

Compliance Risk Assessment

FY2026 — domain-by-domain inherent and residual scoring

Tenant	Northwind Fiduciary (Jersey) [SANDBOX]
Period	Q4 2026
Generated	Reproducible from live sandbox data
Classification	DEMONSTRATION — NOT FOR EXTERNAL CIRCULATION

SAMPLE

This artefact is generated by the RegAlign® platform from a sandbox tenant (Northwind Fiduciary [SANDBOX]) populated with synthetic data for demonstration purposes. It is structurally identical to artefacts produced for live tenants.

Board Statement

The Board of Northwind Fiduciary (Jersey) Limited has reviewed and approved this Compliance Risk Assessment (CRA) for FY2026. The assessment covers twelve compliance domains, with inherent risk scored before controls and residual risk scored after the controls evidenced in the Compliance Monitoring Programme.

Two domains (AML / PEP & sanctions; AML / CDD onboarding) carry elevated residual risk. The Board has accepted the residual position subject to the strengthened controls described in §4 and a mid-year reassessment in H2.

The assessment is anchored to specific JFSC Code of Practice expectations and to applicable statutory instruments. The full obligation-to-control mapping is maintained in the platform and is auditable via the hash-chained record.

Domain summary

Domain	Inherent	Controls	Residual	Δ	Within appetite
AML / CDD onboarding	High	Operating	Amber	↓	Yes
AML / Ongoing monitoring	High	Operating	Amber	↓	Yes
AML / PEP & sanctions	Critical	Strengthening	Red	↓	Outside — accepted
AML / SAR & internal	High	Operating	Amber	↓	Yes
Conduct of business	Medium	Operating	Green	↓	Yes
Governance & oversight	Medium	Operating	Green	↓	Yes
Outsourcing	High	Under review	Amber	→	Yes
Record-keeping	Medium	Operating	Green	↓	Yes
Training & competence	Medium	Operating	Amber	→	Yes
Data protection	High	Operating	Amber	↓	Yes
Complaints handling	Low	Operating	Green	↓	Yes
Regulatory reporting	Medium	Operating	Amber	↓	Yes

Domain detail — AML / PEP & Sanctions

Inherent risk: Critical · Residual risk: Red · Within appetite: No (accepted)

Inherent assessment

The firm services trust and corporate structures for clients across 23 jurisdictions, with 14% of active relationships involving a PEP or PEP-connected party. Sanctions exposure spans EU, UK, US OFAC and UN regimes. The product mix (discretionary trusts, private holding companies, foundations) attracts inherent ML/TF risk above the industry mean. Inherent score: **22/25**.

Controls (assessed)

Control	Type	Effectiveness	Last tested
Onboarding PEP screening (Worldcheck)	Preventive	Effective	2026-Q3
Daily sanctions list refresh	Detective	Effective	2026-Q3
Quarterly PEP re-screening sweep	Detective	Improving	2026-Q3
EDD pack for PEP-connected files	Preventive	Effective	2026-Q3
Source-of-wealth corroboration	Preventive	Needs work	2026-Q3
Board PEP-acceptance gate	Preventive	Effective	2026-Q2
MLRO escalation register	Detective	Effective	2026-Q3

Residual assessment

Source-of-wealth corroboration was rated *needs work* after Q3 monitoring found 3 of 18 sampled PEP files relied on attestation alone. Remediation plan (Issue #218): 100% re-papering of affected files by 2026-12-31, plus a new evidence-tier policy effective 2027-01-01. Residual score after remediation: **14/25** (currently **17/25**).

Why the Board accepts the current residual

- Inherent exposure is structural to the firm's chosen market segment.
- Strengthened controls have a defined timeline (2026-12-31).
- Detective controls (daily sanctions refresh, quarterly sweep) provide compensating coverage.
- Mid-year CRA reassessment is scheduled 2026-09-30.
- MLRO has personal accountability under JFSC senior-management arrangements.