

[Your Company Name]

MLRO Report Template

***FREE VERSION***

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| **SECURITY CLASSIFICATION:** | [High/Medium/Low] |

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It is important to work through the document and customise any areas to ensure that the finished template accurately reflects what your organisation does and the controls that you have in place. You should consider your regulatory and legal obligations and any standards or requirements that apply to your industry or business type when customising the content.

Template Guidance

We have provided a generic template as a starting point for you to develop your own document in this compliance area. You should review and customise the template sections thoroughly to ensure that the finished version accurately reflects your organisations’ controls and responsibilities.

***NOTE: This is a generic template for an internal MLRO report. The sections in this report are not exhaustive and must be customised to suit your business type and obligations. FCA Handbook module SYSC 6.3.7(2) advises that a firm with obligations under the Money Laundering Regulations should provide appropriate information to its governing body and senior management, including a report at least annually on the operation and effectiveness of the AML systems and controls. It is your responsibility to ensure that this report covers all of the mandatory information applicable to your organisation.***

Referencing Other Policies

We sometimes reference other policies in a template where relevant *(i.e. refer to Anti-Bribery & Corruption Policy in conjunction with AML).* Referenced documents are **only** included in your pack if you have ordered them separately or you have purchased a Toolkit or Bundle that includes them.

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**Revision History**

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| --- | --- | --- | --- | --- |
| **VERSION** | **REVISION DATE** | **SECTION REVISED** | **REASON FOR REVISION** | **DESCRIPTION OF REVISION** |
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MLRO Annual Report Template

### 1. Company Details

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| **MLRO Name:** |  |
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| **Date Report Compiled:** |  |
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| **Reporting Period:** |  |
|  |  |
| **Date of Submission to Senior Management:** |  |
|  |  |
| **Summary of Duties Performed by Appointed MLRO:** |  |
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| **Nominated Deputy in MLRO’s Absence:** |  |
|  |  |
| **Other Roles Held by MLRO** *(e.g. Nominated Officer under Money Laundering Regulations, Proceeds of Crime Act and Terrorism Act etc)* |  |

### 2. Systems & Controls

1. **Are the AML/CFT policy and procedure documents up to date?** YES/NO
2. **Are they adequate to meet the firm’s needs & mitigate financial crime risks?** YES/NO

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| *Describe how the adequacy of the AML documents was assessed e.g. methods, tools etc* |

1. **Are they effective in meeting the regulatory & legal rules & requirements?** YES/NO

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| --- |
| *Describe how the effectiveness of the AML documents was assessed e.g. methods, tools etc* |

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| *Detail any areas where the firm’s AML policies, procedures, systems and/or controls should be improved, and proposals for making appropriate improvements: -* |

1. **Do the existing controls and measures ensure that your firm can identify, assess, monitor and manage money laundering risk?** YES/NO
2. **Are client identification procedures effective and adequate?** YES/NO
3. **Have due diligence checks been completed & retained for all new clients?** YES/NO
4. **Are your Risk Management policies and procedures up to date?** YES/NO
5. **Are they adequate to meet the firm’s needs & mitigate financial crime risks?** YES/NO

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| *Describe how was the adequacy of the Risk Management documents was assessed* |

1. **Are they effective in meeting the regulatory & legal rules & requirements?** YES/NO

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| *Describe how the effectiveness of the Risk Management documents was assessed* |

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| *Detail any areas where the firm’s Risk Management policies, procedures, systems and/or controls could/should be improved, and proposals for making appropriate improvements: -* |

### 3. Breaches & Reports

1. **How Many Internal Suspicious Activity Reports *(SAR’s*) Were Completed?** \_\_\_\_
2. **Number of SAR’s Passed to the FCA/NCA?** \_\_\_\_

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| *Provide a summary of the SAR’s passed to the regulator(s)* |

1. **Number of SAR’s NOT Passed to the FCA/NCA?** \_\_\_\_

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| *Provide the reason why any SAR’s were not referred to the regulator(s)* |

1. **Were there any breaches of internal AML/CFT policies and/or procedures?** YES/NO

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| *Provide details of any breaches and mitigating actions:* |

