

Chapter 16

Reporting requirements



16.23 Annual Financial Crime Report

Application

16.23.1 **R** This section applies to all *firms* (a) subject to the *Money Laundering Regulations* and (b) listed in the table below, except for:

- (1) a *credit union*;
- (2) a *P2P platform operator*;
- (3) an *authorised professional firm*; or
- (4) a *firm with limited permissions* only.
- (5) [deleted]

16.23.2 **R** Table: Firms to which SUP 16.23.1R applies (subject to the exclusions in SUP 16.23.1R).

<p>a <i>UK bank</i>;</p> <p>a <i>building society</i>;</p> <p>a <i>non-UK bank</i>;</p> <p>a <i>mortgage lender</i>;</p> <p>a <i>mortgage administrator</i>; or</p> <p>a <i>firm offering life and annuity insurance products</i>.</p> <p>a <i>firm</i> that has permission to carry on one or more of the following activities:</p> <ul style="list-style-type: none"> <i>advising on investments</i>, provided that during the relevant financial year the <i>firm</i>: (i) held <i>client money</i> under CASS 5 (Client money: insurance distribution activity) and/or CASS 7 (Client money rules); and/or (ii) held <i>safe custody assets</i> under CASS 6 (Custody rules); <p><i>arranging (bringing about deals) in investments</i>, provided that during the relevant financial year the <i>firm</i>:</p> <ul style="list-style-type: none"> (i) <i>arranging (bringing about deals) in investments</i>, provided that during the relevant financial year the <i>firm</i>: (ii) held <i>safe custody assets</i> under CASS 6 (Custody rules); <p><i>dealing in investments as agent</i>;</p> <p><i>dealing in investments as principal</i>;</p>

assisting in the administration and performance of a contract of insurance in relation to non-investment insurance contracts;
managing investments;
establishing, operating or winding up a collective investment scheme;
establishing, operating or winding up a personal pension scheme;
establishing, operating or winding up a stakeholder pension scheme;
managing a UK UCITS;
managing an AIF;
safeguarding and administering investments;
acting as trustee or depositary of a UK UCITS;
acting as trustee or depositary of an AIF;
operating a multilateral trading facility; and/or
operating an organised trading facility.

a *firm* that has reported total revenue of £5 million or more as at its last *accounting reference date* and has permission to carry on one or more of the following activities:

advising on investments;
arranging (bringing about deals) in investments;
advising on pension transfers and pension opt-outs; and
credit-related regulated activity.

Purpose

- 16.23.3 G (1) The purpose of this section is to ensure that the *FCA* receives regular and comprehensive information about the *firm's* systems and controls in preventing *financial crime*.
- (2) The purpose of collecting the data in the Annual Financial Crime Report is to assist the *FCA* in assessing the nature of *financial crime* risks within the financial services industry.

Requirement to submit the Annual Financial Crime Report

16.23.4 R A *firm* must submit the Annual Financial Crime Report to the *FCA* annually in respect of its financial year ending on its latest *accounting reference date*.

A *firm* is only required to submit data that relates to the parts of its business subject to the *Money Laundering Regulations*.

- 16.23.5 G (1) If a *group* includes more than one *firm*, a single Annual Financial Crime Report may be submitted, and so satisfy the requirements of all *firms* in the *group*.
- (2) Such a report should contain the information required from all the relevant *firms*, meet all relevant due dates, indicate all the *firms* on whose behalf it is submitted and give their firm reference numbers (FRNs). The obligation to report under ■ SUP 16.23.4R remains with the individual *firm*.

Method for submitting the Annual Financial Crime Report

- 16.23.6 **R** A *firm* must submit the Annual Financial Crime Report in the form specified in ■ SUP 16 Annex 42AR using the appropriate online systems accessible from the *FCA's* website.

Time period for firms submitting their Annual Financial Crime Report

- 16.23.7 **R** A *firm* must submit the Annual Financial Crime Report within 60 *business days* of the *firm's* accounting reference date.