



STRENGTHENING COMPLIANCE THROUGH SUPERVISION

CIOT and ATT ANNUAL
AML SUPERVISION REPORT
2025/2026

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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.

In 2025, the UK government published their updated National Risk Assessment (NRA). The updated NRA advised that the risk of money laundering through tax advisers (and accountancy service providers more generally) remains high. It assessed that “accountancy service providers can be used to provide the appearance of legitimacy to transactions that feature criminal funds, for example, through the use of accountant’s certificates of confirmation to support the falsification of documents such as accounts and invoices. Criminals will seek to take advantage of weak or inadequate risk assessments, policies, controls and procedures and, although less likely, may seek to infiltrate or corrupt the employees of legitimate firms. The risk is particularly high for clients with cash intensive businesses as this can disguise the real source of funds and allow for the easier mixing between legitimate and criminal earnings”.

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 2025 to 5 April 2026.

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). The [TDB indicative sanctions guidance](#) sets out the range of sanctions that are available 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 2025/26, 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 Companies House, law enforcement and the National Economic Crime Centre (NECC) through the Professional Enablers initiative. We remain committed to providing effective AML supervision for our members and work 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. HM Treasury [responded](#) to the consultation in October 2025, with the decision to move AML supervision from professional bodies and HMRC to the Financial Conduct Authority (FCA). We are currently working with OPBAS, the FCA, and HM Treasury with the aim of a smooth transition to FCA supervision.

Jane Ashton

ATT CEO

Helen Whiteman

CIOT CEO

What CIOT and ATT do as AML Supervisors

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

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 2024/25 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 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 2025/26 are set out on the CIOT website [here](#), and the ATT website [here](#).

The AML scheme rules were reviewed in 2024/25, and changes were 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 must 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 and tax compliance services and complementary accounting services. Supervised firms have a variety of clients ranging from individuals and small businesses to high-net worth individuals and larger corporates. 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 £50 to £13.5 million per annum (CIOT) and £475 to £20 million per annum (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 416 firms and 477 sole practitioners. The total number of Business Owners, Officers and Managers (BOOMs) of CIOT firms and sole practitioner businesses applying for supervision in 2025/26 was 1,401. ATT's supervised population is made up of 280 firms and 376 sole practitioners. The total number of BOOMs of ATT firms and sole practitioners applying for supervision in 2025/26 was 1,067.

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 NRA, which was updated in 2025. The **2025 NRA** assesses that the risk of money laundering through accountancy service providers (which includes tax advisers) remains high. It indicates that “accountancy service providers can be used to provide the appearance of legitimacy to transactions that feature criminal funds, for example, through the use of accountant’s certificates of confirmation to support the falsification of documents such as accounts and invoices. Criminals will seek to take advantage of weak or inadequate risk assessments, policies, controls and procedures and, although less likely, may seek to infiltrate or corrupt the employees of legitimate firms. The risk is particularly high for clients with cash intensive businesses as this can disguise the real source of funds and allow for the easier mixing between legitimate and criminal earnings”.

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 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 and 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 2025 Professional Standards and AML Webinar including information about AML hot topics and the AML supervision renewal.
- November 2025 AML Webinar including topics such as:
 - o AML Scheme Rules Update
 - o Companies House Identity Verification and Authorised Corporate Service Providers
 - o National Risk Assessment 2025
 - o AML Training Requirements
 - o Suspicious Activity Reporting
 - o Key Practices for Compliance
 - o Changes to the AML Supervisory Regime
 - o Whistleblowing (Disclosure)

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 key focus throughout 2025/26. We supported members through:

- our email and telephone helpline, websites, and publications
- weekly news articles covering sanctions, including the transition to a single UK sanctions list
- webinar discussions in our April 2025 Professional Standards and AML Webinar on sanctions risk.

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 and we are aiming to produce guidance for members.
- Niche areas of tax work – Annual membership 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. We continue to educate members about registration requirements and where we identify a firm that is not registered for AML supervision, we follow up with the member and ensure that they register and are brought back into compliance.
- 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. In 2025/26 we updated our AML initial registration and renewal form to include a question on cyber-attacks and data breaches.

