J C Accounting Ltd

AML Policy and Procedures Document

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Approved by the MLRO Jayne Perry

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Money Laundering Reporting Officer (MLRO)

The money laundering reporting officer (MLRO) is *Jayne Perry.*

As a sole practitioner with no relevant employees I do not need to appoint a board member or member of the senior management to be responsible with business compliance with the UK Anti-money Laundering regime. As a sole practitioner I am responsible for submitting external reports to the NCA, I do not need to establish an independent audit function for AML policies, controls and procedures.

List of responsibilities

The MLRO responsibilities include, but not limited to, the following;

- have oversight of, and be involved in, MLTF risk assessments;
- take reasonable steps to access any relevant information about the business;
- obtain and use national and international findings to inform their performance of their role;
- create and maintain the business's risk-based approach to preventing MLTF;
- support and coordinate focus on MLTF risks. This involves developing and implementing systems, controls, policies and procedures that are appropriate;
- take reasonable steps to ensure the creation and maintenance of MLTF documentation;
- develop Customer Due Diligence (CDD) policies and procedures;
- ensure the creation of the systems and controls needed to enable internal SARs in compliance with POCA [Proceeds of Crime Act 2002];
- make external SARs to the NCA;
- take remedial action where controls are ineffective;
- draw attention to the areas in which systems and controls are effective and where improvements could be made;
- take reasonable steps to establish and maintain adequate arrangements for awareness and training;

MLRO Report

The MLRO will review systems and policies and procedures as necessary

Firm-wide risk assessment

Please see our document AML Firm Wide Risk Assessment

Proliferation financing risk assessment

We do not have and will not take on any clients that would expose us to Proliferation Financing.

Suspicious Activity Reporting (SAR)

Any SAR knowledge or suspicions must be reported to the NCA. A log SARs is maintained.

Consequence of failure to report

As per s330 of the Proceeds of Crime Act 2002, a person commits an offence if, during the course of business they develop knowledge or suspicion (or have reasonable grounds for doing so) that

another person is engaged in money laundering, and they do not make the required disclosure as soon as is practicable. Note that an offence is committed regardless of whether it subsequently transpires that the money laundering cannot be proven, or that it did not occur.

The required disclosure is a disclosure of the information or other matter to the MLRO or the NCA.

Tipping-off

As per s333 of the Proceeds of Crime Act 2002, a person commits an offence if they know or suspect that a disclosure has been made, and they make a disclosure which is likely to prejudice any investigation which might be conducted following the disclosure.

In addition to this (as per s342), a person commits an offence if they know or suspect that an appropriate officer is conducting or about to conduct a confiscation investigation, a civil recovery investigation, a detained cash investigation or a money laundering investigation and either makes a disclosure which is likely to prejudice it or falsifies, conceals, destroys or otherwise disposes of relevant document or causes another to do so.

Training

All training will be conducted externally on a bi- annual basis.

The AML training covers the following topics: AML red flags, explaining the law and regulations, conducting customer due diligence (CDD), SARs and how to deal with suspicious transactions, case studies with examples of ML methods, tipping off….

A log showing the training that was given, the dates on which it was given, which individuals received the training and the result from any assessments is maintained. A Log of this training is kept in the training file.

Client Risk Assessment

A client risk assessment is completed using the IRIS Elements client risk assessment form during onboarding, ongoing monitoring is also performed. Clients are categorised as either low, medium or high risk. Below is the criteria for each risk rating.

High-Risk Client

Any client who has one or more of the following risk factors will be considered as high risk:

- The business relationship is conducted in unusual circumstances
- The client is a resident or transacts with a geographical area of high risk
- Cash-intensive businesses (eg takeaways, retail shops, scrap metal dealers, car wash, nail-bars, massage parlours)
- The corporate structure of the customer is unusual or excessively complex given the nature of the company's business
- High-net-worth individual (eg any individuals/entities with assets of over £x)
- Politically exposed person (PEP)
- High-value businesses (eg jewellers, car dealerships, art, antiques etc)

- The type of industry/business of the firm is at high risk of MLTF eg properties (selling and renting), import and export (including haulage, freights, and shipping), money service bureaus, cryptocurrency, visa and immigration services, investment services, precious metals (eg gold, diamond trading), charities etc.

Low-Risk Client

Any client who is a public administration, a publicly owned enterprise or a company whose securities are listed on a regulated market will be considered as low risk.

Medium-Risk Client

Any client who does not have any high- or low-risk factors will be classified as medium risk.

Customer Due Diligence (CDD)

A Copy of a clients passport/driving licence and an up to date utility bill or bank statement is required (these should be less than 3 months old) Clients may also be checked using 3rd party AML software. Documents held will be revied annually and updated as necessary.

Enhanced Due Diligence (EDD)

A Copy of a clients passport/driving licence and an up to date utility bill or bank statement is required (these should be less than 3 months old), a search will also be made on the internet to check these business's for adverse press etc. Clients will also be checked using 3rd party AML software. These checks will be redone every year.

Ongoing Monitoring Policy

The firm will review any client who is classified as high risk every 12 months. All medium- and low-risk clients will be reviewed every 24 months. The review will ensure all due diligence information is still relevant and up to date. This includes:

- checking identification and address is still valid; if not, this will be updated
- checking there are no discrepancies on the person of significant control register
- checking annual turnover is in line with what we would expect.

Even if no changes are present, this will be documented and recorded within the ongoing monitoring form.

Events prompting an immediate review include:

- a change in the client's identity
- a change in beneficial ownership of the client
- a change in the service provided to the client
- information that is inconsistent with the business's knowledge of the client.

Sanctions Screening

We do not have any clients in high risk jurisdictions, if a potential client approached us from one of these areas we would not take them on.

Control Assurance

The money laundering reporting officer (MLRO) is *Jayne Perry.*

As a sole practitioner with no relevant employees I do not need to appoint a board member or member of the senior management to be responsible with business compliance with the UK Anti-money Laundering regime. As a sole practitioner I am responsible for submitting external reports to the NCA, I do not need to establish an independent audit function for AML policies, controls and procedures.

Data Protection

Customer details must be collected in accordance with the Data Protection Act 2018. This data can be "processed" as defined under the Data Protection Act 2018 to prevent money laundering and terrorist financing.

Record-Keeping Policy

Customer identification evidence and details of any relevant transaction(s) for that customer must be retained for at least 5 years from the end of any business relationship with that customer

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Date	Version	Amendment/Review	Person responsible
29/09/2023	2023	Document created 1st Review 01/10/2024	Jayne Perry
01/10/2024		Annual review	Jayne Perry
01/03/2025	2023-1	Annual Review	Jayne Perry