



MAKING AML SUPERVISION EFFECTIVE IN A CHANGING WORLD

CIOT and ATT ANNUAL
AML SUPERVISION REPORT
2024/2025

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Foreword

The CIOT and ATT strongly support the UK’s drive to combat money laundering, terrorist financing and proliferation financing. We recognise that AML supervisory activity is a key element in the fight against financial crime.

The 2020 National Risk Assessment (NRA) advised that the risk of money laundering through tax advisers (and accountancy service providers more generally) remains high. This conclusion was also reflected in the 2025 NRA published after the period covered by this report. The services provided by tax advisers and accountants remain attractive to criminals due to the ability to use them to gain legitimacy and risks are at their highest when firms do not fully understand AML risks and do not implement appropriate risk-based controls. Firms can therefore be exposed to AML risks unwittingly or through negligence.

The CIOT and ATT work together in providing AML supervision to their members. This report sets out the supervisory actions taken by both bodies during the period 6 April 2024 to 5 April 2025.

CIOT and ATT supervisory activity seeks to support supervised firms to manage and mitigate the risks they face. We seek, wherever possible, to work with firms to bring them into compliance. However, there is a requirement on us to take effective, proportionate and dissuasive disciplinary measures where non-compliance is identified, and this is dealt with through the independent disciplinary body, the Taxation Disciplinary Board (TDB). During 2024/25 the [TDB indicative sanctions guidance](#) for use by disciplinary panels was updated. The update includes a new section on AML Related Breaches and gives greater fining powers to the TDB’s disciplinary panels.

Through our wide-ranging supervisory activity, we have identified that most firms are compliant or generally compliant with the requirements of the legislation but on occasion it is necessary to issue action plans. Areas identified during 2024/25, where some supervised firms needed to focus their attention to become fully compliant are set out in this report. Our approach is first to work with firms to bring them into compliance and only if compliance is not met, do we refer the firm for disciplinary action. Whilst AML compliance is more than just a tick box exercise of meeting requirements, the basic requirements are important and those not meeting them do expose themselves to risks and to falling into the category of negligent or unwitting professionals.

Our strength as supervisors stems from the facts that:

- we have small supervised populations of tax advisers relative to our scale as professional bodies; and
- our supervisory staff and the management team come mainly from tax backgrounds and understand well both the risks in this field and the practical ways to address those risks and fulfil the requirements of the Money Laundering Regulations (MLRs).

Throughout the period we have continued to work with other AML supervisors (and other government agencies) through the Accountancy AML Supervisors’ Group (AASG) and AML Supervisors’ Forum (AMLSF) together with HM Treasury and the Home Office, and welcome collaboration with law enforcement and the National Economic Crime Centre (NECC) through the Professional Enablers initiative. We also remain committed to providing effective AML supervision to our members as our part in working against financial crime and working with the Office for Professional Body AML Supervision (OPBAS) to achieve this aim.

CIOT and ATT support the need for change in the supervisory regime for improved effectiveness and were pleased to provide comments on the consultation on reforming anti-money laundering and counter-terrorism financing supervision in September 2023. During the period covered by the report we were waiting for the response to the consultation. The response was received just prior to publication of this report, and we will be working through the implications over the coming months.

Jane Ashton

ATT CEO

Helen Whiteman

CIOT CEO

What CIOT and ATT do as AML Supervisors

The CIOT and ATT are, along with 21 other professional bodies, government appointed anti-money laundering supervisors. See [here](#) for the full list of professional body supervisors.

As AML supervisors it is our responsibility to ensure that tax advisory and accountancy firms run by our members:

- a. understand the AML/CTF/PF (anti-money laundering, counter terrorist financing and counter proliferation financing) risks facing their business and how to mitigate them; and
- b. comply with their AML/CTF/PF obligations.

Our performance and our effectiveness as Supervisors are monitored by OPBAS. We have regular contact with OPBAS, and they have conducted three assessment visits since they became operational in February 2018. The most recent assessment took place in February 2024 with no significant action points identified.

Each year we submit a report to HM Treasury giving detailed information about our supervisory activities for inclusion in HMT's annual report on AML and CTF supervision. The report published in 2025 related to the years 2023/24 and is available [here](#).

The CIOT and ATT Councils govern each body. AML is a standing item on the Councils' agendas and an AML report is provided for each meeting. The Professional Standards Committee has oversight of AML matters and receives reports at each of its quarterly meetings. Volunteer members and our AML Panel also assist in our AML work. We are very grateful to these volunteers for the significant time and expertise they provide to support our effectiveness as AML supervisors.

The internal management of AML supervision is the responsibility of the CIOT Director of Public Policy, the ATT Director of Public Policy, and the ATT Chief Executive. We have monthly AML management meetings which monitor key performance indicators and decide on matters of policy. The seven staff in the Professional Standards team undertake the day-to-day supervisory work required and are completely separate from our membership team.

Externally, we work with other AML supervisors (and other government agencies) through the Accountancy AML Supervisors' Group (AASG) and AML Supervisors' Forum (AMLSF). These groups provide the opportunity to work collaboratively to provide more effective supervision and information sharing.

Who we supervise

The CIOT and ATT supervise firms where a member is the sole proprietor or where there is at least one member who is an equity partner, member of an LLP or company director listed at Companies House and where the firm includes the provision of tax advice. The link to the AML supervision scheme rules applying in 2024/25 are set out on the CIOT website [here](#) and the ATT website [here](#).

The AML scheme rules were reviewed in 2024/25, and changes have been implemented in 2025/26. We check that members are meeting their AML obligations through our requirement for all members to complete an annual return. Those who are principals in a firm have to indicate who their AML supervisor is, which enables us to check our records and follow up to ensure compliance where required.

