

Desk Based Review (DBR): Anti-Money Laundering/ Counter-Terrorist Financing (AML/CTF) Compliance Virtual Assessments

CIMA is a designated AML supervisor and is required to ensure that its supervised population is compliant with anti-money laundering and counter-terrorist financing (AML/CTF) requirements.

CIMA will be undertaking desk-based review assessments to ensure its members are compliant with money laundering legislation. The desk-based reviews will fall under CIMA risk-based approach strategy and any member who is selected will be notified prior to any assessments.

Desk Based review assessments will be undertaken virtually via MS Teams or Zoom.

What is the purpose of a desk-based review (DBR) assessment?

In the UK, desk-based review (DBR) assessments are carried out under the Money Laundering, Terrorist Financing, and Transfer of Funds (Information on the Payer) Regulations 2017 and the Money Laundering and Terrorist Financing (Amendment) Regulations 2019.

In the Republic of Ireland, DBR assessments are carried out under the Criminal Justice (Money Laundering and Terrorist Financing) Amendment Act 2021 (amendments of Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 (as amended in 2018)).

The purpose of a DBR is for CIMA to gain a wider understanding of its supervised population and ensure members in practice remain compliant under the current money laundering legislation.

When are the desk-based reviews conducted?

Desk-Based reviews (DBR) are conducted annually. Members in practice who are selected for a DBR assessment will be notified by the professional standards team.

Who will conduct the desk-based review assessment?

Desk-based reviews are conducted by a professional standards staff member. Whilst CIMA will look to accommodate your busy schedule, we ask that co-operate with the professional standards team to ensure both you and the staff member agree on a date for the assessment to take place.

What criteria will CIMA use when selecting members in practice for a desk-based review?

CIMA uses a risk-based approach for selecting members. This is based on CIMA's risk assessment analysis of the AML/CTF annual returns and other supervisory tools.

What are the benefits of a desk-based review?

All members in practice are required to ensure relevant procedures, policies, and controls are in place.

In the UK, Regulations 18 and 19 are relevant requirements under Schedule 6 of The Money Laundering, Terrorist Financing, and Transfer of Funds (Information on the Payer) Regulations 2017. In the Republic of Ireland, section 30A and section 54 of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 are also relevant requirements under the money laundering legislation.

If you are selected for a DBR assessment, CIMA will advise you on any improvements you should make to reduce the risk to yourself and remain compliant with the money laundering legislation. CIMA will help you understand your obligations to ensure you do what is necessary to meet these requirements.

Under Regulation 86 of 'The Money Laundering Regulations 2017' and Section 54 of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 Failure to meet these requirements is a criminal offence and contravenes [CIMA's Member in Practice Rule 8](#) which may lead to passing your details onto Professional Conduct.

If you were unwittingly involved in money laundering, you would be required to prove that you had followed the necessary checks and had adequate internal processes in place.

Will there be further information provided before the DBR assessment?

Yes. All members in practice who are selected for a desk-based review will be provided with documentation in advance in preparation for the DBR assessment.

Will I be required to submit information before the DBR assessment?

Yes. All members in practice who are selected for a desk-based review will be required to send mandatory documentation to be reviewed before the assessment.

What can I expect during the desk-based review assessment?

The DBR assessment will take place in a single session. On the day there will be an assessment where the professional standards staff member will go through a range of questions with you and will review the documentation that has been received *before* the assessment. There will be ample time for you to speak with the professional standards staff member during the assessment.

What can I expect following desk-based review assessment?

After the DBR assessment, a DBR compliance report will be sent to the member in practice with an overview of the DBR assessment and any improvements required. **Upon receipt of your AML/CTF compliance report, and where there are weaknesses in your AML processes, you will be required to provide CIMA with an update on remedial actions within 28 days. Failure to meet this requirement may result in disciplinary action by Professional Conduct (i.e. the removal of your Practising Certificate and the right to operate as a CIMA member in practice).**

What should I do if my client files are stored in hard copies?

Client files that are stored in hard copies can be reviewed before the assessment. Professional standards will request to receive scanned copies of all relevant documentation to be reviewed as part of the assessment. Once the date has been agreed professional standards will contact you in advance to arrange the logistics of the DBR assessment.

Are the desk-based review assessments mandatory or can I opt-out from the assessment?

DBR assessments are mandatory. As a member in practice, under [CIMA's Member in Practice Rule 8](#), you must comply with any scheme operated by the Institute, which includes procedures for monitoring compliance with the provisions of these rules.

Can the DBR assessment be cancelled?

Once a member in practice has confirmed the DBR assessment with the professional standards staff member, the scheduled DBR assessment **cannot** be cancelled.

I am only a small practice with a few clients, is it likely I would receive a DBR?

CIMA is aware that we have registered practices of various sizes, many of which have small client bases, very few staff, or no staff at all. However, as a member in practice, you fall under the definition of an 'external accountant', under the MLRs (or in the Republic of Ireland 'The Act') therefore, no matter how small your practice is you must still be compliant with the legislation. We understand that it can be difficult for smaller practices to juggle complying with numerous regulatory requirements and time running a successful business. That is why CIMA is offering support during the DBR assessment to ensure you remain compliant.

How does CIMA ensure the confidentiality of any personal data or information reviewed during the DBR assessment?

Confidentiality is a priority for CIMA. Any documents shared with a professional standards staff member will be saved in a secure folder.

Who can I contact if I have any questions?

If you any questions regarding the DBR assessment, please contact aml@aicpa-cima.com and a member of the professional standards team will assist you.