Home Office Economic Crime Plan](#)

[HMRC TCSP Risks](#)

[Financial Action Task Force](#)

[Joint Money Laundering Steering Group](#)

[OPBAS](#)

[Review of the UK's AML/CFT Regulatory and Supervisory Regime](#)

Appendix – Fines Levied

Inspection ref	Total Fine Levied	Breakdown of Fine		Appeal Awarded	Final Fine	AML Breaches	PCR Breaches	Appeal Reasoning
		PCR	AML					
02/21-22	£2,925	£2,075	£850		£2,925	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures	Unreported Practice Changes Omitting clients from AML Online Failure to review clients on AML Online	
04/21-22	£5,375	£4,025	£1,350		£5,375	Reg 18 - Risk Assessment Reg 26 - Prohibitions & Approvals Reg 56 - Requirement to be registered	Unreported Practice Changes Failure to review clients on AML Online	
05/21-22	£5,450	£4,800	£650		£5,450	Reg 18 - Risk Assessment	Omitting clients from AML Online Failure to review clients on AML Online	
06/21-22	£6,700	£5,000	£1,700		£6,700	Reg 21 - Internal Controls Reg 26 - Prohibitions & Approvals Reg 28 - CDD Measures	Omitting clients from AML Online Failure to review clients on AML Online	
07/21-22	£2,000	£400	£1,600		£2,000	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 21 - Internal Controls Reg 24 - Training Reg 26 - Prohibitions & Approvals	Omitting clients from AML Online	
08/21-22	£2,375	£1,125	£1,250		£2,375	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 21 - Internal Controls Reg 24 - Training	Omitting clients from AML Online	
100 /21-22	£2,050	£1,400	£650		£2,050	Reg 18 - Risk Assessment	Omitting clients from AML Online Failure to review clients on AML Online	

101/21-22	£1,500	£750	£750		£1,500	Reg 28 - CDD Measures	Failure to review clients on AML Online	
102/21-22	£2,325	£1,375	£950	-£660	£1,665	Reg 19 - Policies, controls & Procedures Reg 21 - Internal Controls Reg 27 - CDD	Omitting clients from AML Online Failure to review clients on AML Online	Proportionality
103/21-22	£950	£300	£650		£950	Reg 18 - Risk Assessment	Omitting clients from AML Online Failure to review clients on AML Online	
106/21-22	£1,050	£250	£800		£1,050	Reg 26 - Prohibitions & Approvals	Unreported Practice Changes Omitting clients from AML Online	
107/21-22	£75	£75			£75		Omitting clients from AML Online	
109/21-22	£10,625	£2,675	£7,950		£10,625	Reg 24 - Training Reg 28 - CDD Measures	Unreported Practice Changes Omitting clients from AML Online	
111/21-22	£2,325	£1,275	£1,050	-£300	£2,025	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training	Unreported Practice Changes Omitting clients from AML Online	New evidence presented
112/21-22	£1,725	£975	£750	-£450	£1,275	Reg 18 - Risk Assessment Reg 28 - CDD Measures	Unreported Practice Changes Omitting clients from AML Online	New evidence presented
114/21-22	£3,625	£3,625			£3,625		Omitting clients from AML Online	
115/21-22	£4,050	£2,650	£1,400		£4,050	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training Reg 26 - Prohibitions & Approvals	Unreported Practice Changes Omitting clients from AML Online	
116/21-22	£1,750	£900	£850		£1,750	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures	Unreported Practice Changes Omitting clients from AML Online Failure to review clients on AML Online	
13/21-22	£650		650		£650	Reg 27 - CDD		

