

Name of firm: Accounting Crows Ltd

3rd May 2025

Introduction

The Money Laundering Regulations in force require supervised firms to “establish and maintain policies, controls and procedures to mitigate and manage effectively the risks of money laundering and terrorist financing identified in any risk assessment undertaken by the relevant person”.

Accounting Crows Ltd is committed to adherence to the UK legislation enacted to combat money laundering and preventing criminals from being able to use this firm to help them launder money, or to finance terrorism. References to money laundering (ML), terrorist financing (TF), and proliferation financing (PF) in this document should be taken to mean ML/TF/PF.

Client due diligence and Enhanced due diligence

It is our policy to undertake client due diligence (CDD) and ensure that evidence of identity is obtained and retained as appropriate to that risk assessment for all clients. Enhanced due diligence (EDD) shall be performed where considered necessary. In practice, we obtain a client's:

- name
- photograph on an official document which confirms their identity (passport/driving licence)
- electronic ID
- residential address and date of birth

The firm will document its CDD using AAT's client onboarding checklist.

All risks, including those not within a category, will be assessed in isolation and also when grouped together. These risks will be used to assess the customer due diligence process.

This evidence will be obtained before work for the client is commenced, and when periodic reviews are undertaken (if more evidence is required then, and when changes occur during the relationship with the client).

Accounting Crows Ltd will use Smart Search on performing CDD.

Smart Search combines three of the most advanced and robust electronic identification and verification methods for KYC and AML compliance - all in one place.

Level 1 uses triple bureau Credit Reference Agency (CRA) data to perform a full AML check, with Sanction and PEP screening, automatically triggering enhanced due diligence on any matches.

Level 2 combines Optical Character Recognition (OCR) and the latest biometric facial recognition techniques to provide you with a true picture of your customer.

Level 3 utilises various Digital Elements (DEs) to create robust and simple to understand fraud risk indicators

to deliver an overall risk score. A dashboard provides detailed information to support additional due diligence enabling you to further investigate high-risk events.

The EDD measures when dealing with a politically exposed person (PEP) that only the director approves a new business relationship; taking adequate measures to establish where the person's wealth and the funds involved in the business relationship come from and carrying out stricter ongoing monitoring of the business relationships.

Accounting Crows Ltd is aware of the need to perform additional CDD/EDD monitoring measures, where appropriate, to prevent the use of products and transactions which might favour anonymity from being used to facilitate money laundering, terrorist financing, or proliferation financing. Further scrutiny will take place in any case where there are reasonable grounds, such as:

- when the client is not physically present when carrying out identification checks
- there is a high risk of ML/TF/PF or in any other case which by its nature can present a higher risk of ML/TF/PF
- where either the client or other parties to the transaction or business relationship are established as being connected to a high-risk third country
- where either the client or other parties to the transaction or business relationship are established as being subject to financial or trade sanctions
- where the client or a beneficial owner of a client is a PEP, or a family member or known close associate of a PEP
- in any case where a client has provided false or stolen identification documentation or information on establishing a business relationship
- in any case where a transaction is complex or unusually large, or there is an unusual pattern of transactions which have no apparent economic or legal purpose.

The enhanced due diligence measures for customers who are not physically present & other high-risk situations include:

- obtaining further information to establish the customer's identity
- making sure that the first payment is made from an account that was opened with a credit institution in the customer's name
- finding out where funds have come from and what the purpose of the transaction is

Smart Search draws additional business information from Companies House databases and CRA business datasets. International data is acquired via Experian's international networks. Where data is not readily available, this is independently researched on a case-by-case basis.

Where Smart Search have alerted risk to a client's identity and sufficient information or clarity is not obtained, the engagement will not be accepted or / if an existing engagement, will be terminated by Accounting Crows Ltd.

Risk management

It is our policy to undertake a firm-wide risk assessment. The firm will assess the ML/TF/PF risks it faces and make proportionate responses to them. Risks are grouped into categories:

- Client risk
- Service risk
- Geographic risk
- Delivery channel risk
- Industry risk

The firm will document this risk assessment using AAT's firm-wide risk assessment template.