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 2025/26 period, 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 them 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. We also provide members with the SARs best practice videos and guidance documents and UKFIU podcasts.



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 random 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 2025/26 we continued to ask questions about 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. We revised our AML scheme rules in November 2025 to require registrants to securely retain copies of all Suspicious Activity Reports submitted to the National Crime Agency, along with records of matters considered but not reported. This enables us to assess the quality of SARs during AML visits and provide guidance where improvements are needed.

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. We provide members with guidance on AML supervision visits on the CIOT website [here](#) and the ATT website [here](#).

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 £41,120 were levied against firms in 2025/26: £8,120 in fines charged for late initial registration (CIOT £5,380 and ATT £2,740); £19,200 in fines charged for late renewal (CIOT £10,500 and ATT £8,700); and £13,800 in other AML related TDB fines (CIOT £6,800 and ATT £7,000). This was an increase from £29,320 levied in 2024/25.

In addition, in 2025/26, one CIOT AML supervised member was suspended for AML related matters and two ATT AML supervised members were 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 2025/26 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](#). The TDB [Indicative Sanction Guidance](#) can be found on the TDB webpage.

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 in 2025/26 that required further attention by some firms or which we know needed to be an area of focus were:

1. Written Practice Risk Assessments (PRA) require improvements

We conduct an extensive amount of educational work around PRA requirements. Our AML initial registration and renewal form includes a question on whether firms have a PRA in place, and 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. We also 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 regularly send out guidance on ML and TF risk and encourage firms to review and update their PRAs where necessary.

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 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. Record keeping

During the 2025/26 period, we identified through our AML visits 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.

3. Written policies and procedures required improvements

Similarly to PRAs, we continue to provide support to members with their policies and procedures (P&P) requirements. Our AML initial registration and renewal form also includes a question on whether firms have AML 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 also provide pro forma P&P documents for our members to tailor, and feedback from those using the documents continues to be positive. 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. We continue to educate members on the importance of tailoring their P&Ps to reflect their day-to-day processes and the steps they take to mitigate the risks identified in their PRAs.

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 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.

Follow up undertaken on areas of non-compliance

This year we have taken follow up action by:

- a. Targeted follow up with members that 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 good quality written PRAs and P&Ps and record keeping requirements during AML visits, our weekly newsletters and AML specific newsletters, our November AML webinar and our email and phone helpline. As noted above, we also provide regular guidance to supervised members on risk and compliance with the MLRs.

Other areas of work

Throughout 2025/26, we have continued to co-operate with other supervisory bodies, HM Treasury, NCA/UKFIU, Companies House, OPBAS, the FCA, Gambling Commission, and HMRC through our involvement in both the AASG and AMLSF. 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 represents the AASG at the Public Private Threat Group on Money Laundering.

We collaborated with HM Treasury to provide feedback on the draft NRA in advance of the publication of the 2025 NRA. Following the implementation of the 2025 NRA, we worked alongside the accountancy supervisors through AASG on the update to the Supervisory Risk Assessment Guidance.

Throughout the period we have collaborated extensively with Companies House to support them in the implementation of the registration of Authorised Corporate Service Providers (ACSPs) and identity verification measures. We have shared information on our supervised population to assist with registration and their ongoing review of ACSPs' AML supervision status. We continue to provide guidance and support to members on our websites, and via our email and telephone helplines. In relation to the changes in the Economic Crime and Corporate Transparency Act (ECCTA) and the introduction of identity verification.

We have continued to work with the NECC, 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. 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, the SAR Reporter Booklet and Economic Crime newsletters. We also provide members with the SARs best practice videos and guidance documents and UKFIU podcasts. 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 enables us to review the risk of our supervised firms and provide advice where needed. 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 2025/26 we had five instances where information was received, and appropriate follow up action taken.

We conducted an AML training thematic review in the 2025/26 period. The aim of the thematic review was to assess the effectiveness of AML training undertaken by our supervised population, and to identify areas for improvement and provide guidance to members where necessary.

