



acet UK

Anti Money Laundering Policy

1. INTRODUCTION

- 1.1 Legislation has been introduced to prevent money laundering;
- 1.2 acet UK, have created this policy to enable all acet UK workers to understand the legislation and their duties under it;
- 1.3 The policy aims to maintain the high standards of conduct which currently exist within acet UK by preventing criminal activity through money laundering;
- 1.4 This Policy sits alongside acet UK's finance procedures outlined in the acet UK financial policies and procedures

2. DEFINITION

- 2.1 Money laundering is the term used for a number of offences involving the proceeds of crime or terrorist financing. The following constitute the act of money laundering:
 - Concealing, disguising, converting, transferring criminal property or removing it from the UK; or
 - Entering into or becoming concerned in an arrangement which that individual knows or suspects facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person; or
 - Acquiring, using or possessing criminal property;
 - Failing to disclose any of the above three primary offences; and
 - Tipping off, which is where an individual informs a person or people 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.

3. LEGISLATION

- 3.1 The Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering Regulations 2007 place obligations on organisations to establish internal procedures to prevent the use of their services for money laundering;
- 3.2 **acet UK** acknowledges and works within the legislative requirements relating to money laundering;
- 3.3 All **acet UK** workers have a statutory duty to comply with the requirements of the relevant legislation. Failure to comply with these requirements may lead to criminal or disciplinary action being taken;
- 3.4 The requirements of the legislation are that **acet UK** must:
 - Appoint a Money Laundering Reporting Officer (MLRO) to receive disclosures from workers of money laundering activity (their own or anyone else's) - this is Chris Turland, **acet UK** trustee;
 - Implement a procedure to enable the reporting of suspicions of money laundering;
 - Apply customer due diligence measures in certain circumstances;
 - Obtain information on the purpose and nature of certain proposed transactions/business relationships;
 - Conduct ongoing monitoring of certain business relationships;
 - Maintain record keeping which will be made available to the Board of Trustees and carry out other specified procedures on a risk sensitive basis;
- 3.5 Not all of **acet UK's** business is "relevant" for the purposes of the legislation. It mainly applies to accountancy and audit services and the financial transactions undertaken by **acet UK**. However, for consistency and to ensure compliance with the law, the legislation is taken to apply to all areas of work undertaken by **acet UK**. Consequently, all workers are required to comply with the reporting procedure set up by **acet UK**;
- 3.6 Potentially any **acet UK** worker could be guilty under these legislative provisions if they suspect money laundering and become involved with it in some way and/or do nothing about it. Laundering money or assisting another carries a prison sentence of up to 14 years and/or unlimited fines; Failing to report a suspicion up to 5 years imprisonment and/or unlimited fines; and tipping off up to 2 years imprisonment and/or unlimited fines.

4 TRAINING IN ANTI-MONEY LAUNDERING

- 4.1 All **acet UK** workers must read and understand this policy so that they are aware of their responsibilities regarding the relevant legislation;

5. RESPONSIBILITIES

- 5.1 This Policy applies to all employees of **acet UK**;
- 5.2 The Trustees will, periodically, assess the risk to **acet UK** of contravening the anti-money laundering legislation together with the adequacy and effectiveness of the Anti-Money Laundering Policy, and review and amend procedures in light of such assessments;
- 5.3 **acet UK** will ensure that all workers are made aware of the law relating to money laundering and will arrange for a regular review of this policy and refresher so that all workers are familiar with their legal responsibilities since serious criminal sanctions may be imposed for breaches of the legislation;

- 5.4 The key requirement on workers is to report promptly any suspected money laundering activity to the MLRO who is the Chief Executive Officer of **acet UK**;
- 5.5 In the absence of the MLRO, the Finance Officer, or chair of the board is authorised to deputise.

6. PREVENTION OF MONEY LAUNDERING

6.1 Limits on cash payments:

- Payments to **acet UK** will be accepted in cash (including notes, coins or travellers' cheques in any currency) but will be referred to the MLRO if it exceeds £750.