14/21-22	£2,050	£550	£1,500		£2,050	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 21 - Internal Controls Reg 26 - Prohibitions & Approvals Reg 28 - CDD Measures	Unreported Practice Changes Omitting clients from AML Online	
15/21-22	£3,425	£475	£2,950		£3,425	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training Reg 28 - CDD Measures	Omitting clients from AML Online	
16/21-22	£5,200	£4,000	£1,200		£5,200	Reg 19 - Policies, controls & Procedures Reg 24 - Training Reg 56 - Requirement to be registered	Omitting clients from AML Online	
17/21-22	£15,025	£13,975	£1,050		£15,025	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training	Unreported Practice Changes Omitting clients from AML Online	
19/21-22	£1,025	£225	£800		£1,025	Reg 26 - Prohibitions & Approvals	Unreported Practice Changes Failure to review clients on AML Online	
20/21-22	£2,075	£725	£1,350		£2,075	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training Reg 28 - CDD Measures	Omitting clients from AML Online Failure to review clients on AML Online	
21/21-22	£3,950	£500	£3,450		£3,950	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 21 - Internal Controls Reg 24 - Training Reg 28 - CDD Measures	Omitting clients from AML Online	

22/21-22	£3,075	£1,275	£1,800		£3,075	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training Reg 26 - Prohibitions & Approvals Reg 35 - PEPs	Unreported Practice Changes Omitting clients from AML Online Failure to review clients on AML Online	
24/21-22	£1,800	£1,000	£800		£1,800	Reg 56 - Requirement to be registered	Unreported Practice Changes Omitting clients from AML Online	
27/21-22	£4,425	£2,325	£2,100		£4,425	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training Reg 26 - Prohibitions & Approvals Reg 56 - Requirement to be registered	Unreported Practice Changes Failure to review clients on AML Online	
29/21-22	£725	£75	£650		£725	Reg 19 - Policies, controls & Procedures	Omitting clients from AML Online	
3/21/2022	£1,200	£350	£850		£1,200	Reg 28 - CDD Measures	Unreported Practice Changes Omitting clients from AML Online	
30/21-22	£2,550	£1,900	£650		£2,550	Reg 27 - CDD	Unreported Practice Changes Omitting clients from AML Online Failure to review clients on AML Online	
31/21-22	£9,050	£7,800	£1,250		£9,050	Reg 18 - Risk Assessment Reg 21 - Internal Controls Reg 24 - Training Reg 35 - PEPs	Unreported Practice Changes Omitting clients from AML Online	
33/21-22	£5,400	£4,600	£800		£5,400	Reg 26 - Prohibitions & Approvals	Unreported Practice Changes Failure to review clients on AML Online	

37/21-22	£23,000	£21,550	£1,450	-£8,525	£14,475	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 21 - Internal Controls Reg 24 - Training Reg 28 - CDD Measures	Unreported Practice Changes Failure to review clients on AML Online	New evidence presented
40/21-22	£5,950	£950	£5,000		£5,950	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 21 - Internal Controls Reg 24 - Training Reg 26 - Prohibitions & Approvals Reg 27 - CDD	Unreported Practice Changes Omitting clients from AML Online Failure to review clients on AML Online	
41/21-22	£1,050	£250	£800		£1,050	Reg 26 - Prohibitions & Approvals	Unreported Practice Changes Omitting clients from AML Online Failure to review clients on AML Online	
43/21-22	£4,275	£2,725	£1,550		£4,275	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training Reg 28 - CDD Measures	Unreported Practice Changes Failure to review clients on AML Online	
44/21-22	£2,500	£1,000	£1,500		£2,500	Reg 26 - Prohibitions & Approvals Reg 56 - Requirement to be registered	Omitting clients from AML Online	
47/21-22	£108,700	£100,450	£8,250	-£100,250	£8,450	Reg 18 - Risk Assessment Reg 26 - Prohibitions & Approvals	Omitting clients from AML Online Holding client funds	New evidence presented
48/21-22	£1,675	£675	£1,000	-£50	£1,625	Reg 18 - Risk Assessment Reg 26 - Prohibitions & Approvals	Failure to review clients on AML Online	Proportionality
50/21-22	£2,575	£1,725	£850		£2,575	Reg 28 - CDD Measures	Omitting clients from AML Online Failure to review clients on AML Online	
53/21-22	£1,150	£100	£1,050		£1,150	Reg 18 - Risk Assessment Reg 28 - CDD Measures	Failure to review clients on AML Online	