The services provided by our supervised populations are the provision of tax advice, tax compliance and complementary accounting services. Supervised firms have a variety of clients ranging from individuals and small businesses to high-net worth individuals and there are also niche practices specialising, for example in expatriate tax or research & development tax credit claims.

The firms registered for AML supervision range from sole practitioners to firms of tax advisers/accountants with gross fee incomes varying between £300 to £16.5 million per annum (CIOT) and £335 per annum to £20 million (ATT). The majority of our supervised firms operate solely within the UK, with a small number of firms undertaking some operations outside of the UK.

CIOT's supervised population is made up of 389 firms and 480 sole practitioners. The total number of Business Owners, Officers and Managers (BOOMs) of CIOT firms and sole practitioner businesses applying for supervision in 2024/25 was 1,342. ATT's supervised population is made up of 262 firms and 366 sole practitioners. The total number of BOOMs of ATT firms and sole practitioners applying for supervision in 2024/25 was 893.

Firms must apply for supervision and are subject to a number of checks before they are accepted for supervision. They must renew annually by submitting a detailed AML return. The AML return form includes questions relating to a firm's compliance with the MLRs. Non-compliant answers are followed up, and non-compliant firms are dealt with accordingly.



A risk based approach

As required by the MLRs we adopt a risk-based approach to supervision. We take into account the National Risk Assessment (NRA), which was updated in July 2025 following the period covered by this report. The **2025** and the **2020 NRA** agree that overall, the risk of money laundering through accountancy service providers (which includes tax advisers) remains high. It added that this is mainly because criminals seek legitimacy by using the services of these professionals and said:

“The risk is highest when ASPs do not fully understand the money laundering risks and do not implement appropriate risk-based controls, particularly where ASPs fail to register with a supervisor.”

We also take the **National risk assessment of proliferation financing** into consideration in our risk based approach. Since September 2022 all regulated entities have been required to have a Proliferation Financing Risk Assessment in place. We continue to provide our proforma risk assessment document which includes guidance on counter-proliferation financing for firms to tailor to their practice. These are available on the CIOT website [here](#) and on the ATT website [here](#).

The AASG supervisory risk assessment (see the CIOT website [here](#) and the ATT website [here](#)) and the CIOT/ATT’s own risk assessment of the risks faced by the tax sector also inform our approach. The supervisory risk assessment was updated in the 2024/25 period and has been updated in 2025/26 to incorporate changes to the NRA.

From information gathered from visits and discussions with supervised firms as well as from other external sources we consider the main areas of risks for our supervised populations to be:

a. The facilitation of tax evasion. This is borne out by the content of calls where members wish to discuss cases where they are considering whether it is appropriate to make a Suspicious Activity Report (SAR). These nearly always involve a client who has potentially knowingly underpaid tax.

b. Unwitting involvement in money laundering owing to lax policies and procedures and a failure to understand the serious regulatory requirements associated with the money laundering regulations 2017 and related legislation.

To assist firms with their understanding of AML and CTF risk and to promote improved compliance we provided the following webinars:

- April 2024 Professional Standards and AML Webinar including information about AML hot topics and the AML supervision renewal.
- November 2024 AML Webinar including topics such as SARs, AML Risks and red flags, AML compliance based on our supervisory activity, what to expect from an AML visit, Companies House changes due to Economic Crime and Corporate Transparency Act 2023 (ECCTA), high risk third countries, register of overseas entities verification work, and sanctions.
- March 2025 TDB Panel Members’ webinar, this webinar provided guidance on the requirements which apply under the MLRs and the important role of enforcement action.
- Details of past and upcoming webinars can be found on the CIOT website [here](#) and the ATT website [here](#).

We also issue alerts to supervised firms in relation to potential areas of specific risk and updates to guidance through our weekly news, newsletters to supervised firms, and Tax Adviser magazine articles. AML newsletters can be found on the CIOT website [here](#) and ATT website [here](#) and Tax Adviser magazine can be found [here](#).

Sanctions risks remained a focus throughout 2024/25, and we continued to provide guidance to members through our helpline, websites, webinars and publications.

Emerging risks during the year included:

- Crypto assets – We continue to see the use and taxation of crypto assets as an emerging risk which we are currently monitoring. We aim to provide members with guidance on the areas of potential risk and red flags associated with crypto assets in 2025/26.
- Niche areas of tax work – Annual AML return work has identified the risks of those in niche areas of tax work such as capital allowances and those providing tax software failing to understand when the services they provide bring them within the scope of AML supervision. In response we have liaised with HMRC and other bodies in relation to capital allowances and have published website guidance to provide clarity to members providing capital allowances advice.
- Cyber security – We are aware of the increasing threat of cyber-crime and criminals using ransomware, phishing and malware to steal personal data and funds. During 2024/25 we explored this threat, resulting in the inclusion of a question on cyber security in our 2025/26 AML initial registration and renewal form.

How we supervise

Our aim in the first instance is to work with members to ensure they are equipped to be compliant. To help achieve this we:

- require completion of a detailed initial registration and subsequent annual renewal form
- follow up with firms which provide non-compliant answers on these forms
- bring changes to the legislation and practical points relating to AML raised by members or identified through our visit programme/review of registration forms to firms’ attention through:
 - the issue of newsletters to all supervised firms (including intelligence alerts received through intelligence sharing work of the AASG)
 - updates in the weekly newsletters which go out to all members
 - articles in Tax Adviser (the monthly magazine for members)
 - targeted emails to members and updating guidance on our website
 - webinars and update sessions at conferences
 - updates to guidance on our websites
- provide pro forma risk assessment and policies and procedures documents for members to tailor to their practice
- provide information about AML risks in the sector through work with AASG on the AASG supervisory risk assessment (risk outlook), this was updated in the 2024/25 period, and has been updated in 2025/26 following the publication of the 2025 NRA
- provide a helpline which members access by telephone or by email. Supervised firms are encouraged to contact us for guidance on how to meet the requirements of the regulations. In particular, we get regular queries from members about SARs and talk through the facts they have come across and assist by pointing to relevant guidance. The MLRO or sole practitioner ultimately needs to make the decision on whether to report or not
- provide Anti-Money Laundering Supervision FAQs
- share copies of UKFIU publications with our members through our weekly news and website, and distribute copies at in person events, including the SARs in Action magazine, SAR reporter booklet, and Economic Crime newsletters



Supervision visits

Supervision visits not only give us the opportunity to check compliance but also to learn about the challenges firms face with AML compliance and to see good practice which we can then share with other supervised firms.

