

# MEMORANDUM OF UNDERSTANDING

The following Memorandum of Understanding (MOU) has been agreed between:

1. The Association of Chartered Certified Accountants;
2. The Association of International Accountants;
3. The Chartered Institute of Management Accountants;
4. The Institute of Chartered Accountants in England & Wales;
5. The Institute of Chartered Accountants in Ireland;
6. The Institute of Chartered Accountants of Scotland;
7. The Institute of Certified Public Accountants in Ireland; and
8. The Institute of Incorporated Public Accountants.

and the Anti-Money Laundering Compliance Unit of the Department of Justice and Equality

in relation to the authorisation and monitoring of Trust or Company Service Providers in accordance with and for the purposes of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 as amended.

The table below sets out the following information:

***Column 2 - TCSP Composition:***

Details of the various types of TCSPs involving Accountants

***Column 3 - Regulatory Responsibility:***

The responsibilities of the Regulatory Authority

***Column 4 - TCSP Obligation:***

## The obligations on those providing TCSP services in accordance with the legislation

	<b>TCSP Composition</b>	<b>Regulatory Responsibility</b>	<b>TCSP Obligation</b>
1.	Every Principal is a member of a particular Designated Accountancy Body.	The Designated Accountancy Body will be responsible for monitoring the TCSP.	To ensure it is subject to monitoring by that Designated Accountancy Body.
2.	Every Principal is a member of some Designated Accountancy Body.	Where there is more than one Principal and those Principals are members of different Designated Accountancy Bodies, those Designated Accountancy Bodies will agree between them which of them will be responsible for monitoring the TCSP.	To ensure it is subject to monitoring by the appropriate Designated Accountancy Body, as determined by reference to the principles set out in the Appendix.
3.	Where greater than 75% of the shares or voting rights are owned or controlled by members of Designated Accountancy Body/Bodies providing every Principal is a member of a Designated Accountancy Body.	The Designated Accountancy body will be responsible for monitoring of TCSP <b>or</b> where there is more than one Principal and those Principals are members of different Designated Accountancy Bodies, those Designated Accountancy Bodies will agree between them which of them will be responsible	To ensure it is subject to monitoring by that Designated Accountancy Body <b>or</b> to ensure it is subject to monitoring by the appropriate Designated Accountancy Body, as determined by reference to the principles set out in the Appendix.

		for monitoring the TCSP.	
	<b>TCSP Composition</b>	<b>Regulatory Responsibility</b>	<b>TCSP Obligation</b>
4.	One or more Principal(s), is not a member of a Designated Accountancy Body.	The Minister will be responsible for authorising and monitoring the TCSP.	To ensure it is authorised by the AMLCU.
5.	Every Principal is a member of some Designated Accountancy Body, however 25% or greater than 25% of the shares or voting rights are owned or controlled otherwise than by members of a Designated Accountancy Body.	The Minister will be responsible for authorising and monitoring the TCSP.	To ensure it is authorised by the AMLCU.

## Glossary of terms

The “**Act**” means the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 as amended.

“**AMLCU**” means the Anti-Money Laundering Compliance Unit of the Department of Justice and Equality.

“**Designated Accountancy Body**” means any one of:

- a. The Association of Chartered Certified Accountants;
- b. The Association of International Accountants;
- c. The Chartered Institute of Management Accountants;
- d. The Chartered Institute of Public Finance and Accountancy;
- e. The Institute of Chartered Accountants in England & Wales;
- f. The Institute of Chartered Accountants in Ireland;
- g. The Institute of Chartered Accountants of Scotland;
- h. The Institute of Certified Public Accountants in Ireland; and
- i. The Institute of Incorporated Public Accountants.

“**Minister**” means the Minister for Justice and Equality.

“**Principal**” means, in relation to an entity, a person who is:

- a. where the entity comprises a sole practitioner, the sole practitioner;
- b. where the entity comprises a partnership, a partner in the entity;
- c. where the entity comprises a limited liability partnership, a member in the entity; or
- d. where the entity comprises a body corporate (other than a limited liability partnership), a director of the company. A director includes a shadow director,

or any person held out to be a principal howsoever called in any of the above.

“**TCSP**” means any person whose business it is to provide any of the following services:

- a. forming companies or other bodies corporate;
- b. acting as a director or secretary of a company under an arrangement with a person other than the company;
- c. acting, or arranging for a person to act, as a partner of a partnership;
- d. providing a registered office, business address, correspondence or administrative address or other related services for a body corporate or partnership;
- e. acting, or arranging for another person to act, as a trustee of a trust; and
- f. acting or arranging for another person to act, as a nominee shareholder for a person other than a company whose securities are listed on a regulated market.

# Appendix

Where, in accordance with the Act, two or more Designated Accountancy Bodies are responsible for monitoring a TCSP, the Designated Accountancy Body which will take responsibility for monitoring that TCSP will be determined in accordance with the order of priority of the principles set out below (the principles being set out in order of priority) unless the Designated Accountancy Bodies concerned should agree otherwise between them.

A particular Designated Accountancy Body will take responsibility for monitoring a TCSP in circumstances where:

1. The TCSP has been granted audit registration by the Designated Accountancy Body.
2. The TCSP has been granted investment business authorisation by the Designated Accountancy Body.
3. A majority of the Principals in the TCSP are members of the Designated Accountancy Body.
4. The TCSP has been granted membership of the Designated Accountancy Body.
5. The TCSP is an entity in which a majority of voting rights are held by members of the Designated Accountancy Body.