

CARFAX

COLLEGE

Anti-Money Laundering Policy

Last reviewed: June, 2018.

Next Review date: June, 2019.

Publication Address: <https://www.carfax-oxford.com/policy-documents>

1. Aims

Carfax College is committed to detecting and preventing any money laundering activities and to ensuring that it does not become involved in any arrangements involving criminal or terrorist property.

The aims of this policy are:

- To provide a clear statement of Carfax Colleges' position regarding the prevention of financial crime;
- To ensure that school staff are aware of and comply with the requirements of UK anti-money laundering legislation, to the extent that they apply to the College as an educational institution operating outside the regulated sector;
- To set out what measures, over and above those strictly required by law, the college has resolved to take to mitigate the risk of money-laundering occurring in the course of its business.

Where risk factors are identified, the school will ensure that the identities of parents or guardians or other persons or organisations making any substantial payment to the school are satisfactorily verified.

2. The Law relating to Money Laundering

There are two specific offences under the Proceeds of Crime Act 2002 that Carfax College staff should keep in mind:

- a person (which includes both individuals and entities like schools) commits an offence if he or she enters into or becomes concerned in an arrangement which he or she knows or suspects facilitates (by whatever means) the acquisition, retention, use or control of criminal property by or on behalf of another person;
- a person commits an offence if he or she acquires, uses or has possession of criminal property. There is a specific defence to this offence that the person receives the criminal property as payment for "adequate consideration", which would include educational services provided by the College for the payment of tuition fees.
- Property received by the college is criminal property if it constitutes a person's benefit from criminal conduct or it represents such a benefit (in whole or part and whether directly or indirectly), and a member of staff knows or reasonably suspects that it constitutes or represents such a benefit.

There is a similar money laundering offence under the Terrorism Act 2000, if a person enters into or becomes concerned in an arrangement which facilitates the retention or control by or on behalf of another person of terrorist property. It is a defence to prove that the person did not know and had no reasonable cause to suspect that the arrangement related to terrorist property.

3. Procedures

This policy sets out the measures, over and above those strictly required by law, that the College has put in place to mitigate the risk of money-laundering occurring in the course of its business. The schools' procedures go beyond the strict statutory requirements applicable to unregulated organisations.

3.1 Assessing Risk

The College takes a risk-based approach to preventing money laundering, and therefore starts from the premise that the people with whom it does business are not money launderers or terrorists.

However, the following procedures enable it to highlight any instances where there may be a higher risk of criminal activity and to apply appropriate control measures. These procedures have been designed as a proportionate and cost-effective response to the College's assessment of the actual risk. When assessing risk, the school will take a variety of factors into account. These may include the following:

Jurisdiction:

If a person is resident in a jurisdiction that is perceived to have a lower standard of anti-money laundering regulation or measures to prevent corruption. This can be checked by reference to various indices, including the Transparency International Corruption Perceptions Index.

Politically exposed person (PEP):

A politically exposed person (known in the anti-money laundering regulations as a PEP) may be more at risk of being involved in money laundering. A PEP is a person who has been entrusted with prominent public functions, or any immediate family member or close associate of such a person.

Secrecy:

If a person is unusually secretive, for example if he or she is reluctant to meet face to face in circumstances where that would be the norm.

Sanctioned or proscribed organisations:

Whether the person is subject to sanctions or designated as, or associated with, a proscribed organisation.

Where a higher than usual level of risk has been identified, the staff concerned must consider whether it is appropriate to look more closely at any transaction and / or to require a more rigorous checking of identity and of the source of funds.

3.2 Ascertaining Identity for New Clients

Before entering into any transaction with a person or organisation with whom the school has no previous transactions, the school needs to take reasonable steps to ascertain the identity of that person or organisation.

In the case of individuals, the key information is:

Full name
Residential address
Date of birth

Depending on whether particular risk factors are present, the school may seek independent verification of identity, for example by requiring originals or certified copies of official documents confirming identity.

Suitable documents might include passports or birth certificates. When checking such documents, staff must be alert to any signs that they might have been forged or stolen.

Copies of passports, or other comparable identity documents, will be taken for all pupils joining the school and both parents are required to provide their name and residential address and sign the registration form.

In relation to organisations that are not already known to the school, staff will check websites, perform a company search and where appropriate they will request credit checks and/or aim to contact key personnel in the organisation.

Staff should also check whether third parties are designated as, or associated with, proscribed organisations by checking the person's name against the UK government's current sanctions and proscribed organisations list, available on the gov.uk website.

3.3 Reporting suspicions

Staff must make a report to the College Bursar (Alex Eastlake) where they have knowledge or suspicion, or where there are reasonable grounds for having knowledge or suspicion, that another person is engaged in money laundering, or that terrorist property exists. Any concerns or suspicions relating to the Bursar should be reported to the Principal (Victoria Jefferson).

Your report should include as much detail as possible including:

- Full available details of the people, organisations involved including yourself and other members of staff if relevant.
- Full details of transaction and nature of each person's involvement in the transaction.
- Suspected type of money laundering activity or use of proceeds of crime with reasons for your suspicion.
- The dates of any transactions, where they were undertaken, how they were undertaken and the likely amount of money or assets involved.
- Information on any investigation undertaken to date, including whether the suspicions have been discussed with anyone and if so on what basis.
- Whether any aspect of the transaction(s) is outstanding and requires content to progress.
- Any other information that may help judge the case for knowledge or suspicion of money laundering and to facilitate any external report.

It is the schools' policy, not to do or say anything that might either prejudice an investigation or "tip off" another person that a disclosure has been made.

The Bursar must consider all internal reports and must make a report to Thames Valley Police as soon as is practicable if he considers that there is knowledge, suspicion or reasonable grounds for knowledge or suspicion, that another person is engaged in money laundering, or that terrorist property exists. This applies even if no transaction takes place.

3.4 Record Keeping

The school will retain copies of the evidence they obtained of the identity of people and organisations with whom it has done business for at least five years after the end of the business relationship, together with details of all transactions.

All suspicions reported to the bursar must be kept on file electronically. The report should include full details of the person or organisation that is the subject of concern and as full a statement as possible of the

information giving rise to the knowledge or suspicion. All enquiries that are made within the school in relation to the report should also be recorded.

The school must also keep details of actions taken in respect of internal and external suspicion reports, including details of information considered by the bursar in respect of an internal report where no external report is made.

3.5 Cash Payments

If any member of school staff is offered funds that he or she knows or suspects are criminal property or may represent terrorist finance, or if he or she receives any unusual request to receive or transfer money, it must be reported immediately to the bursar who will, if appropriate, contact the NCA, police or other relevant agency.

Staff should not accept payments in cash in excess of £3,000 in any circumstances (unless approved in writing by the Bursar and the Principal) and, any cash receipt in excess of £1,000 must be approved in advance by the Bursar.

3.6. Refunds and deposits

The college does not accept large refundable deposits. Deposits must only include the course fee, and a reasonable estimate of expenses.

Precautions must be taken in respect of refunds requested following a payment by credit card or bank transfer. In these cases refunds should only be made by the same method to the same account.

CONTACTS

National Crime Agency: 0370 496 7622 (available 24/7)

Thames Valley Police: 0300 123 2040