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. Following HM Treasury's response to the consultation in October 2025, we responded to the Duties, Powers and Accountability Consultation and we are working with OPBAS, the FCA, and HM Treasury with the transition of AML supervision to the FCA. We also responded to the consultation on Improving the effectiveness of the MLRs and welcomed the response in the 2025/26 period. We made members aware of the response and provided members with updated guidance in our weekly news, AML newsletter and during our April 2026 webinar.

Throughout 2025/26 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 2025/26 and what comes next for CIOT and ATT AML Supervision?

During 2025/26 we recruited a Professional Standards Officer to backfill the Professional Standards Officer promoted to Professional Standards Manager in early 2025.

Throughout 2025/26 we continued to work on succession planning to ensure there is additional overlap between roles to reduce the impact of staff changes, staff absence and annual leave.

Our supervisory work in 2025/26 continued to be effective. This is evidenced by the following:

- We increased the number of on-site visits from seven in the 2024/25 period to 13 in 2025/26
- The quality of AML visit work has remained high (measured by our internal quality control process)
- We conducted a thematic review of supervised members' AML training in the period
- We updated our AML scheme rules to include the requirement for supervised members to keep records of all Suspicious Activity Reports (SARs) to enable us to review and provide feedback to members on their SAR quality
- We worked alongside the accountancy supervisors to update the Supervisory Risk Assessment Guidance
- We have provided two webinars including AML content in 2025/26 and attended four conferences
- We promoted AML compliance and discussed AML risk through two AML newsletters in 2025/26
- We continued to provide a telephone and email advice service to members
- We have included materials on AML compliance and risk in 24 weekly newsletter articles in 2025/26
- We have successfully identified 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.
- 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)

To continue with good progress made in 2025/26 and increase effectiveness in 2026/27 we aim to:

- Further 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

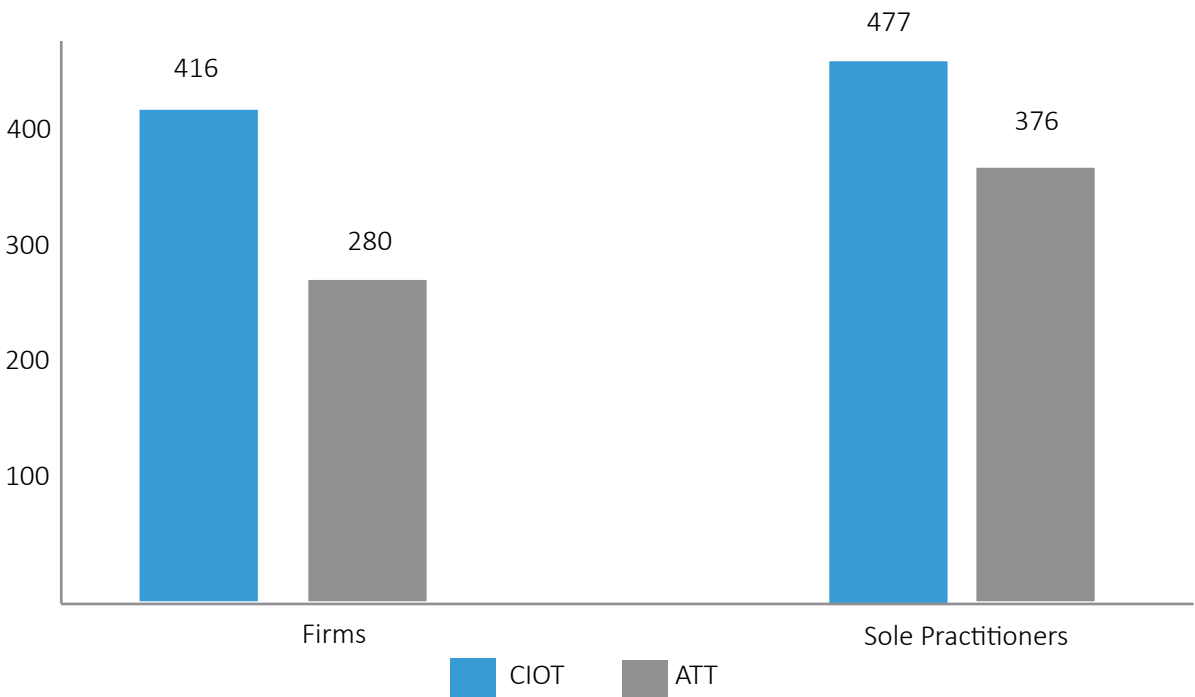
- Continue our work on our AML training thematic review including targeted AML training webinars for members involved in the review
- Undertake thematic work on the AML risks in relation to crypto assets and provide members with crypto asset specific guidance

