

SRA BOARD

7 July 2025

CLASSIFICATION – PUBLIC*This paper will be published*

**Money Laundering Reporting Officer (MLRO) – year ended 5 April
2025**

Reason for paper	This paper is provided to give the Board oversight on the work of our Money Laundering Reporting Officer (MLRO) in discharging our legal reporting obligations.
Decisions(s)	The Board is asked: a) to receive and consider the annual report of the MLRO for the year ended April 2025.
Previous Board and committee consideration	The Board reviewed and considered previous MLRO annual reports on 22 October 2019, 9 March 2021, 7 June 2022, 27 June 2023 and 9 July 2024.
Next steps	The paper and report will be published.

If you have any questions about this paper please contact: Sara Gwilliam – Money Laundering Reporting Officer, sara.gwilliam@sra.org.uk

SRA BOARD

7 July 2025

CLASSIFICATION – PUBLIC



Money Laundering Reporting Officer (MLRO) – year ending 5 April 2025

Summary

- 1 This paper introduces the annual report on the work of our Money Laundering Reporting Officer (MLRO) and Deputy MLRO for the year ending 5 April 2024. It gives an overview of the types of suspected money laundering identified and reported by our team to the National Crime Agency (NCA) by way of Suspicious Activity Reports (SARs).
- 2 The NCA and wider law enforcement use SARs to inform money laundering and terrorist financing investigations, as well as recover illicit monies and assets. SARs also play a key role in identifying other harmful crimes, such as people trafficking and fraud, as well as protecting vulnerable persons.
- 3 The paper also covers other aspects of the team's work, such as the delivery of mandatory money laundering, terrorist financing and sanctions related training to staff, as well as internal/external customer engagement, and involvement and compliance with external and audit inspections and outcomes.
- 4 The MLRO annual reporting covers the reporting period of 6 April 2024 to 5 April 2025 bringing it into line with other reporting requirements placed on us by government, some of which are published.
- 5 In this reporting period, the MLRO received 32 Internal Suspicious Activity Reports (iSARs) leading to 19 reports made to the NCA relating to £148 million in suspect transactions and arrangements involving the legal profession. From the previous reporting period ending April 2024, this represents a decrease in the number iSARs reports (36) and a decrease to the NCA reports (23) but a significant increase to the amount of money in suspect transactions and arrangements involving the legal profession (£75 million).

Function of an MLRO

- 6 The MLRO's statutory responsibilities fall under three separate pieces of legislation:
 - a. Money Laundering Regulations 2017 (as amended)
 - b. Proceeds of Crime Act 2022
 - c. Terrorism Act 2000
- 7 The MLRO's primary function is to report suspicion of money laundering and terrorist financing. The MLRO has a dedicated Deputy Money Laundering Reporting Officer (DMLRO) to support delivery and who can act into the MLRO role when necessary. Together they operate as an independent team.
- 8 As well as reporting suspicions of money laundering and terrorist financing the MLRO has annual reporting obligations placed upon it by HM Treasury, and

SRA BOARD

7 July 2025

CLASSIFICATION – PUBLIC



our anti-money laundering oversight body the Office for Professional Anti-Money Laundering Supervision (OPBAS).

- 9 The attached report should give assurance that the Board remains informed on our work in this important area and demonstrates our ongoing commitment to discharge our legal obligations, as well as our focus on delivering quality and timely SARs to support efforts to tackle financial crime.

Recommendation: the Board is asked to:

- (a) to receive and consider the annual report of the MLRO for the year ending April 2025.**

Next steps

- 10 In line with our approach to transparency this report will be published.

SRA BOARD

7 July 2025

CLASSIFICATION – PUBLIC



Supporting information

Links to the Corporate Strategy and/or Business Plan and impact on strategic and mid-tier risks

- 11 The Government is challenging the outcomes and impact of regulatory activity in identifying and tackling financial crime and money laundering across all relevant professional services sectors.
- 12 The work carried out by our MLRO and DMLRO contributes to the detection and reporting of money laundering and terrorist financing to highlight which areas of the legal profession are enabling such activities. This work links into our Corporate Strategy objectives one, two, and four.

How the issues support the regulatory objectives and best regulatory practice

- 13 As an AML Supervisor the submission of SARs by us is a legal obligation. We have dedicated specialist resource to carry out this work, who make independent and accountable decisions and submit SARs in accordance with published guidance and best practice.
- 14 SARs help law enforcement agencies tackle financial in the UK and internationally, as well as preventing and detecting other crimes. Working alongside effective AML supervision reduces the risk of terrorist financing and money laundering happening.

Public/Consumer impact

- 15 SARs can help bring offenders to justice and protect vulnerable people from offences such as fraud, human trafficking and modern slavery. Failing to report suspicions of money laundering could have a detrimental impact on members of the public being exploited and the victims of such crimes.
- 16 Failure to report suspicions linked to potential terrorist financing activities could seriously impact on matters of national security and pose a threat to the public in the UK and overseas.

What engagement approach has been used to inform the work and what further communication and engagement is needed?

- 17 Internal engagement with SRA staff across the organisation is done through a variety of effective methods including a rolling programme of facilitated staff training sessions, attendance at team meetings/events, delivering briefings, as well as proactive engagement encouraging staff to seek advice.
- 18 Externally we maintain strong working relationships with a range of government agencies including, the National Crime Agency (NCA), Home Office, HM Treasury, HMRC, Police forces, as well as other regulators and AML Supervisors. We engage through meetings, working groups and on an ad-hoc

SRA BOARD

7 July 2025

CLASSIFICATION – PUBLIC



basis to meet business needs, sharing information, good practice, and to discuss any new or emerging risks.

What equality and diversity considerations relate to this issue?

- 19 Money laundering linked to crimes such as modern slavery and fraud can impact on and involve the exploitation of the most vulnerable persons in society, such as the elderly or those illegally trafficked into the country.
- 20 SAR reporting decisions are based wholly on the merit of relevant information and facts relating to financial crime risk factors.

How the work will be evaluated

- 21 Internally the work of our MLRO and DMLRO is overseen by the AML Steering Group, as well as the Executive Team and the Board. Externally their work is inspected and evaluated by our anti-money laundering oversight body the Office for Professional Body Anti-Money Laundering Supervision (OPBAS). The NCA also monitors the quality of all SARs submitted.

Annexes

Annex 1

Annual Report by the Money Laundering Reporting Officer (MLRO) for the Y/E April 2025