

Anti-money laundering supervision: does it apply to me and who is my supervisor?

The [Money Laundering Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulations 2017](#) (MLR 2017) which came into force on 26 June 2017 determine which organisations are required to register with a supervisor body or HMRC. **You are committing an offence if you carry on a business activity that's covered by the MLR 2017 and you're not registered with a supervisory body or HMRC.**

For most independent examiners the two questions you need to be asking are:

- Does the MLR 2017 apply to me?
- Who is my supervisor?

Does the MLR 2017 apply to me?

The MLR 2017 apply to a number of business and financial sectors and includes anyone who in the course of business act as:

- An external accountant
- An auditor
- A trust or company service provider
- An insolvency practitioner
- A tax adviser.

The MLR 2017 defines an external accountant as someone who provides accountancy services to other persons by way of business.

There is no definition given for the term accountancy services. However, the [Anti-Money Laundering Guidance of the Accountancy Sector](#) defines accountancy services as any service which involves the recording, review, analysis, calculation or reporting of financial information, and which is provided under arrangements other than a contract of employment.

Therefore, functions included in accountancy services usually include:

- Bookkeepers, accountants, independent examiners and auditors.
- Tax advisers and tax consultants (including filling in or submitting tax returns or duty claims, advising on whether something is liable to a tax or duty, advising on the amount of tax or duty that is due).
- Payroll agents if they provide accountancy services and/or tax advice - for example, if they calculate the tax liability, earnings or payments that are made to a business' employees or subcontractors.
- Interim (or temporary) managers who carry out any of the activities of the businesses listed above.

In certain circumstances accountancy services may not be provided by way of business and therefore the independent examiner will not be obliged to adhere to MLR 2017 requirements, including registration for supervision. Examples of these circumstances include providing accountancy services for free or at a nominal rate (not defined) or providing payroll services that do not include accountancy services or tax advice.

Who is my supervisor?

Ordinarily, as an independent examiner, you must register with the supervisor that regulates the accountancy sector. You're breaking the law if you carry on a business activity covered by the regulations, but don't register with a supervisory authority.

The list of AML professional body supervisors is available in Schedule 3 to the MLR 2017 and listed below:

- [Association of Accounting Technicians](#)
- [Association of Chartered Certified Accountants](#)
- [Association of International Accountants](#)
- [Association of Taxation Technicians](#)
- [Chartered Institute of Management Accountants](#)
- [Chartered Institute of Taxation](#)
- [Institute of Certified Bookkeepers](#)
- [Institute of Chartered Accountants in Ireland](#)
- [Institute of Chartered Accountants in Scotland](#)
- [Institute of Chartered Accountants of England and Wales](#)
- [Institute of Financial Accountants](#)
- [International Association of Book-keepers.](#)

You should check with your professional body about what to do if you believe you should be supervised for compliance with the regulations.

If you are not under the supervisory jurisdiction of one of the professional bodies identified above and provide accountancy services by way of business, you will need to register for AML supervision with [HMRC](#). Businesses supervised by HMRC are:

- [Money service businesses](#) not supervised by the Financial Conduct Authority (FCA).
- [High value dealers.](#)
- [Trust or company service providers](#) not supervised by the FCA or a professional body.
- [Accountancy service providers](#) not supervised by a professional body.
- [Estate agency businesses.](#)
- Bill payment service providers not supervised by the FCA.
- Telecommunications, digital and IT payment service providers not supervised by the FCA.

If you have any queries regarding AML supervision or are interested in finding out more about AML supervision by the IFA refer to our website <https://www.ifa.org.uk/technical-resources/aml/anti-money-laundering-supervision> and/or contact us by email aml@ifa.org.uk