54/21-22	£3,025	£2,225	£800	-£800	£2,225	Reg 56 - Requirement to be registered	Omitting clients from AML Online Failure to review clients on AML Online	New evidence presented
55/21-22	£1,700	£450	£1,250		£1,700	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training	Unreported Practice Changes Failure to review clients on AML Online	
59/21-22	£800		800		£800	Reg 56 - Requirement to be registered		
61/21-22	£2,350	£950	£1,400		£2,350	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training Reg 26 - Prohibitions & Approvals	Omitting clients from AML Online	
63/21-22	£1,900	£250	£1,650		£1,900	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 21 - Internal Controls Reg 24 - Training Reg 39 - Third Party Reliance	Omitting clients from AML Online	
65/21-22	£1,300	£450	£850		£1,300	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures	Omitting clients from AML Online Failure to review clients on AML Online	
68/21-22	£2,050	£200	£1,850		£2,050	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training Reg 28 - CDD Measures	Omitting clients from AML Online	
69/21-22	£1,425	£575	£850	-£1,245	£180	Reg 24 - Training	Omitting clients from AML Online No PII Undertaking work without qualification	Proportionality
71/21-22	£550	£550			£550		Omitting clients from AML Online Failure to review clients on AML Online	

72/21-22	£2,575	£475	£2,100	-£2,406	£169	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training Reg 26 - Prohibitions & Approvals Reg 28 - CDD Measures	Unreported Practice Changes Omitting clients from AML Online No/Insufficient PII	Proportionality
73/21-22	£1,625	£975	£650	-£125	£1,500	Reg 18 - Risk Assessment	Omitting clients from AML Online Failure to review clients on AML Online	New evidence presented
74/21-22	£1,675	£1,025	£650		£1,675	Reg 18 - Risk Assessment	Unreported Practice Changes Omitting clients from AML Online	
75/21-22	£850	£200	£650		£850	Reg 18 - Risk Assessment	Failure to review clients on AML Online	
76/21-22	£1,075	£425	£650		£1,075	Reg 28 - CDD Measures	Failure to review clients on AML Online	
77/21-22	£700	£50	£650	-£200	£500	Reg 18 - Risk Assessment	Omitting clients from AML Online Failure to review clients on AML Online	Proportionality
79/ 21-22	£1,225	£375	£850		£1,225	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures	Omitting clients from AML Online Failure to review clients on AML Online	
81/21-22	£5,950	£3,900	£2,050		£5,950	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 26 - Prohibitions & Approvals Reg 28 - CDD Measures Reg 56 - Requirement to be registered	Unreported Practice Changes Omitting clients from AML Online	
82/21-22	£1,225	£225	£1,000		£1,225	Reg 24 - Training Reg 26 - Prohibitions & Approvals	Omitting clients from AML Online	
83/21-22	£1,725	£125	£1,600		£1,725	Reg 21 - Internal Controls Reg 24 - Training Reg 26 - Prohibitions & Approvals Reg 28 - CDD Measures	Omitting clients from AML Online Failure to review clients on AML Online	