We recognise potential challenges in the 2026/27 supervision year including the work needed to prepare for AML/CTF supervisory reform. We have reassured supervised members that it is business as usual at present, and we continue to work with HM Treasury, OPBAS and the FCA on the transition.

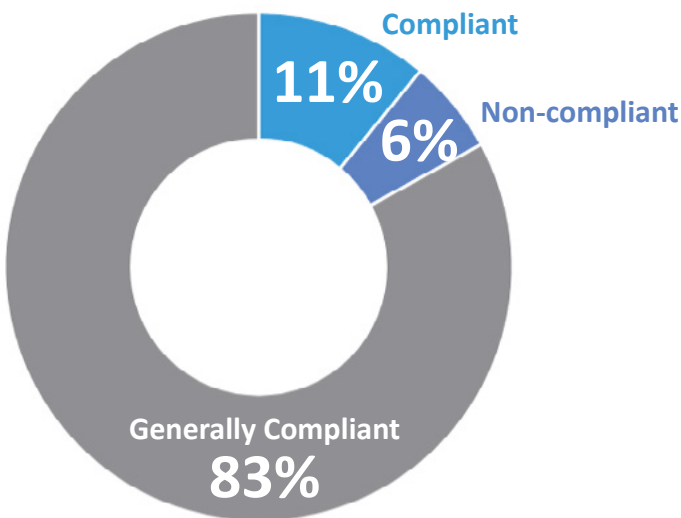
AML 2025/26 Statistics

A Snapshot of AML activity throughout 2025/2026.

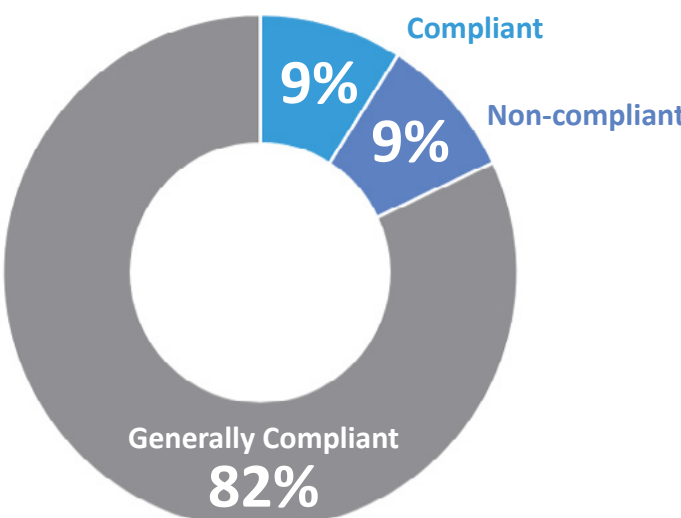
THE NUMBERS AND TYPES OF FIRMS SUPERVISED



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- 46%
Medium-50%
Low- 4%

Risk rating of firms before visit

ATT

High - 45%
Medium- 55%

Approximate number visited in 2025/26 from each risk category:

CIOT

High - 18%
Medium - 4%
Low - 11%

ATT

High - 18%
Medium- 3%

NEW REGISTRATIONS IN 2025/26

CIOT registrations



= 63

ATT registrations



= 71

COMMUNICATIONS

- Two AML Newsletters to supervised members
- Two webinars covering AML topics
- Tax Adviser articles
- 24 weekly newsletter contributions including topics on compliance with the MLRs and money laundering risk



