

Chapter 16

Reporting requirements



16.23 Annual Financial Crime Report

Application

16.23.1 **R** This section applies to all *firms* subject to the *Money Laundering Regulations*, other than:

- (1) a *credit union*;
- (2) a *P2P platform operator*;
- (3) an *authorised professional firm*;
- (4) a *firm with limited permissions only*; or
- (5) a *firm* excluded under **■** SUP 16.23.2R.

16.23.2 **R** Unless a *firm* is listed in the table below, this section does not apply to it where both of the following conditions are satisfied:

- (1) the *firm* has reported total revenue of less than £5 million as at its last *accounting reference date*; and
- (2) the *firm* only has *permission* to carry on one or more of the following activities:
 - (a) *advising on investments*;
 - (b) *dealing in investments as agent*;
 - (c) *dealing in investments as principal*;
 - (d) *arranging (bringing about deals) in investments*;
 - (e) *making arrangements with a view to transactions in investments*;
 - (f) *assisting in the administration and performance of a contract of insurance* in relation to *non-investment insurance contracts*;
 - (g) *agreeing to carry on a regulated activity*;
 - (h) *advising on pension transfers and pension opt-outs*;
 - (i) *credit-related regulated activity*;
 - (j) *home finance mediation activity*;
 - (k) *managing investments*;
 - (l) *establishing, operating or winding up a collective investment scheme*;
 - (m) *establishing, operating or winding up a personal pension scheme*;

- (n) *establishing, operating or winding up a stakeholder pension scheme;*
- (o) *managing a UCITS;*
- (p) *managing an AIF;*
- (q) *safeguarding and administering investments;*
- (r) *acting as trustee or depositary of a UCITS;*
- (s) *acting as trustee or depositary of an AIF; and/or*
- (t) *operating a multilateral trading facility.*

Table: Firms to which the exclusion in SUP 16.23.2R does not apply

- a UK bank;*
- a building society;*
- a EEA bank;*
- a non-EEA bank;*
- a mortgage lender;*
- a mortgage administrator; or*
- a firm offering life and annuity insurance products.*

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.