6.2 The exercise of customer due diligence:

- This is required where **acet UK** is carrying out certain regulated business (accountancy services re: financial, company or property transactions) and:
 - a) Forms an ongoing business relationship with a client;
 - b) Undertakes an occasional transaction amounting to £11,000 or more whether carried out in a single operation or several linked ones;
 - c) Suspects money laundering or terrorist financing; or
 - d) Doubts the veracity or adequacy of information previously obtained for the purposes of client or partner identification or verification.
- In such instances due diligence measures must be followed before the establishment of the relationship or carrying out of the transaction;
- Due diligence requires:
 - a) Identifying the person and verifying their identity, address and position in the company on the basis of documents, passport, website, data or information obtained from a reliable and independent source;
 - b) Conducting an on-line search via Companies House to confirm the nature and business of the customer/donor and confirm the identities of any directors;
 - c) Identifying, where there is a beneficial owner who is not the customer, the beneficial owner; and taking adequate measures, on a risk-sensitive basis, to verify his/her identity so that the relevant person is satisfied that she/he knows who the beneficial owner is, including, in the case of a legal person, trust or similar legal arrangement, measures to understand the ownership and control structure of the person, trust or arrangement; and
 - d) Obtaining information on the purpose and intended nature of the business relationship.
- The requirement for due diligence applies immediately for new partners and should be applied on a risk sensitive basis for existing partners/clients. Ongoing partner/client due diligence must also be carried out during the life of a business relationship but should be proportionate to the risk of money laundering and terrorist funding, based on the staff member's knowledge of the partner/client and a regular scrutiny of the transactions involved;
- If, at any time, it is suspected that a client or partner for whom **acet UK** is currently carrying out, or is planning to carry out, a regulated activity and is carrying out money laundering or terrorist financing, or has lied about their identity then this must be reported to the MLRO;

- Enhanced partner/ client due diligence, which could include any additional documentation, data or information that will confirm the partner/ client's identity and/or the source of the funds to be used in the business relationship/transaction, must be carried out with prior consultation with the MLRO. Enhanced diligence is required for example, where:
 - a) The partner/client has not been physically present for identification;
 - b) The partner/client is a politically exposed person.

7. DISCLOSURE TO THE MLRO

- 7.1 Suspicions regarding money laundering activity must be disclosed by any worker with such suspicions as soon as practicable to the MLRO;
- 7.2 The disclosure must be on the same day as the information coming to the worker's attention;
- 7.3 Such suspicions would be about such activity by others or concern that the worker him/herself might be involved;
- 7.4 Failure to make a disclosure may render the worker liable to prosecution; v) Disclosure should include as much of the following information as possible:
 - Full details of the people involved (including the worker, if relevant), such as name, date of birth, company names, directorships, and contact details;
 - Full details of the property involved and its whereabouts (if known);
 - Full details of the nature of involvement;
 - The types of money laundering activity involved;
 - The dates of such activities, including whether the activities have happened, are ongoing or are imminent;
 - The location of the activities;
 - How the activities were undertaken;
 - The likely amount of money/assets involved;
 - The reason/s for the suspicions;
 - Any other relevant information.
- 7.5 Action to be taken by any worker following their disclosure to the MLRO. Immediately following disclosure, the worker must:
 - Follow all directions the MLRO gives;
 - Not make any further enquiries into the matter themselves;
 - Not discuss the matter with anyone else including their own line manager;
 - Not voice any suspicions to the person(s) suspected of money laundering, even if Serious Organised Crime Agency (SOCA) has given consent to a particular transaction proceeding, otherwise a criminal offence of "tipping off" may be committed.
 - Co-operate with the MLRO and the authorities during any subsequent money laundering investigation.

