



Anti-Money Laundering Policy (DRAFT)

Pate's Grammar School

Approved by:	Finance & Facilities Committee	Date: October 2021
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Last reviewed on:	October 2021
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Next review due by:	October 2024
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Guiding Principles

The risk of the school being used as a target by those involved in money laundering is considered a very small one, particularly as the provision of education by the school does not involve passing funds on to third parties. However, the school 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 activity. Specifically, this policy is designed to ensure that its fundraising activities are not open to abuse from criminals.

In order to fulfil this commitment, the school has established procedures for assessing the risk of financial crime.

The school has taken advice from the Charity Commission, Gov.uk website and Hazlewoods (Auditors) in formulating this policy.

Assessing Risk

The School takes a risk-based approach to preventing money laundering, and therefore starts from the premise that the people from whom it receives donations are not money launderers or terrorists. However, its 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 School's assessment of the actual risk.

Context

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.

Procedures

The school has decided (following advice from Hazlewoods) that any single donation in excess of £2500 should be subject to a series of checks. A checklist (details below) has been created to answer various pertinent questions on the receipt of a gift/donation (of this size or larger) to the school as a record of the donation. If the form can be completed satisfactorily with no issues or concerns over any of these points, then the donation can be accepted. The form will be signed upon completion. Should there be any cause for concern the matter should be referred to the Bursar who will seek appropriate advice.

A file will be maintained of completed checklists together with any supporting paperwork to provide a record of all donations above £2500 received. This file will be reviewed quarterly to ensure there are no unusual patterns of donations. The completion of the checklist is the responsibility of the Development Office, with oversight from the Bursar.

The Bursar will report all donations in excess of £2500 to the Finance & Facilities committee.

Checklist

- i. **Source** – can the school determine with certainty who the monies are being donated by, e.g. parent, governor, former pupil, reputable company?
- ii. **Reason for donation** – why has the money been donated now, e.g. specific fundraising campaign, anniversary, in memory of a pupil, gift in a will?
- iii. **Form of the donation** – has the cheque / bank transfer come from a reputable UK bank? If overseas, can we determine why it is from that country? If the donation is in cash is there a good reason for this? If the donation is in a form other than cash (e.g. shares) is the school happy to accept / manage these?
- iv. **Gift Aid** – Has the donation been gift aided?
- v. **Documentation / Meeting to support the donation** – is there a covering letter to explain the source / reason behind the donation?
- vi. **Restrictions on the donation** – are there any restrictions or conditions made upon the donation at the time of giving? If yes, does the school consider these to be reasonable?