1. **Were there any breaches of FCA regulations with regards to AML/CFT?** YES/NO

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| *Provide details of any breaches and mitigating actions:* |

1. **Were there any breaches of regulations/laws regarding AML/CFT** YES/NO

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| *Provide details of any breaches and mitigating actions:* |

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| ***Outline the method used to identify suspicious transactions and/or activities: -*** |

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| ***Describe arrangements for regular reporting, indicating frequency and those individuals within the firms and regulatory bodies to whom reports are made: -*** |

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| ***Describe the scope and coverage of regular reports: -*** |

### 4. Training & Assessments

1. **Has appropriate and effective Financial Crime and AML training been provided to all employees and associated personnel?** YES/NO
2. **Have all training materials been reviewed for compliance with current laws, regulations and legislation?** YES/NO
3. **Are employees asked for feedback on the training content and delivery?** YES/NO
4. **Are assessment papers used to test AML knowledge and understanding?** YES/NO
5. **What was the date of the last content update/review for training materials?** MM/YY
6. **Have all staff received the training within the past 6 months?** YES/NO

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| *If any employee has not received the training, please provide details and reasons***:** |

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| ***Please provide a summary of the AML/CFT training and assessment content: -*** |

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| ***Detail any areas where the firm’s AML/CFT training program should be improved, and proposals for making appropriate improvements: -*** |

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| ***Summarise the methods of training and quality checks performed for awareness and training with regards to AML/CFT/Financial Crime: -*** |

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| ***Summarise the training, courses and materials used to ensure that the MLRO and any nominated deputy are up to date and compliant with AML/CFT/Financial Crime rules, regulations and laws: -*** |

### 5. Due Diligence & High-Risk Clients

1. **Is a due diligence checklist and questionnaire used for all new customers?** YES/NO
2. **Are adequate/effective background checks performed on all new customers?** YES/NO

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| *Provide details of the background checks performed and any external systems/providers used* |

1. **Are adequate/effective background checks performed for all new employees?** YES/NO
2. **Number of current PEP customers?** \_\_\_\_
3. **Number of non-UK based customers?** \_\_\_\_
4. **Number of current customers categorised as *‘other high-risk’*?** \_\_\_\_

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| *Provide further details of the types of customer defined as ‘other high-risk’* |

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| ***Describe the firm's new product/service approval process*** *(if applicable)****: -*** |

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| ***Detail any business relationships where due diligence checks were not performed and provide reasons why*** *(if applicable)****: -*** |

### 6. Audits & Monitoring

1. **Are adequate/effective monitoring and audit procedures and controls in place?** YES/NO

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| *Provide details of the outcome of any monitoring or audit plans carried out* |

1. **Based on the audit and monitoring outcomes, are the AML/CFT controls and measures deemed to be comprehensive and proportionate?** YES/NO
2. **Are transaction monitoring processes adequate and effective?** YES/NO
3. **Were *‘Source of Funds’* checks carried out?** YES/NO/NA

### 7. Summary

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| ***Summarise any regulatory/legislative changes during the reporting period and their impact on the firm's systems, controls and measures: -*** |

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| ***Summarise any impending and/or future regulatory/legislative changes that could impact the firm's systems, controls and measures and suggestions for actions and/or mitigations: -*** |

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| ***Indicate changes in activity and elements of the business that have had implications for money laundering controls: -*** |

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| ***Provide a summary of any additions, improvements and/or suggestions that are to be presented to the Senior Management from the reporting period: -*** |

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| ***Describe in order of priority, areas for remedial/preventative action, the action deemed necessary, and an expected timeframe for completion: -*** |

**TO BE COMPLETED BY THE MLRO**

**Have all questions been completed?**  YES/NO

**Have any associated documents been attached?** YES/NO

**Signed:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Print Name:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**TO BE COMPLETED BY SENIOR MANAGEMENT REPRESENTATIVE**

**Have all questions been completed?**  YES/NO

**Has the content contained in the report been reviewed and considered?** YES/NO

**Has approval of any improvement actions been given?**  YES/NO

**Signed:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Print Name:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Date:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_