



VERSION: 30TH JANUARY 2022
UPDATED BY : RESOURCES AND GOVERNANCE SUBCOMMITTEE
LAST UPDATED: 2022
REVIEW: 2026

Anti-Money Laundering, Bribery & Corruption Policy

Policy statement

Canon Collins Trust (CCT) takes its responsibility for ensuring the establishment and maintenance of systems of internal control for the prevention and detection of fraud, irregularities and corruption as non-negotiable and will not tolerate fraud, corruption or abuse of position for personal or institutional gain. It is therefore the policy of CCT to comply fully with applicable provisions of the Proceeds of Crime Act 2002, Terrorism Act 2000, Bribery Act 2010 and Money Laundering Regulations 2007 and all amending legislation.

Purpose

The purpose of this policy is to ensure the charity's compliance with anti-money laundering, bribery and corruption laws and regulations, to assist law enforcement in combating illegal money laundering, and to minimise the risk of charity resources being used for improper purposes.

Scope of the policy

This policy aims to maintain the high standards of conduct which our charity currently enjoys. This will be achieved by ensuring that Canon Collins Trust does not get:

- used by third parties for the purpose of money laundering
 - receive bribes that are intended to influence Canon Collins Trust decision making
 - is subjected to corrupt, dishonest and or illegal behaviour
- This policy applies to everyone involved in the charity. i.e. employees, volunteers, suppliers, contractors, beneficiaries and the board of trustees.

This policy is made available internally throughout the charity and management is required to ensure that everyone is aware of it and receives appropriate training.

Failure to comply with this policy can lead to disciplinary action.

Money Laundering

By definition, money laundering is the practice of cleaning up money that has, for some reason, been obtained illegally. Often there is a complex trail involved so that the practice cannot be easily identified or traced.

Money laundering can occur in many ways. It may happen by dispersing money through many different bank accounts (to hide its origins), but can occur when the charity is used unwittingly as a “trading partner”. This could be directed at the charity or through an organisation where we have a close relationship, such as a funder.

Procedures

- The Finance and Operations Manager acts as the money laundering reporting contact to receive disclosures from anyone involved in the charity of any suspected money laundering activities. The Treasurer will act as temporary contact if the Finance and Operations Manager is not available.
- The Finance and Operations Manager will be responsible for carrying out the charity’s anti-money laundering procedures.
- The Finance and Operations Manager will ensure that proper records are maintained on all the relevant activities and steps taken to deal with them.

Due diligence

The charity should carry out procedures that help to identify donors or other providers of income before entering into a relationship or transaction with them.

The charity should, where applicable:

1. Identify the donor and verify their identity.
2. Take adequate measures where some donors need or want their privacy.
3. Accept that in some cases, the identity of the donor may not be easy to verify, in which case other measures need to be developed.
4. Continuously monitor the situation and;
5. Maintain proper records of all checks made.

Policy on disclosure

If anyone knows, suspects or has reasonable grounds for thinking or suspecting that a person is engaged in money laundering or terrorist financing, they must report such matters to the Finance and Operations Manager immediately. Disclosure should be made by email and requires:

1. Details of the people involved
 2. Type of transaction
 3. The relevant dates
 4. Why there is a suspicion
 5. When and how activity is undertaken
 6. Likely amounts
- The Finance and Operations Manager will acknowledge receipt of the disclosure within 24 hours. If you receive an out of office notification resend the email to the Treasurer and copy the Finance and Operations Manager

- The Finance and Operations Manager will consider the report and any other information available.
- Once the Finance and Operations Manager has evaluated the disclosure with the CEO and Board, they will determine if:
 1. There are reasonable grounds for suspecting money laundering and the steps to be taken; or
 2. There is actual money laundering or terrorist financing; and
 3. Whether they need to report the matter to the relevant authoritiesAll disclosure reports referred to by the Finance and Operations Manager and reports made by them to the relevant authorities will be retained for a minimum of 5 years.

Bribery and Corruption

The Bribery Act 2010 applies to individuals and commercial organisations, including charitable companies.

It sets out 4 criminal offences:

- Bribing an individual or company.
- Being bribed by an individual or company.
- Bribing a foreign public official.
- Corporate failure to prevent bribery.

Examples of bribery and corruption:

- Bribery can arise in day-to-day situations such as; tendering, appointing preferred suppliers, contractors and agents, awarding licences or offering jobs.
- Use of Canon Collins Trust funds, in the form of payments or gifts and hospitality for any unlawful, unethical or improper purpose.
- Authorisation of, making, tolerating or encouraging, or inviting or accepting, any improper payments in order to obtain retain or improve business.
- Permitting anyone to offer or pay bribes or make facilitation payments on behalf, Canon Collins Trust or do anything else Canon Collins Trust would not be permitted to do itself.
- Offering or giving anything of value to a public official (or their representative) to induce or reward them for acting improperly in the course of their public responsibilities.
- Awarding employment where a person has not met the recruitment criteria requirements on the basis of acceptance of a donation.
- Offering or accepting gifts or hospitality, where this might impair objective judgment, improperly influence a decision or create a sense of obligation, or if there is a risk it could be misconstrued or misinterpreted.

This list is not exhaustive.

The trustees do not need to be aware of the bribery to be liable. An offence can be committed by an organisation if any bribe is paid by any person associated with it, therefore

we have a robust policy stating who may act on their behalf and what actions they may take.

That policy needs to be communicated to all trustees, staff, volunteers, agents and fundraisers. The trustees should also take steps to monitor who may be acting on their behalf without proper permission.

Risk Assessing should consider the following common risk exposures:

- Country Risk – where the business is trading.
- Transactional Risk – this would be the type of spending – some categories are easier to corrupt than others.
- Business Partnership Risk- joint ventures, overseas agents

The penalties for conviction under the UK Act are:

- Individuals – unlimited fine to imprisonment for 10 years.
- Directors / Trustees – could find themselves disqualified from acting as company directors.

The penalties for conviction under the SA Act are:

- Individuals – unlimited fine to imprisonment for 15 years.
- Directors / Trustees – could find themselves disqualified from acting as company directors.

Tainted Donations

Parallel legislation is now in force in respect of what are called tainted donations.

In simple terms, a tainted donation is not necessarily a criminal offence, but it will be construed as not for charitable purposes and thus liable to tax as trading income.

It follows also that any gift aid claim would be disallowed.

The legislation is intended to catch donations which are given “with strings attached”. In short, the donor expects a measurable benefit in return. (The small benefit rules which apply to gift aid donations are not affected by the changes.)

There are policies in place to identify the source of donations and to identify any conditions in writing or merely implied which could cause a problem. The details are in the guidelines for accepting donations. (See donations policy P006)

This is not to prevent genuine restricted donations which are given for a particular purpose within the general charitable activities.

As with bribery policies, donation policies should be communicated to all trustees, staff etc., so that nobody can unwittingly commit the charity to accepting a commitment which they should not be accepting.

The Charity Commission does expect any serious criminal activity, known or suspected, to be reported to it and the Annual Return requires a declaration to this effect to be made by the trustees.