In accordance with the MLRs all our supervised firms are given a risk rating. With the NRA in mind, given the potential inherent risks attached to tax work few of our firms are considered to be low risk.

Firms assessed as having a high risk profile are included in our programme of visits as well as some rated as medium and low risk, including some selected by dip sample. Our visit programme covers a range of firms from sole practitioners through to larger practices. The programme is flexible and when new risks are identified we can add visits to the schedule at short notice. For example, firms that register late, firms indicating non-compliance in AML renewal forms, and firms where risks have been identified through information sharing, are quickly slotted into the programme for AML visits.

Firms selected for a visit complete a questionnaire about their business and supply their firm wide AML risk assessment, policies and procedures and training log in advance. During the visit we gather sufficient information to enable us to understand the risks associated with the firm and assess whether their response (which should be risk based) is adequate. We will also discuss the firm's approach to client due diligence (CDD), ongoing monitoring, training and record keeping amongst other things.

We conduct both desk-based and on-site visits. Most visits are desk-based, which involves an online meeting on Microsoft Teams or ZOOM, however on-site visits are also undertaken. There is no difference in approach between our on-site and desk-based reviews, we undertake the same scrutiny and ask members to provide us with the same documentation. Where we have ongoing concerns following a desk-based visit an on-site visit is arranged as part of the follow up work.

Trust and Company Service Provider (TCSP) risks are explored, and firms are reminded about the requirement to be on the HMRC TCSP register. We also liaise with HMRC to provide details of sole practitioners and firms which need to be on the register. Through 2024/25 we continued to focus on sanctions checks undertaken by firms and the AML approach adopted for any clients with Russian connections.

We are aware of the perceived under-reporting of SARs in the accountancy and tax advice sector. During visits, we review SARs submitted by the firm to assess them for quality and provide feedback and guidance to members. We cover various aspects of SARs during visits including policies and procedures for internal SARs, the need to maintain a record of submissions to the MLRO as well as the decision-making process on whether to submit a report to the NCA. We also discuss confidentiality and the importance of making good quality reports.

At the end of the visit the firm is given a compliance rating of compliant, generally compliant or non-compliant. Firms with a generally compliant or non-compliant rating are given an action plan with a deadline of one month to complete the actions. Failure to do so (in the absence of mitigating circumstances) may result in referral to the TDB for enforcement action.

Enforcement action

Members are warned about the potential for disciplinary action if they provide false information on return forms/pre visit questionnaires or are not compliant with the requirements of the regulations.

The [TDB](#) is an independent body which handles all disciplinary matters in relation to CIOT and ATT members. Information about the disciplinary process and the indicative sanctions guidance can be found on the TDB website.