To focus resources on the areas of greatest risk, Accounting Crows Ltd uses a risk-based approach. A risk assessment is conducted at least annually, but with new and changing risks considered as and when they are identified.

Jade Roe is the director responsible for compliance to identify the risks and then develop risk-based procedures for taking on new clients.

Ongoing monitoring

Client due diligence, periodic reviews and risk assessments are conducted on an ongoing basis and any additional information identified should be dealt with and further information obtained from clients where necessary. Accounting Crows Ltd considers the following red flags when dealing with both new and existing clients and uses them as indicators for our ongoing monitoring and when to submit a suspicious activity report:

- whether clients are overly secretive or evasive
- if the amount or source of funds seems unusual
- if there are odd discrepancies in client transactions or business activities
- if client activities involve complex business structures that make it unclear who is conducting a transaction or purchase
- the client has taken steps to hide their identity, or is the beneficial owner is difficult to identify
- where information or documents being withheld by the client or their representative, or they appear to be falsified
- high-risk geographical area
- financial or trade sanctions.

The firm will document its ongoing monitoring using AAT's Client monitoring review checklist and AML annual compliance review checklist.

Reporting

Suspicious activity reports

It is a requirement that where Accounting Crows Ltd knows or suspects (or has reasonable grounds for knowing or suspecting) that a person is engaged in ML/TF/PF as a result of information received in the course of the business or otherwise through carrying on that business then they must comply with:

Part 3 of the Terrorism Act 2000;

Part 7 of the Proceeds of Crime Act 2002; and make a Suspicious Activity Report.

It is our policy to report all suspicions identified to the National Crime Agency (NCA) where required using the SAR online reporting service.

Breaches of financial sanctions

It is a requirement that where Accounting Crows Ltd knows or suspects (or has reasonable grounds for knowing or suspecting) that a person is a designated person or has breached a financial sanction, they must inform OFSI as soon as practicable.

It is our policy to report all suspicions identified to OFSI where required using the OFSI Compliance reporting form.

Information about the approach OFSI takes to financial sanctions can be found [here](#).

Discrepancies in people with significant control (PSC) register

It is a requirement that where Accounting Crows Ltd identifies a reportable discrepancy between the information they hold about a PSC and information held on the PSC register, they must tell Companies House as soon as practicable.

It is our policy to tell Companies House about reportable discrepancies where required using Companies House online service.

Information about the types of discrepancies that must be reported and the definition of a PSC can be found [here](#).

Record keeping

It is our policy to maintain records of client identification and considerations of money laundering issues securely, for the entire period that we act for the client and for five years after we cease to act in accordance with the regulations.

If we are required to retain them under statutory obligation, or to retain them for legal proceedings, or by client consent, the records will be retained for not more than 10 years after we cease to act.

Clients are made aware of the data that will be collected about them, why the data is being collected and record retention through the engagement letter in place between the firm and that client and/or our privacy notice.

Internal controls

It is our policy to facilitate adequate internal control to allow for compliance with the regulations and other appropriate legislation.

Jade Roe is responsible for Accounting Crows Ltd compliance with the MLR and application of this policy and associated procedures.

This practice is owned by and run by one principal who controls all aspects of the work undertaken. There are no staff members or sub-contractors and therefore no one else who I need to communicate with in relation to control of AML risk.

Compliance review

It is our policy to undertake a regular compliance review to ensure that the requirements of the regulations are being followed. A record of the review and actions identified is documented and maintained on file.

The director is responsible for carrying the review annually using the AAT's Anti-money laundering annual compliance review checklist.

Training and awareness

The director is aware of the requirements of the MLR and will undertake regular training to recognise and deal with transactions that may be related to ML/TF, as well as to identify and report anything that gives grounds for suspicion. A written record of the training delivered is maintained.