

Anti Money Laundering Newsletter - Issue Four



November 2009



The Association of Taxation Technicians

HMT Review of the Money Laundering Regulations

HM Treasury together with the Better Regulation Executive, have published a call for evidence in their review of the Money Laundering Regulations 2007. The Call is designed to help inform a review of the Regulations, and look at how effective and proportionate the UK's anti-money laundering rules are, how they work in practice and what further improvements, if any, could be made. The document is set out in two parts:

Part A - for Supervisory Authorities, firms covered by the regulations, policy makers and academics.

Part B - for clients of regulated firms, whether business customers or private individuals.

We will be responding to the Call for Evidence which closes on 11 December 2009 so you can send in your views to us to consider in our response, respond yourselves or encourage your clients to respond.

The text of each of the parts of the Call for Evidence is available on the [HM Treasury website](#).

OECD Handbook

The OECD has released a publication called The Money Laundering Awareness Handbook for Tax Examiners and Tax Auditors that aims to support tax administrations detect and deter money laundering. It provides guidance in identifying money laundering during the conduct of tax audits and describes the resources and tools available for effective detection and deterrence.

Particularly useful are the sections highlighting specific indicators of money laundering in particular high risk areas such as real estate, cash and loans.

The handbook is available on the [Centre for Tax Policy & Administration \(CTPA\) website](#).

Increase in employee fraud

The UK's Fraud Prevention Service, CIFAS, latest figures reveal that employee fraud has increased by 69% in the first half of 2009 compared with the last half of 2008; with the recession chiefly being blamed for the increase.

The figures show that 69% of reported employee fraud was due to dishonest actions by staff to obtain benefit by theft or deception (for example, fiddling expenses, falsifying time sheets and misrepresenting targets).

CIFAS Chief Executive, Peter Hurst, comments: "While it remains true that most employees are completely trustworthy, these figures do show that the impact of the current recession has been severe. Desperate times do, indeed, lead to desperate measures, and businesses need to put in place all possible controls to ensure that they, their employees and customers are not subjected to fraud risks that can be avoided."

The Sunday Times 'Rich List' Tycoon to be jailed for £111m money laundering con

Multi-millionaire Trevor Baines, who was ranked 349th in the Sunday Times Rich List, has been convicted with his wife for being involved in a complex money laundering "pump and dump" scam involving false accounting and inflating share values. After a five-week trial, he now faces up to a 14 year jail term. He was accused of transferring £111million from bank accounts in Switzerland to the Isle of Man, where he lives, knowing or suspecting that the money was from the proceeds of crime.

Free SOCA seminar reminder (Greater London)

The conference run by 'Payback' and hosted by SOCA's UK Financial Intelligence Unit (UKFIU), will be on Tuesday 24 November 2009 at the Holiday Inn - Elstree.

This event is specifically designed for employees of small to medium sized, regulated businesses and includes presentations on law and practice, as well as breakout sessions, providing sector-specific guidance from regulators and case studies from the law enforcement community highlighting the value of SARs in reducing crime.

It will start at 09:30 and finish at 16:30 and anyone interested in attending should email: eventmanagement@soca.x.gsi.gov.uk for an application form.