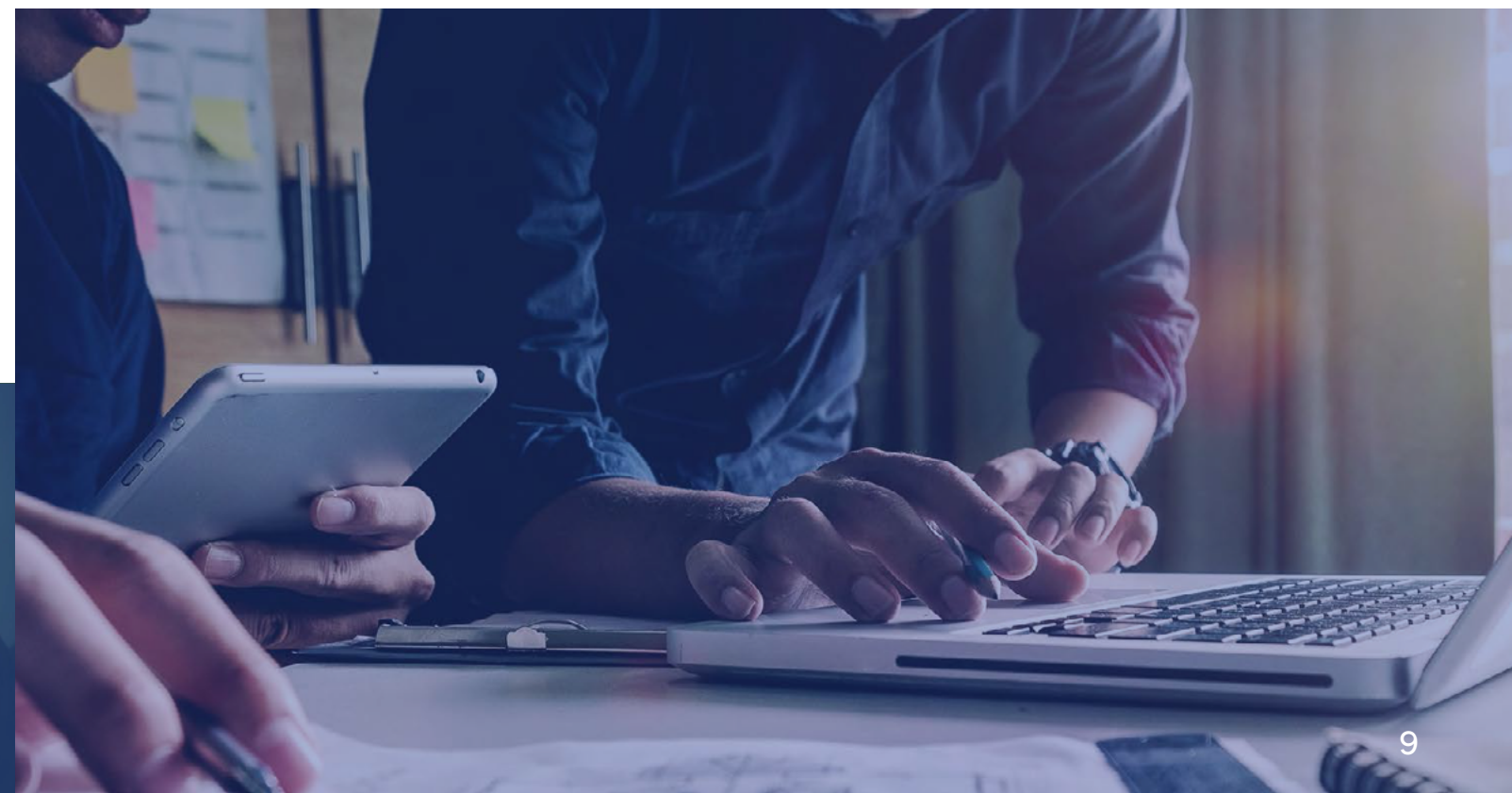
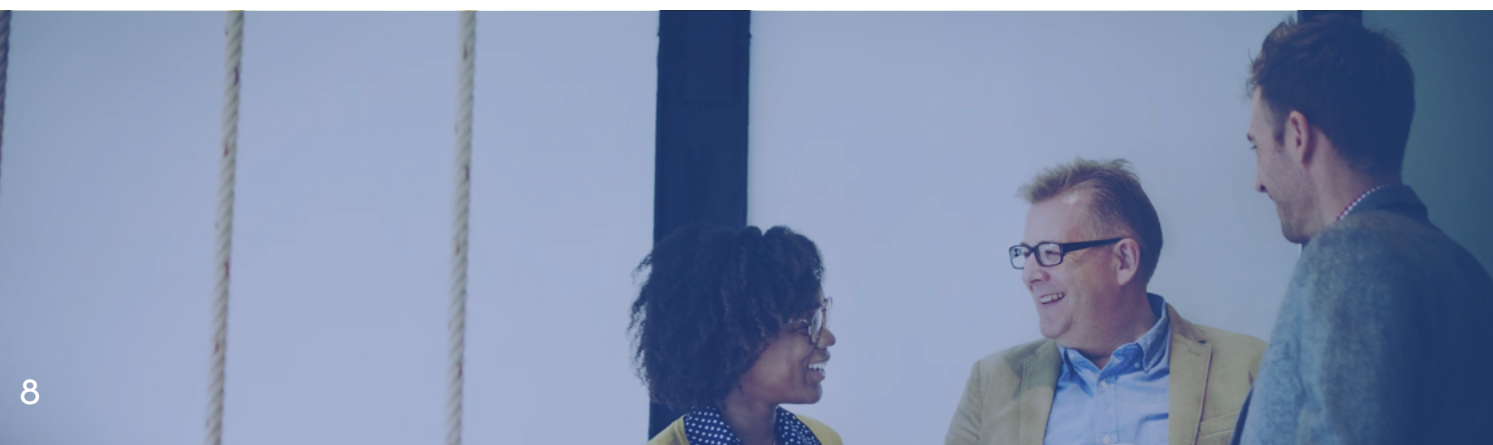
Fines totalling £29,320 were levied against firms in 2024/25: £13,570 in fines charged for late initial registration (CIOT £8,050 and ATT £5,520); £9,550 in fines charged for late renewal (CIOT £6,250 and ATT £3,300); and £6,200 in other AML related TDB fines (CIOT £1,200 and ATT £5,000). This was an increase from £19,560 levied in 2023/24.

In addition, in 2024/25, one CIOT AML supervised member was suspended and two were expelled for AML related matters, and one ATT AML supervised member was suspended for AML related matters.

Since 1 June 2022 all late registrations have been considered for referral to the TDB with automatic referral for any registrations over a year late. This had been advertised on the CIOT and ATT websites. Referrals are also made for other AML failures including failure to deal with visit action points and failures to correct non-compliance. In the 2024/25 period, eight referrals for disciplinary action were made to the TDB for AML related failures. Details on the outcome of disciplinary action are included above and on the TDB website [here](#).

From 1st January 2024 the Taxation Disciplinary Scheme (TDS) Regulations permit the issuing of fixed penalty administrative fines for administrative breaches to be issued by the CIOT and ATT. Further information can be found on the CIOT website [here](#) and ATT website [here](#). An update to The TDB [Indicative Sanction Guidance](#) was published in October 2024.

Case studies relating to referral for enforcement action are included in Appendix Two.



Main themes arising from the monitoring programme

As noted above, after each AML compliance visit the reviewed firm receives a rating – compliant, generally compliant or non-compliant. Most are found to be compliant or generally compliant with only minor administrative failings to address. The main areas of non-compliance that required further attention by some firms or which we know needed to be an area of focus were:

1. Practice Risk Assessments (PRA) require improvements

Our AML initial registration and renewal form includes a question on whether firms have a PRA in place, any cases of non-compliance on this matter are followed up to ensure the member implements a PRA promptly. Where compliance is not met by the deadline set, the member is considered for referral to TDB.

