

Anti-Money Laundering Policy

1. Introduction

Takiwatanga Support Services is a UK registered charity providing support to children with autism and their families. The business of the Charity is low risk in relation to money laundering, however in order to prevent any of our services being used (or potentially used) for any money laundering activity, as well as any of our staff being exposed to money laundering, we wish to put in place the following anti-money laundering policy.

2. Scope of the Policy

The broad definition of money laundering means that potentially anyone could commit a money laundering offence, this includes all volunteers, trustees and employees of the Charity, all donors and contractors.

Our policy is to enable the Charity to meet its legal and regulatory requirements in a way which is proportionate to the low risk nature of the business, by taking reasonable steps to minimise the likelihood of money laundering occurring.

All trustees, volunteers and employees must be familiar with their legal responsibilities.

3. What is Money Laundering?

The Proceeds of Crime Act 2002 (POCA) consolidated, updated and reformed criminal law with regard to money laundering.

Money laundering can be defined as the process to move illegally acquired cash through financial systems so that it appears to be from a legitimate source. Money laundering offences include: concealing, disguising, converting, transferring criminal property or removing it from the UK (Section 327 POCA); entering into or becoming concerned in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person (Section 328 POCA); and acquiring, using or possessing criminal property (Section 329 POCA).

There are also several secondary offences, failure to disclose knowledge or suspicion of money laundering to the Money Laundering Reporting Officer (MLRO); failure by the MLRO to disclose knowledge or suspicion of money laundering to the National Crime Agency; and 'tipping off' whereby somebody informs a person or

persons who are, or who are suspected of being involved in money laundering, in such a way as to reduce the likelihood of their being investigated or prejudicing an investigation.

Any member of staff could potentially be caught by the money laundering provisions, if they suspect money laundering and either become involved with it in some way, and/or do nothing about it. This Policy sets out how any concerns should be raised.

Examples

The key to identifying suspect donations is to look out for exceptional features, such as unusually large amounts, conditions or complex banking and transfer arrangements, or a donation which in reality is some kind of loan.

Unsolicited donations might be suspect, particularly if the trustees are unable to satisfy themselves about the credentials of the people involved, or the appropriateness of the donation or loan. Donations may take forms other than money, for example shares or goods. Trustees should, of course, remember that the donor might be entirely legitimate, but they should not rule out the possibility that somebody is trying to exploit the charity.

The following situations may indicate higher risks:

- unusual or substantial one-off donations or a series of smaller donations or interest-free loans from sources that cannot be identified or checked by the charity
- where a charity is asked to act as a conduit for the passing of a donation to a second body which may or may not be another charity
- if conditions attached to a donation mean that the charity would merely be a vehicle for transferring funds from one individual or organisation to another without the trustees being able to satisfy themselves that they have been properly used
- where a charity is told it can keep a donation for a certain period of time, perhaps with the attraction of being able to keep any interest earned whilst holding the money, but the principal sum is to be returned at the end of a specified, short, period
- where donations are made in a foreign currency, and again unusual conditions are attached to their use, e.g. including a requirement that the original sum is to be returned to the donor in a different currency
- where donations are conditional on particular individuals or organisations being used to do work for the charity where the trustees have concerns about those individuals or organisations
- where a charity is asked to provide services or benefits on favourable terms to the donor or a person nominated by the donor

4. Money Laundering Reporting Officer (MLRO)

The Charity will appoint a MLRO to receive disclosures about money laundering activity and be responsible for anti-money laundering activity within the Charity. The officer nominated to do this is Samantha Read.

The MLRO will ensure that appropriate training and awareness is provided to new and existing trustees, volunteers and employees and that this is reviewed and updated as required.

The MLRO will ensure that appropriate anti-money laundering systems and processes are incorporated by the Charity.

5. Suspicions of Money Laundering

All trustees, volunteers and employees must promptly report any suspicious activity to the MLRO in the prescribed form as set out in this policy document.

Once the matter has been reported to the MLRO, the trustee, volunteer, or employee must follow the directions given to them and must NOT make any further enquiry into the matter.

The trustee, volunteer, or employee must NOT voice any suspicions to the person(s) whom they suspect of money laundering, as this may result in the commission of the offence of “tipping off”. They must NOT discuss the matter with others or note on the file that a report has been made to the MLRO in case this results in the suspect becoming aware of the situation.

6. Consideration of the Disclosure by the MLRO

Once the MLRO has received the report, it must be evaluated in a timely manner in order to determine whether:

- There is actual or suspected money laundering taking place; or
- There are reasonable grounds to know or suspect that this is the case; and
- Whether the MLRO needs to lodge a Suspicious Activity Report (SAR) with the NCA and notify Action Fraud at <https://www.actionfraud.police.uk/> and the Charity Commission of a “serious incident”

Where the MLRO concludes that there are no reasonable grounds to suspect money laundering then consent will be given for any on-going or imminent transaction(s) to proceed.

Where consent is required from the NCA for a transaction to proceed, then the transaction(s) in question must not be undertaken or completed until the NCA has given specific consent, or there is deemed consent through the expiration of the relevant time limits without objection from the NCA.

All disclosure reports referred to the MLRO and reports made to the NCA will be retained by the MLRO in a confidential file kept for that purpose, for a minimum of 5 years.

The MLRO must also consider whether additional notifications and reports to other relevant enforcement agencies should be made.

7. Service user Identification and Due Diligence

Due diligence is performed on all service users and donors who must provide basic information including name, address, company registration details (if applicable).

With instructions from new donors or donors not known well to the Charity, donors in known high risk industries and/or jurisdictions, transactions that are unusual for the service user or other unusual requests, highly complex transactions or payment arrangements, the Charity may wish to seek additional evidence of identity. This may include:

- checking the organisations website to confirm the identity of personnel, its business address and any other details;
- attending the donor at their business address;
- searching the telephone directory;
- evidence of the personal identity of the key contact officer (passport, photo, driving licence).

If satisfactory evidence of identity is not obtained at the outset then the business relationship or one off transaction(s) cannot proceed any further.

Record Keeping

Where “relevant business” is carried out then the donor identification evidence and details of the relevant transaction(s) for that donor must be retained for at least 3 years.