9. ACTION TO BE TAKEN BY THE MLRO FOLLOWING A DISCLOSURE

- 9.1 Where there is a possibility that money laundering is taking place and a contract is involved, no action will be taken and the contract will continue;
- 9.2 The MLRO will:
- Open a confidential report on which to note:
 - a) The date on which the disclosure is made to her/him;
 - b) A copy of the acknowledgement of receipt of that disclosure;
 - c) A copy of the advice note to the worker of the timescale within which s/he expects to respond;
 - d) Establish the section number(s) of the statute under which the report is being made:
 - A principal money laundering offence under the 2002 Act (or 2000 Act); or
 - General reporting requirement under section 330 of the 2002 Act (or section 21A of the 2000 Act); or both.
- 9.3 The MLRO will gather together all information in order to make a sound judgment as to whether there are reasonable grounds for knowledge or suspicion of money laundering. This will include:
- Reviewing other transaction patterns and volumes;
 - The length of any business relationship involved;
 - The number of any one-off transactions and linked one-off transactions;
 - The identification evidence held;
 - Any other evidence made by the MLRO from appropriate reasonable inquiries in order to ensure that all available information is taken into account in deciding whether a report to SOCA is required. The MLRO will avoid any appearance of tipping off those involved;
 - Follow-up discussion with the worker making the disclosure.
- 9.4 Once the MLRO has evaluated the disclosure report and any other relevant information, they will make a timely determination as to whether:
- There is actual or suspected money laundering taking place;
 - There are reasonable grounds to know or suspect that this is the case;
 - They know the identity of the money launderer or the whereabouts of the property involved or these things could be identified or whether the information may assist in such identification; and
 - Whether they need to seek consent from SOCA for a particular transaction to proceed.
- 9.5 Where the MLRO concludes that there are no reasonable grounds to suspect money laundering then they shall mark the confidential file accordingly and give their consent for any ongoing or imminent transaction(s) to proceed;
- 9.6 The MLRO commits a criminal offence if they know or suspect, or have reasonable grounds to do so, through a disclosure being made to them, that another person is engaged in money laundering of whom they know the identity or the whereabouts of laundered property in consequence of the disclosure, that the person or property's whereabouts can be identified from that information, or they believe, or it is reasonable to expect them to believe, that the information will or may assist in such identification and they do not disclose this as soon as practicable to SOCA;
- 9.7 Where the MLRO concludes that disclosure should be made to the SOCA, they must:

- Consider if there is a reasonable excuse for non-disclosure such as a lawyer claiming legal professional privilege for non-disclosure;
 - Liaise with **acet UK**'s legal adviser to consider if there is a reasonable excuse for non-disclosure to SOCA;
 - If advised that there is no reasonable excuse, disclose the matter as soon as practicable to SOCA on the standard report form and in the prescribed manner, with accompanying relevant supporting documents; or
 - If advised that there is a reasonable excuse, make a note on the confidential report and immediately give consent for any ongoing or imminent transactions to proceed.
- 9.8 If the worker making the disclosure is involved in the activity rather than only becoming aware of it, the MLRO, having decided if there is no reasonable excuse for non-disclosure, will consider whether that worker's involvement in the activity would amount to a prohibited act under the legislation, and in that case:
- Will seek the consent of the SOCA for the worker to continue in that activity;
 - Provide SOCA with any deadlines for giving such consent, such as a contract completion date;
 - Remind the worker of the importance of not 'tipping-off' anyone else involved in that activity;
 - Remind the worker not to discuss the situation with anyone else.
- 9.9 Where consent is required from SOCA for a transaction to proceed, then the transaction(s) in question must not be undertaken or completed until SOCA has specifically given consent, or there is deemed consent through the expiration of the relevant time limits without objection from SOCA;
- 9.10 Keep appropriate records on the confidential file and make no record of any disclosure on a worker's personal file;
- 9.11 All disclosure reports referred to the MLRO and reports made by them to SOCA must be retained by the MLRO in the confidential file for a minimum of five years.

10 REVIEW

- 10.1 This policy was reviewed in December 2022 and April 2024. The next review is due in April 2026.