Owing to the extensive work conducted in this area as noted above, most firms visited have a PRA in place, however, we find that some firms' PRAs require improvement. We provide pro forma PRA documents for our members to tailor to identify the risks that their firm is subject to and apply the appropriate policies and procedures to manage and mitigate the risk. We educate members on the requirement and importance of PRAs during our webinars, in our newsletters and on our websites, and provide details on how to produce a good quality PRA. The AML visit process involves reviewing the member's PRA and providing guidance on any improvements required. The AML visit process is not concluded until the member's PRA is compliant.

2. Inadequate AML training log

We find that firms often conduct AML training but fail to evidence AML training has taken place in a written training log. Our experience is that small firms are not always aware of the legislative requirement to evidence what they are doing through a written log. We continue to educate our supervised population in AML visits, newsletters and webinars that a written training log is required including details such as:

- the training that was given
- the dates on which it was given
- which individuals received the training
- the results from any assessments

Time and cost constraints for sole practitioners and small practices and the lack of a designated or full-time compliance officer mean that administrative requirements are at times overlooked. We offer our members access to free AML webinars and AML newsletters to supplement their AML training. To understand rates of compliance amongst our members we are undertaking a thematic review of our members' AML training during 2025/26 which includes the review of members' AML training logs.

3. Policies and procedures required improvements

Our AML initial registration and renewal form also includes a question on whether firms have AML policies and procedures (P&Ps) in place. Where a supervised member answers "no", follow up is conducted to bring the member back into compliance. Where compliance is not met by the deadline set, the member is considered for referral to the TDB.

We have found that some firms have useful forms and software that they are using to meet AML requirements but have not included these in their policies and procedures document. We have also found that firms sometimes use the standard pro forma documents provided by us or other training providers but fail to tailor them to their practice.

Due to our continued education programme, the number of firms who do not have P&P documents in place is low, but some P&Ps reviewed require improvements, or tailoring to address the specific risks to their practice. We provide pro forma P&P documents for our members to tailor, and feedback from those using the documents continues to be positive. We continue to educate members on the requirement for written P&Ps during our webinars, in our newsletters and on our websites. The AML visit process involves reviewing the member's P&Ps and providing guidance on any improvements required. The AML visit process is not concluded until the member's P&Ps are adequate.

4. Inadequate ongoing monitoring

Whilst most firms understand that client due diligence and client risk assessment are required at onboarding, it is not always understood that these should be reviewed on an ongoing basis and evidenced. When undertaking supervision visits, we look for evidence that ongoing monitoring is noted on file even in the circumstance of no change to the client information or risk rating.

As tax practitioners will routinely review background information on clients when they prepare annual tax returns, ongoing monitoring is generally already part of their procedures. Firms will ask questions to establish new sources of income or wealth to ensure the tax return is complete. For example, if a client has a new source of income from renting a property firms will require background information about this and will want to note their records on the cost of the property (ready for future capital gains computations) and the source of funds for the purchase to establish the correct tax claims for interest, improvement to the property etc. What firms don't always do is specifically recognise the AML related monitoring required and the need to formally consider the risk rating and client due diligence and note that they have done so. We prompt our small firms to consider this through the wording included in our pro forma P&Ps document and include forms which specifically include boxes to record ongoing monitoring. We highlight the importance of evidencing ongoing monitoring in AML visits, in our webinars and AML newsletters.

5. Record keeping

During the visit process, we identified that some firms required improvements to their record keeping to ensure they were meeting the requirements of the MLRs, specifically the requirement to destroy the appropriate records five years after the business relationship ends unless they had agreed a longer period e.g. through engagement letters. We find that the main reason for this is that in general tax records for clients do need to be retained for a number of years because of potential HMRC enquiries, or details needed for the future sale of assets. Therefore, this continues to be an area where members need education and to understand how the tax requirements fit with data protection requirements and the requirements of the MLRs.

Follow up undertaken on areas of non-compliance

This year we have taken additional action by:

- a. Targeted follow up with members who provide non-compliant answers in AML initial registration and renewal forms, including arranging AML visits and amending risk assessments where necessary, and referring members to TDB where compliance is not met
- b. Following up on non-compliance identified in AML visits, and where compliance is not met by the deadline set, the member is considered for referral to the TDB
- c. Continuing to educate members on the requirement for written PRAs, AML training logs, ongoing monitoring, written P&Ps, and record keeping in our November 2024 AML webinar and AML newsletters for supervised members

Other areas of work

We continue to work with the other AML supervisors through the AASG and AMLSF together with HM Treasury and the Home Office. We also have regular keep-in-touch sessions with OPBAS to discuss developments in our supervisory approach. The CIOT and ATT Head of Professional Standards also attends the Intelligence Sharing Expert Working Group (ISEWG) and represents the AASG at the Public Private Threat Group on Money Laundering.

We collaborated with HM Treasury to provide feedback on the draft NRA during 2024/25 in advance of the publication of the 2025 NRA in July. We are reviewing our guidance and documentation following the implementation of the new NRA to establish any revisions required to our risk assessments with the updated NRA in mind.

During 2024/25, we worked alongside other AML supervisors through the AASG to update the supervisory risk assessment which was published in July 2024. This identifies the relevant AML risks for accountants and tax advisers the latest versions can be found on the CIOT website [here](#) and ATT website [here](#).

We have continued to work with the NECC, National Crime Agency (NCA) and other professional bodies on the Professional Enablers Project. A professional enabler is defined as “an individual or organisation that is providing professional services that enables criminality. Their behaviour is deliberate, reckless, improper, dishonest and/or negligent through a failure to meet their professional and regulatory obligations”. The Professional Enablers Project aims to improve information sharing between law enforcement and supervisors to identify members where there are concerns of money laundering. Further information can be found in the cross-system professional enablers strategy [here](#).

