

Money Laundering Regulations 2007

From 15th December 2007 Accountants have been required as part of the money laundering regulations 2007 to apply due diligence in 'knowing our customers'. In effect as part of the money laundering regulations we are obliged to confirm the identity of our clients (in much the same way as a bank does when you open a bank account) and in order to do this we have to confirm your identity by ensuring we have copies of various forms of ID and proof of home address on our files.

Please find below a list of the main forms of ID that are acceptable for this purpose. We need to have at least one item from list 1 below and one item from list 2. For limited companies we have to have copies of the documents on page 2 and perform ID checks on the main shareholders of the company.

The ID checks are combined with your business records, our letter of engagement & a risk assessment to comprise the money laundering records for each client. These have to be available to our governing body, the ACCA (Association of Chartered Certified Accountants) when they undertake a money laundering audit of our practice.

We are obliged to collect this ID as soon as is practicable after you become a client and to keep it for 5 years after you cease to be a client. We also have to review the ID that we have on file regularly and request fresh ID at intervals should you change the nature of your business (e.g. a sole trader becomes a limited company) or move home or business address.

Name:			
List 1: Evidence of Identity		List 2: Evidence of address or date of birth	
<u>Photo ID</u>		Instrument of a court appointment	
Valid Passport		Current council tax demand letter	
Valid Photo driving licence		Current bank statements (less than 3mths old and not printed from the internet)	
Firearms certificate		File note by member of the firm of a home visit	
<u>Non Photo ID</u>		Electoral register search for the current year	
Current Full driving licence		Recent utility bill (gas, water, electricity, landline telephone)	
Evidence of entitlement to state or local authority funded benefit (housing, council tax), tax credit, pension, educational or other grant		Solicitors letter confirming recent house purchase or land registry confirmation (but in this case previous address needs verifying also)	
Documents issued by HMRC such as PAYE coding notices and statement of account (employer issued documents such as P60's are not acceptable)			
End of year tax deduction certificates			

Limited Company verification procedure:

To verify the ID of a limited company and the individuals or entities that are capable of influencing that company (i.e. its shareholders and directors).

For each shareholder owning more than 25% of shares the personal identity checks as set out on the previous page must be completed so even if CerTax do not act for the shareholder in regard to personal taxation the identity checks for money laundering purposes must still be completed.

Name of Company:		
List of evidence required		
Details of incorporation/registration (eg copy of certificate of registration)		
Confirmation of registered office address		
List of directors		
List of shareholders and their shareholdings		
Perform identity checks as per individuals on previous page for any shareholder owning more than 25% of shares.		