

# Name of firm: Eve Day Accountancy Ltd

## Date document came into effect: February 2023

### 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”.

Eve Day Accountancy 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) in this document should be taken to mean Money laundering or Terrorist Financing (ML/TF).

### 1. Client due diligence and Enhanced Due Diligence

It is our policy to undertake client due diligence 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
- residential address and date of birth

AAT's new client onboarding checklist is checked against for all clients taken on.

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 (CDD) 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). In all cases where the evidence is not available, the matter will be referred to the money laundering reporting officer (MLRO).

The enhanced due diligence measures when dealing with a politically exposed person (PEP) are: making sure that only senior management gives approval for 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 relationship.

Eve Day Accountancy Ltd is aware of the need to perform additional CDD/EDD monitoring measures, where appropriate, to prevent the use for money laundering or terrorist financing of products and transactions which might favour anonymity. Further scrutiny will take place in any case where—

- (a) a transaction is complex and unusually large, or there is an unusual pattern of transactions,
- (b) the transaction or transactions have no apparent economic or legal purpose;
- (c) any other activity or situation which I regard as particularly likely by its nature to be related to money laundering or terrorist financing;

In all cases where the evidence is not available, the matter will be referred to the money

laundry reporting officer (MLRO).

## **2. Risk assessment**

It is our policy to undertake a whole-firm risk assessment. The firm will assess the money laundering and terrorist financing (MLTF) risks it faces and make proportionate responses to them. Risks are grouped into categories;

- Client risk
- Service risk
- Geographic risk
- Sector risk
- Delivery channel risk

The firm documents this risk assessment in a document based on the AAT's Firm Wide Risk Assessment template, and this is updated annually.

## **3. 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. Eve Day Accountancy Ltd uses the following red flags when dealing with both new and existing clients and use 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

A record of the review and the results, such as an updated risk rating, is recorded using the AAT Firm-wide risk assessment checklist

## **4. Suspicious Activity Reporting**

It is a requirement that where Eve Day Accountancy Ltd knows or suspect (or has reasonable grounds for knowing or suspecting) that a person is engaged in money laundering or terrorist financing 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.

All staff must report every instance, where they have knowledge or suspicion of ML/TF, to the MLRO as soon as reasonably practical. This should be done by using an Internal Money Laundering Report form

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

## **5. Record keeping**

It is our policy to maintain records of client identification and consideration 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.

Record retention is agreed with clients through the engagement letter in place between the firm and that client and/or our privacy notice.

## **6. Internal controls**

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

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

## **7. 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. This review will be carried out annually and recorded.

## **8. Staff training and awareness**

We are 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. We shall retain a written record of the training delivered is maintained.