Following the implementation of the ECCTA and the changes to UK company law, we have worked with Companies House in preparation for the implementation of mandatory identity verification and the introduction of Authorised Corporate Service Providers (ACSPs). Companies House presented on the introduction of identity verification and ACSPs at our November 2024 AML webinar, and provided details of the Companies House reforms to members. We continue to provide guidance and support to members in relation to the changes in the ECCTA on our websites, and via our email and telephone helplines.

In response to the perceived under-reporting of SARs in the accountancy and tax advice sector, we have shared guidance materials in our weekly news and newsletters regarding SARs, including sharing UKFIU publications such as SARs in Action magazines and the SAR Reporter Booklet. We ask all firms to share SARs with us during the visit process to assess them for quality and advise members to register with the SAR portal if not already signed up, to ensure that in the event of a SAR being required, it is done so without delay.

We continue to update and publicise our dedicated web pages providing guidance to members regarding sanctions. Information received from members and supervised firms about their clients with potential Russian connections has enabled us to review the risk of our supervised firms, visit small numbers of firms with elevated risks and provide advice where needed to the individual firms. Our risk assessment process and scoring for our firms is reviewed and updated on an annual basis.

The CIOT and ATT publish their whistleblowing (disclosure) policies on their websites [here](#) and [here](#). We remind firms about this policy during webinars, when responding to member queries through our helpline and during AML visits. In 2024/25 we had eight instances where information was received, and appropriate follow up action taken.

We continue to represent our supervised firms through responses to consultations, calls for evidence and information requests. CIOT and ATT responded to the consultation on the Reform of the Anti-Money Laundering and Counter Terrorism Financing Supervisory Regime in September 2023 and received the response from HM Treasury in October 2025. We also responded to the consultation on Improving the effectiveness of the MLRs just prior to the period covered by this report and whilst we had expected an update to legislation in 2024/25, we now welcome the response issued in July 2025. We intend to provide updated guidance to members in due course.

Throughout 2024/25 we have continued our work to ensure that firms that are undertaking AML/CTF-regulated activity are registered for AML supervision. We find that some members providing niche services such as capital allowances advice do not recognise these as tax services and fail to register for AML supervision. We continue to liaise with HMRC and educate our members to police the perimeter and bring non-compliant members back into compliance.

Reflections on 2024/25 and what comes next for CIOT and ATT AML Supervision?

In the 2024/25 period we increased resources in the team as follows:

- The ATT Director of Public Policy joined the senior staff who oversee AML
- A new role - Professional Standards Manager was filled in March 2025

Throughout 2024/25 we continued to work on succession planning to ensure there is additional overlap between roles to reduce the impact of staff changes, illness and annual leave.

Our supervisory work in 2024/25 continued to be effective. This is evidenced by the following:

- We have increased the number of AML visits from 69 in the 2023/24 period to 90 in 2024/25 (total for CIOT and ATT)
- We increased the number of on-site visits by six in the 2024/25 period
- The quality of AML visit work has remained high (measured by our internal quality control process)
- We have provided 2 webinars including AML content in 2024/25 and 2 in-person conferences
- We promoted AML compliance through 2 AML newsletters in 2024/25
- We continued to provide a telephone and email advice service to members, and responded to 258 queries relating to AML in the 2024/25 period
- We have included materials on AML compliance and risk in 19 weekly newsletter articles in 2024/25
- We have successfully identified 16 unsupervised members that require AML supervision through our annual membership return forms, improving our policing the perimeter work and bringing members back into compliance
- We have continued our intelligence and information sharing process with other supervisors, an example of this can be found in case study three
- Updates have been made to the TDB Indicative Sanctions Guidance and we have provided tailored AML training for disciplinary panel members
- We have developed a closer liaison between Professional Standards team members and those dealing with the initial work on disciplinary cases with the aim to move AML disciplinary cases through the system promptly
- We have worked with the TDB to ensure the greater use of fines in relation to appropriate AML disciplinary cases as required under the MLRs (effective, proportionate and dissuasive disciplinary measures)
- We have increased the level of detail in our internal reporting of significant AML statistics to CIOT and ATT Councils
- We are currently conducting a thematic review of supervised members' AML training.

To continue with good progress made in 2024/25 and increase effectiveness in 2025/26 we aim to:

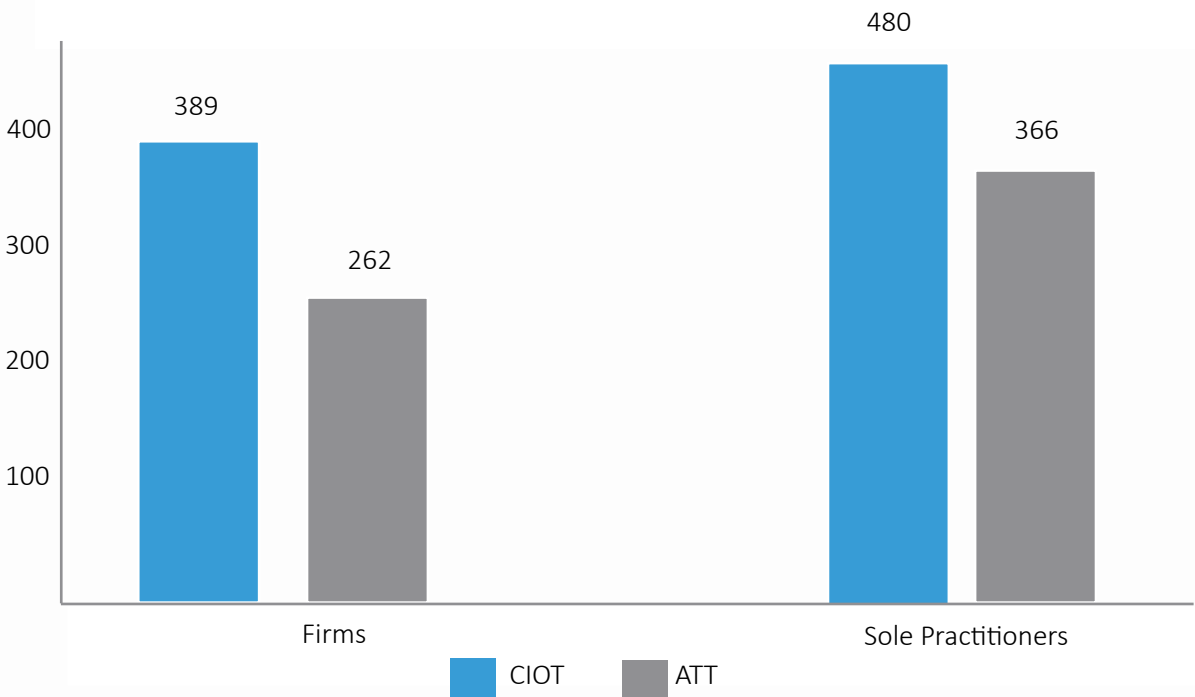
- Publish the revised CIOT and ATT scheme rules (completed in October 2025)
- Continue to increase the number of AML supervision visits
- Continue to increase the number of on-site AML supervision visits
- Collaborate with AASG and law enforcement on the Professional Enablers Project
- Continue to provide our AML webinar programme
- Increase the number of AML newsletters issued
- Continue with our policing the perimeter work through our annual membership returns as well as working with other supervisors to ensure that joint members are AML supervised
- Continue the intelligence and information sharing process with other supervisors
- Consider actions required following the outcomes of our AML training thematic review and report back to members on the results
- Undertake thematic work on the AML risks in relation to crypto assets

We recognise potential challenges in the 2025/26 supervision year including those associated with the outcome of the raising standards in the tax advice market consultation and the outcome of the consultation on reform of the AML/CTF supervisory regime. Both will strongly influence our future approach to supervision.

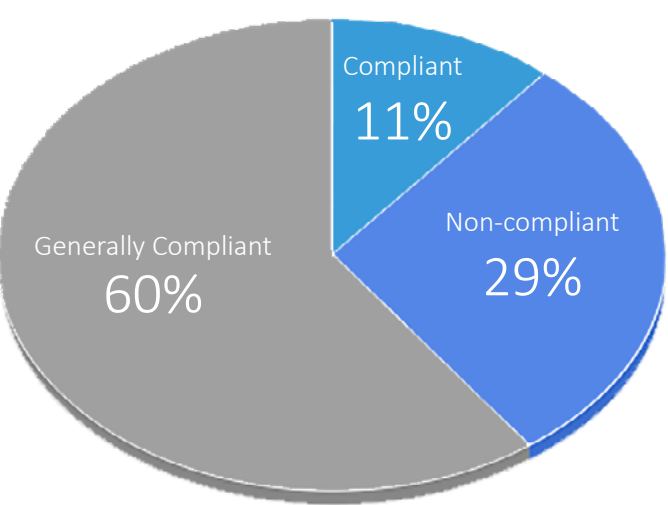
AML 2024/25 Statistics

A Snapshot of AML activity throughout 2024/2025.

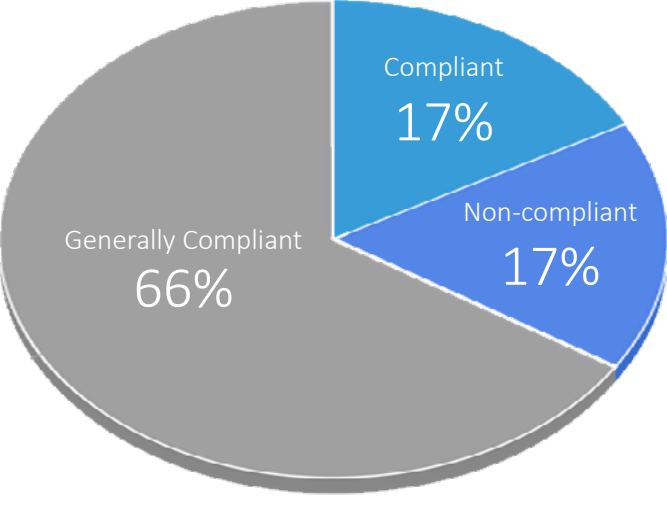
THE NUMBERS AND TYPES OF FIRMS SUPERVISED



Outcomes of CIOT on-site and desk-based review visits



Outcomes of ATT on-site and desk-based review visits



Risk rating of firms before review visits

CIOT

High- 67%
Medium-27%
Low- 6%

Risk rating of firms before visit

ATT

High - 69%
Medium- 29%
Low- 2%

Approximate number visited in 2024/25 from each risk category:

CIOT

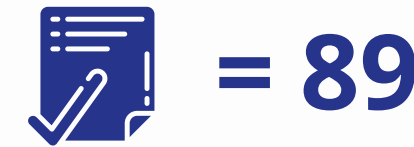
High - 26%
Medium - 2%
Low - 42%

ATT

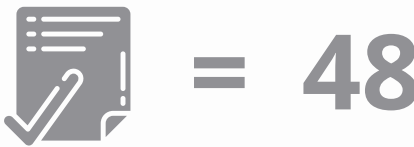
High - 59%
Medium- 2%
Low- 8%

NEW REGISTRATIONS IN2024/25

CIOT registrations



ATT registrations



COMMUNICATIONS

- Two AML Newsletters
- Two webinars covering AML topics with an average viewing figure of 460
- Companies House presented in our November AML webinar on the Companies House changes brought in by the Economic Crime and Corporate Transparency Act (ECCTA)
- Tax Adviser articles
- Regular contributions in weekly newsletters



ENFORCEMENT

- £13,570 in fines for late registration (CIOT £8,050 and ATT £5,520)
- £9,550 in fines charged for late renewal (CIOT £6,250 and ATT £3,300)
- £6,200 in other AML related TDB fines (CIOT £1,200 and ATT £5,000)



TOOLS



- Updated supervisory risk assessment
- Updated website guidance



For more information visit :
tax.org.uk/anti-money-laundering-aml
att.org.uk/members/anti-money-laundering

Appendix Two – AML Supervision Case studies

Case Study One

We undertook an exercise to follow up with members who had not completed their annual membership returns (a requirement for all members other than those who are students or retired). A member had incorrectly stated on multiple years of their annual membership return form that they were not working in tax. In their 2023 annual membership return, the member indicated that they had not completed continuous professional development (CPD), the non-compliant answer created a case on our CRM system and was picked up by the Professional Standards team.