ENFORCEMENT

- £8,120 in fines charged for late initial registration (CIOT £5,380 and ATT £2,740)
- £19,200 in fines charged for late renewal (CIOT £10,500 and ATT £8,700)
- £13,800 in other AML related TDB fines (CIOT £6,800 and ATT £7,000)



TOOLS



- Updated supervisory risk assessment
- Updated website guidance following updates to the NRA, MLRs and AMLGAS
- Email and telephone helplines



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

Members are required to complete their annual AML renewals by 31 May each year. An ATT member had not renewed for the 2025/26 year by 31 May 2025 and was subsequently fined £350 for failing to renew. By July 2025, the member had not paid the fine, completed the renewal form or made payment for AML supervision. At this point members who had failed to renew and or failed to pay fines were being referred to the TDB.

Follow up action was taken to ensure the AML renewal form and fee were submitted. Following a call to the ATT member's office an individual who had previously worked for our member answered the phone and indicated that our member had been found guilty of fraud the previous November and was in prison. He had ceased to trade on 31 December 2024.

Follow up Google searches were undertaken and the member was referred to the TDB in July 2025. The TDB acted swiftly and listed the case for a hearing by an Interim Orders panel on 15 August 2025 which suspended the member. The case will still need to go through further disciplinary steps before the final outcome of the case is determined but in the meantime if he leaves prison and attempts to provide tax services or obtain AML supervision there is publicly available confirmation that he has been suspended from ATT membership. HMRC have also been aware that supervision by the ATT has ceased so if he attempts to register as an agent, they will have a record that he is no longer supervised by us.

Case Study Two

A firm was selected for an AML visit, during which a number of action points were identified and communicated to the member. The actions points highlighted areas of non-compliance with the MLRs and the firm was assessed as high risk.

There were delays in the member responding to the action points, which included:

- preparing a written firm-wide risk assessment
- maintaining a log of individual client risk assessments
- updating the firm's policies and procedures document
- resolving gaps in client due diligence records
- evidencing the undertaking of ongoing monitoring of CDD and client risk assessments
- preparing an AML training log
- arranging additional AML training to be completed
- completing a review of the firm's record keeping procedures

On review of the evidence provided it was determined that the member had failed to meet the requirements set out, and a referral was made to the TDB.

The Investigation Committee of the TDB referred the matter on to a Disciplinary Tribunal (DT). The DT hearing in 2025/26 ordered that the member be censured, fined £2,500, and provide specified AML-related documents and information to the CIOT by 31 March 2026. The DT also ordered that the member pay the TDB's costs of £3,220. The case was also published.

On review of the member's response, it was determined that they had not sufficiently actioned the outstanding points. A further referral to the TDB was therefore made. The matter proceeded to further disciplinary hearings, resulting in the member being expelled in October 2026.

Case Study Three

During the 2025/26 period, CIOT received information through the whistleblowing webpage regarding an individual holding themselves out to be a CTA and using the CIOT practicemark on their website. The website also indicated that there were other staff members with various qualifications, including another CTA. The membership team sent a letter and advised the member to stop referring to themselves as a CTA, and using the practicemark, as they are an ATT member and not a CIOT member.

Through this process, it became apparent that the firm was supervised by HMRC, and directors of the firm held memberships with ACCA and ICAEW. We sent regulation 50 information sharing requests to ACCA and ICAEW to gather information on their memberships and the AML supervision position.

We liaised with ACCA and ICAEW and concluded that ATT was the appropriate supervisor for the firm. The member was onboarded for ATT AML supervision and was subject to an onsite AML supervision visit in the early 2026/27 period.

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](#)
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- [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 \(as amended\)](#)

National Crime Agency publications and guidance

[Suspicious Activity Reporting online portal](#)

- [Chapter 1 - Using the SAR Portal](#)
- [Chapter 2 - Submitting a SAR](#)
- [Chapter 3 - Understanding DAMLs and DATFs](#)

[SARs Best Practice Videos](#)

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