85/21-22	£2,375	£1,725	£650		£2,375	Reg 18 - Risk Assessment	Failure to review clients on AML Online	
86/21-22	£2,150	£100	£2,050		£2,150	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 21 - Internal Controls Reg 24 - Training Reg 27 - CDD Reg 35 - PEPs	Omitting clients from AML Online	
90/21-22	£550	£550			£550		Unreported Practice Changes Omitting clients from AML Online Failure to review clients on AML Online	
91/21-22	£1,200	£650	£550		£1,200	Reg 27 - CDD	Omitting clients from AML Online Failure to review clients on AML Online	
94/21-22	£1,075	£275	£800		£1,075	Reg 26 - Prohibitions & Approvals	Omitting clients from AML Online Failure to review clients on AML Online	
95/21-22	£1,000	£250	£750		£1,000	Reg 28 - CDD Measures	Omitting clients from AML Online	
96/21-22	£3,575	£3,575			£3,575		Unreported Practice Changes Omitting clients from AML Online Failure to review clients on AML Online	
97/21-22	£13,150	£13,150			£13,150		Omitting clients from AML Online Failure to review clients on AML Online	
98/21-22	£1,875	£775	£1,100		£1,875	Reg 24 - Training Reg 26 - Prohibitions & Approvals Reg 28 - CDD Measures	Unreported Practice Changes Omitting clients from AML Online Work undertaken outside Qualifications	
DBR	£850		850		£850	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures		

DBR	£950		950	-300	£650	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 27 - CDD		New evidence presented
DBR	£150	£150			£150		Unreported Practice Changes	
DBR	£1,100		1100		£1,100	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 26 - Prohibitions & Approvals Reg 35 - PEPs Reg 56 - Requirement to be registered		
DBR	£875	£125	£750		£875	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training	Failure to review clients on AML Online	
DBR	£775	£25	£750	-£25	£750	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 27 - CDD	Omitting clients from AML Online	New evidence presented
DBR	£400	£50	£350		£400	Reg 19 - Policies, controls & Procedures	Omitting clients from AML Online	
DBR	£350		350	-310	£40	Reg 19 - Policies, controls & Procedures		Proportionality
DBR	£550		550		£550	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures		
DBR	£1,700	£1,150	£550		£1,700	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures	Failure to review clients on AML Online	
DBR	£6,325	£5,325	£1,000	-£5,025	£1,300	Reg 18 - Risk Assessment Reg 56 - Requirement to be registered	Failure to review clients on AML Online	Proportionality + new evidence
DBR	£650	£100	£550		£650	Reg 28 - CDD Measures	Failure to review clients on AML Online	

DBR	£1,550		1550		£1,550	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training Reg 28 - CDD Measures		
DBR	£900	£50	£850		£900	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures	Omitting clients from AML Online	
DBR	£1,025	£75	£950		£1,025	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 28 - CDD Measures	Omitting clients from AML Online	
DBR	£850		850	-200	£650	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures		New evidence presented
DBR	£2,050	£400	£1,650	-£50	£2,000	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training Reg 28 - CDD Measures	Unreported Practice Changes Omitting clients from AML Online	Proportionality
DBR	£1,400		1400		£1,400	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 26 - Prohibitions & Approvals Reg 28 - CDD Measures		
DBR	£575	£25	£550	-£575	£0	Reg 28 - CDD Measures	Failure to review clients on AML Online	New evidence presented
DBR	£1,375	£125	£1,250	-£1,095	£280	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 24 - Training	Omitting clients from AML Online	Proportionality
DBR	£850		850		£850	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures		
DBR	£850		850		£850	Reg 18 - Risk Assessment Reg 19 - Policies,		

						controls & Procedures		
DBR	£1,050	£250	£800		£1,050	Reg 26 - Prohibitions & Approvals	Unreported Practice Changes Omitting clients from AML Online	
DBR	£575	£25	£550	-£550	£25	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures	Omitting clients from AML Online	New evidence presented
DBR	£675	£125	£550		£675	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures	Failure to review clients on AML Online	
DBR	£6,600	£1,150	£5,450		£6,600	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 21 - Internal Controls Reg 24 - Training Reg 28 - CDD Measures	Unreported Practice Changes Omitting clients from AML Online	
DBR	£1,600	£150	£1,450		£1,600	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures Reg 28 - CDD Measures	Omitting clients from AML Online	
DBR	£875	£325	£550		£875	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures	Failure to review clients on AML Online	
DBR	£875	£25	£850		£875	Reg 18 - Risk Assessment Reg 19 - Policies, controls & Procedures	Failure to review clients on AML Online	