During our correspondence with the member, it became apparent that in addition to the lack of CPD, the member was providing tax services without AML supervision or Professional Indemnity Insurance (PII). We instructed the member to register for AML supervision with ATT immediately, and to arrange PII.

The member dealt with the requirements and registered for AML supervision, completed their CPD and took out PII. As the member had failed to comply with the requirements to register, they were invoiced £1,550 in accordance with the late registration policy, as a penalty fee to cover the fees due if they had registered from the date trading had commenced (capped at six years). The member was also referred for disciplinary action by the TDB for failing to register for AML supervision and for failure to comply with the PII regulations.

There were also a number of areas of non-compliance noted on the member's AML registration form. When we confirmed their AML supervision, an action plan was set to bring the firm into compliance and an AML visit was scheduled. At the visit the firm was found to be compliant. The TDB investigation concluded in the 2025/26 period; the member was censured, fined in line with the updated Indicative Sanctions Guidance, and required to pay costs.

Case Study Two

A member incorrectly stated on their Annual Return form that they were AML supervised by HMRC. We were unable to identify the firm on HMRC's supervised list so instructed the member to register with CIOT for AML supervision immediately. It came to light that the member believed that AML compliance was inherently covered by the checks conducted by HMRC when submitting returns.

During the onboarding process we identified several cases of non-compliance on the member's registration form such as a lack of practice wide risk assessment, policies and procedures and AML training.

The member was onboarded for AML supervision and invoiced £1,550 as a penalty fee to cover the fees due if they had registered from the date trading had commenced (capped at six years). Due to the non-compliance identified, an AML visit was scheduled to educate the member and bring them back into compliance. The member was also referred for disciplinary action by the TDB for failing to register for AML supervision and indication of non-compliance with the requirements of the MLRs. The TDB investigation is currently ongoing.

Case Study Three

We regularly share information with other professional body supervisors. We identified through our Annual Return form a CIOT member who was AML supervised by HMRC. We advised the member that HMRC is the default supervisor only where a member does not hold a professional body membership, and advised the member to register with CIOT.

We sent a regulation 50 information sharing request to HMRC to assess whether they held any information about any AML failings, or other matters, regarding our member. The response from HMRC revealed that they had undertaken a compliance visit on the firm and significant issues were identified, resulting in a warning letter being issued to the firm.

The member was onboarded for CIOT AML supervision. Owing to the information provided by HMRC the firm was selected for an on-site visit with the Head of Professional Standards in attendance. The firm was found to be generally compliant; they had clearly taken action following the previous visit by HMRC and an action plan was issued on the minor areas of non-compliance to be addressed, and the firm was brought into compliance.

Appendix Three – Guidance for supervised firms

There is a considerable amount of guidance available to firms:

CIOT website [AML guidance](#) including:

- [Anti-Money Laundering overview and registration](#)
- [CIOT Anti-Money Laundering Scheme Rules](#)
- [AML Guidance for the Accountancy Sector](#)
- [Guidance on Anti-Money Laundering](#)
- [Practice risk assessment and policies and procedures \(Guidance and pro forma documents\)](#)
- [Newsletters](#)
- [Frequently asked questions](#)
- [HMRC TCSP register Q&A for businesses](#)
- [Anti-Money Laundering Training and ID Verification](#)
- [CIOT Supervisory risk assessment](#)
- [High Risk Third Countries](#)
- [Whistleblowing policy](#)
- [Guidance on Russian Sanctions](#)

ATT website [AML guidance](#) including:

- [Anti-Money Laundering overview and registration](#)
- [ATT Anti-Money Laundering Scheme Rules](#)
- [AML Guidance for the Accountancy Sector](#)
- [Practice risk assessment and policies and procedures \(Guidance and pro forma documents\)](#)
- [Newsletters](#)
- [Frequently asked questions](#)
- [HMRC TCSP register Q&A for businesses](#)
- [Anti-Money Laundering Training and ID Verification](#)
- [ATT Supervisory risk assessment](#)
- [High Risk Third Countries](#)
- [Whistleblowing policy](#)
- [Guidance on Russian Sanctions](#)

Money Laundering regulations:

[The Money Laundering, Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulations 2017](#)

[The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019](#)

[The Money Laundering and Terrorist Financing \(Amendment\) \(EU Exit\) Regulations 2020](#)

[Amendments to the Money Laundering, Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulations 2017 Statutory Instrument 2022](#)

[The Money Laundering, Terrorist Financing and Transfer of Funds \(Information on the Payer\) Regulations 2017 \(as amended\)](#)

National Crime Agency publications and guidance

[Suspicious Activity Reporting online portal](#)

[Money laundering and illicit finance](#) including links to:

[Introduction to SARs](#)

[New SAR Portal Overview \(Guide A\)](#)

[New SAR Portal – How to Register \(Guide B\)](#)

[New SAR Portal FAQs](#)

[New SAR Portal Guidance Signpost](#)

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