

**Nicholas James Associates**  
**Firm ID 8009795**

**AML Policies and Procedures**

**Organisation Chart and Ownership Structure**

I am a sole practitioner and therefore I am the MLRO.

I have no employees.

I have two sub-contractors to whom the various jobs are contracted.

**Customer due diligence**

Before entering a business relationship, we identify and verify the client's identity using documents from reliable and independent sources. We also identify the beneficial owner of the client, where there is one, including understanding the ownership and control structure of the client. This includes verifying, according to risk, the identity of the beneficial owners and obtaining information on the purpose and intended nature of the business.

During a business relationship, we monitor activity on an on-going basis. This includes the scrutiny of transactions, source of funds and other elements of knowledge of the client, and keeping the documentation concerning the client and the relationship updated.

**Politically exposed persons (PEPs)**

We do not act for any PEPs.

In order to recognise a PEP we would conduct a check by discussing the issue with the person, plus using an internet search engine. If we did undertake services for PEPs we would subscribe to a specialist database.

Accepting a PEP would involve enhanced due diligence. This would include obtaining additional customer due diligence information about the client, as well as undertaking adequate measures to establish the source of wealth funds that are involved and enhanced monitoring of any relationship entered into.

**Confirmation of Client Identities**

Verification of identity, which includes photo identification as well as documents issued by a government department, or agency, or documents issued by local authorities are kept in hard copy format on the client file.

### **Staff training on MLR issues**

There are no staff members who are employees. There are three main workers; the proprietor Nicholas Sheppard plus Pamela Romanis and Valerie Smith as sub-contractors. Pamela Romanis is CIMA qualified and Valerie Smith is a member of ICAEW. As qualified accountants all three keep their MLR up to date. Records kept include evidence of assessment of training needs and steps taken to meet such needs, including records of attendance/ completion of training on MLR issues.

### **Internal reports to MLRO**

All records of internal reports, the MLRO's consideration of them, and any subsequent reporting decisions are kept in the client file.

### **Length of time records retained**

All records are kept for five years from the end of business.

## **Enhanced Due Diligence (EDD)**

### **Circumstances when EDD is to be applied**

EDD and enhanced on going monitoring are applied in the following circumstances;

1. In a case identified as one where there is a high risk of money laundering or terrorist financing.
2. Where there are any business relationships or a transaction with a person in a high-risk country.
3. Where there are correspondent relationships with a credit institution or a financial institution.
4. If it is determined that a client or potential client is a PEP, or a family member or known close associate of a PEP.
5. Where it is discovered that a client has provided a false or stolen ID documentation.
6. Where a transaction is complex and unusually large or there is an unusual pattern of transaction, and the transactions have no apparent economic or legal purpose.

### **Enhanced Due Diligence Procedures**

1. As far as possible examine the background and purpose of the engagement.
2. Increase the monitoring of the business relationship in order to determine whether a transaction or relationship appears suspicious.
3. Seek additional independent, reliable sources to verify information- including identity information.
4. Take additional measures in order to better understand the background, ownership and financial situation of the client and any other relevant parties.

5. Take further steps to check that the transactions are consistent with the purpose of the business.
6. Greater scrutiny of transactions.

### **Sub-Contracting and outsourcing**

The firm only uses qualified Accountants as sub-contractors.

In any particular case we consider whether the outsourcing or sub-contracting process will increase the risk of being involved in, or used for, MLTF. If so, appropriate controls to address that risk will be put in place.

Where work is sub-contracted we remain responsible for ensuring that CDD is undertaken to UK standards.

Where work is sub-contracted we remain responsible for reporting any knowledge or suspicion of MLTF.