



John Horan

HOW YOU CAN AVOID THEM

NEW Anti-Money Laundering Training, Compliance & Support Services

Harbinson Mulholland has identified the need to offer a unique service to clients in this area. We provide you with the systems, train your staff and then help you handle issues as they arise through the year by filtering these and acting as a compliance department for you. This helps you reduce the burden of compliance and the worry of breaching the new legislation. The responsibility for compliance with the law remains with your Money Laundering Reporting Officer (MLRO), but John is uniquely placed to act as your confidential sounding board and advisor. He can save you valuable time by dealing with the compliance and reporting, enabling you to focus on money making activities. You also gain the peace of mind that your compliance and reporting is done right.

You'll have the backing of John's comprehensive knowledge of NCIS procedures and his worldwide network of key contacts. These include close working relationships with key officers in NCIS, both locally and across the UK. All your conversations will of course be treated with the normal professional confidentiality you would expect from a leading firm of Chartered accountants.

This new service therefore provides you with:-

- **Effective initial and refresher training** for you and your staff.
- **A confidential help desk** providing immediate practical advice on all relevant issues.
- **Tailor-made systems** to help you ensure compliance with the law.
- Ongoing support and **reviews** of your compliance.
- Assistance with preparing **NCIS notifications** when necessary.

Call John Horan to see if we can help relieve you of the burden and significant risk of AML compliance on **9044 5100** or email jhoran@harbinson-mulholland.com.

For help with the financial aspect of your cases please contact:

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Harbinson Mulholland is registered to carry on audit work and regulated for a range of investment activities by the Institute of Chartered Accountants in Ireland.

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The definitive source for all the latest developments in Forensic Accounting

The
Ten Most
Common Myths
Solicitors
Have About
Anti-Money
Laundering
Compliance
And How
You Can
Avoid Them



15

May 2004

MONEY LAUNDERING AND YOU – TOP 10 MYTHS

1. “TAX EVASION IS NOT A CRIME...IT’S NOT REPORTABLE... IS IT?”

YES, IT IS! Tax evasion is possibly the most significant consequence of the anti-money laundering (AML) legislation. The Inland Revenue (IR) along with the National Criminal Intelligence Service (NCIS) are dedicated to ensuring a proactive approach to secure this area of crime. This is clearly demonstrated from the recent statistics from the Inland Revenue, who in the year to 05/04/03 have concluded nearly 100 criminal investigations, recovered £350m in additional liability, and yield in excess of £4.5b from its compliance and investigation activities alone.

News Flash!

“Two Belfast IFAs charged with 22 counts of money laundering tax evasion.”

2. “WE HAVE STOPPED DEALING IN CASH, SO WE’RE COVERED...”

The AML regulations regarding cash transactions of £10,000 and above only refer to High Value Dealers (HVD). For all other entities, including solicitors, the rule is **no de minimis**.

3. “WE DON’T DEAL WITH CRIMINALS”

The truth of intelligent crime is that the offenders are very seldom dressed in prison uniform, with a SWAG bag over one shoulder. They are still neighbours, business colleagues, friends and family.

4. “THE CLIENT DIDN’T COMPLETE A TRANSACTION, SO WE DON’T NEED TO REPORT ANYTHING”

The focus of AML regulations is based on ‘suspicious activity’ not restricted to completed transactions. If you only concentrate on completed transactions or existing clients, you are risking significant consequences.

5. “OUR STAFF HAVE READ THE BOOKS AND DONE THE CD-ROM, SO WE’RE FULLY TRAINED”

Due to the nature of the compliance procedures requiring you and your staff to be vigilant and proactive in your approach to identifying suspicious activity, your approach to training your staff should also be as interactive and comprehensive as possible. Ideally it should also include case studies, real life examples and be tailored to your own practice. If a member of staff is successful in his defence of not having been trained to recognise and report suspicions, this will ultimately leave the firm itself liable to prosecution for breach of the Regulations. It is therefore vital that training for all staff is mandatory.

MONEY LAUNDERING AND YOU – TOP 10 MYTHS

6. “WE WILL RARELY, IF EVER, HAVE CAUSE TO MAKE A REPORT TO NCIS”

Our close links with NCIS tell us that if your firm is involved in litigation, matrimonial, debt collection or corporate transactions, you are almost certain to have regular need to make suspicious activity reports (SARs) to NCIS. How do you know until you are trained in identifying suspicious activity?

7. “I’M TOO BUSY, I’LL GET ROUND TO IT...”

Reporting is a matter of urgency.

News Flash!

“Abbey National was fined £2.3 million for failing to make timely reports.”

8. “WE WILL REPORT EVERYTHING THEN...”

This is the dangerously easy option, which if practised, renders your statutory protection void.

9. “I’M ONLY A SMALL PRACTICE, THEY WON’T COME AFTER ME...”

Criminal investigations aren’t ranked according to the size or significance of the perpetrators involved. Therefore, small practices and sole traders are by no means exempt. Dedicated AML investigators have free access to all IR records, Government sources of information, Law Enforcement Agencies (LEA’s), Banking/insurance returns, and will report all advisors involved in the chain of any criminal activity.

10. “IF NO MONEY PASSES THROUGH OUR CLIENT ACCOUNT, I COULDN’T BE INVOLVED IN MONEY LAUNDERING?”

Helping to conceal proceeds of crime (for example, by not reporting tax evasion) brings you within the definition of a money launderer (or accomplice).

Failure to take account of the impact of the new legislation regarding the Proceeds of Crime Act (POCA) could leave you at **significant personal and professional risk**. Many solicitors have assumed a fundamental knowledge of this area of law, but as the resource dedicated to investigating AML increases, many solicitors are unaware that their current provisions are lacking. Without the manpower needed to train staff and implement the legislation on a daily basis, they are leaving themselves open to criminal and professional liability.

John Horan is recognised throughout the UK law enforcement and banking industries as both an expert in the investigation of money laundering and a top trainer on compliance with POCA. From his extensive experience both locally and internationally, he has helped us identify the most common misconceptions that legal practices have in relation to anti-money laundering compliance procedures, and more importantly, how you can avoid them.