

# Financial adviser



## Anti-money laundering Self Assessment Tool

This is to:

- Help small financial adviser firms adopt appropriate practices to mitigate money laundering and terrorist financing risks.

We have developed a set of questions about management responsibilities, reports, a risk-based approach, training, suspicious activities and identifying customers.

The anti-money laundering self assessment tool is not a checklist and is neither exhaustive nor prescriptive. It is designed to prompt smaller firms on some of the areas on which they should focus to be satisfied that they are addressing their legal and regulatory obligations to combat financial crime.

### In this factsheet:

- Management responsibilities
- MLRO reports
- Customer due diligence
- Training
- Suspicious activity reporting

### Management responsibilities

- Which member of senior management takes overall responsibility for your firm's anti-money laundering (AML)/combating terrorist financing (CTF) systems and controls?
- How do they ensure that staff are aware of and use the procedures?
- What actions have they taken in formulating or influencing your firm's AML policy?
- What actions have they taken in ensuring the procedures are tailored to the firm?
- What actions have they taken in knowing that the firm's policy and procedures in respect of AML have been effectively communicated?
- How does your firm monitor compliance with its AML procedures?
- What information does your firm's senior management receive to take decisions on the money laundering and terrorist financing risks facing the firm?

[back](#)

### MLRO reports

- If your firm is using a template is it actively considering the content of each report?
- How is each MLRO report acted upon?
- Is the MLRO report considered against previous reports?
- Does the report inform senior management of the money laundering risk assessment and review?
- Does the report format require positive action from the firm's senior management?

[back](#)

### Customer due diligence

- Which documents, data, or information do you accept to verify a customer's identity?
- Does the firm have flexible identification procedures to cater for all types of customers?
- What enhanced due diligence does the firm do for higher risk business?
- How is this recorded?
- How does the firm ensure it complies with sanction requirements? Does it check the Treasury sanctions list?

[back](#)

### Training

- Does the firm's training address specific risks posed to the business?
- What specific training do staff require in relation to the procedures designed to mitigate these risks?
- Do new staff, unfamiliar with money laundering issues, require more intensive training?
- How is training tailored for different staff roles?
- How often is staff training provided?
- How are changes to procedures communicated to staff?
- How is the effectiveness of any training measured?

[back](#)

### Suspicious activity reporting

- Do staff involved in customer activity understand what constitutes suspicious activity; and understand their obligation make internal reports to the MLRO or 'nominated officer' of any suspicious activity?
- Do procedures include the reporting mechanism required for making an internal report?
- Does the MLRO or 'nominated officer' understand in what circumstances they should make a disclosure to SOCA?
- Does the firm have a culture where staff feel comfortable making a disclosure?
- Do staff understand the issues and consequences around tipping off?
- Does the firm need to monitor the activities of a customer post sale?

[back](#)