

## **National Film & Television School (“the School”) Anti-Money Laundering Policy<sup>1</sup>**

### **1. Introduction**

The Proceeds of Crime Act 2002, Money Laundering Regulations 2007 and Terrorism Act 2002 set out the obligations on the School and its employees to comply with the legislation and that the highest standards of due diligence are applied in relation to ‘know your customer’ principles.

This policy sets out the procedure to be followed if money laundering is suspected and defines the responsibility of individual employees in the process.

### **2. What is Money laundering?**

Money laundering is the process by which criminally obtained money or other assets (criminal property) is exchanged for ‘clean’ money or other assets with no obvious link to their criminal origins. Criminal property may take any form, including money or money’s worth, securities, tangible property and intangible property. It also covers money, however come by, which is used to fund terrorism.

Money laundering activity includes:

- Acquiring, using or possessing criminal property
- Handling the proceeds of crimes such as theft, fraud and tax evasion
- Being knowingly involved in any way with criminal or terrorist property
- Entering into arrangements to facilitate laundering criminal or terrorist property
- Investing the proceeds of crimes in other financial products
- Investing the proceeds of crimes through the acquisition of property/assets
- Transferring criminal property.

### **3. Employee obligations**

Money laundering legislation applies to ALL employees. Potentially any member of staff could be committing an offence under the money laundering laws if they suspect money laundering or if they become involved in some way and do nothing about it.

If any individual suspects that money laundering activity is or has taken place or if any person becomes concerned about their involvement it must be disclosed as soon as possible to the Finance Director. At no time and under no circumstances should you voice any suspicions to the person(s) you suspect of money laundering.

**Failure to do so may result in you being personally liable to prosecution.**

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<sup>1</sup> November 2016

#### **4. Where may this arise?**

Money laundering regulations apply to cash transactions with agents, third parties, property or equipment, cheques, cash or bank transfers.

Fees paid in advance by foreign students who have subsequently been refused a visa are only refundable providing appropriate documentary evidence is available to demonstrate the circumstances. Where appropriate, refunds should only be made to the person making the original payment.

Precautions should also 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. In the event of an attempted payment by credit or debit card being rejected the reason should be checked prior to accepting an alternative card. If in any doubt about the identity of the person attempting to make a payment the transaction should not be accepted.

#### **5. 'Know your Customer'**

It is important that controls are in place to undertake customer due diligence i.e. steps to identify the student, customer or other party dealing with the School. Satisfactory evidence of identity must be obtained. Examples include:

- Passport or visa
- Birth certificate
- Correspondence with students at their home address

and for third parties,

- Letters or documents proving name, address and relationship.

If an organisation is not known to the School:

- Look for letter-headed documents
- Check web-sites
- Request credit checks
- Or aim to meet or contact key sponsors as you feel appropriate to verify validity of contact.

Cheques drawn on an unexpected or unusual source should always be verified with regard to validity of the source.

#### **6. Who should you contact?**

The NFTS Finance Director is the nominated Money Laundering Officer (MLO). You should contact the Finance Director in respect of any suspected transactions or activity which may relate to money laundering within the School.

<b>Finance Director</b>	Trevor Hall 01494 731330 <a href="mailto:Thall@nfts.co.uk">Thall@nfts.co.uk</a>
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In the absence of the Finance Director please direct any suspicions to the NFTS Finance Manager (copying in the Finance Director).

<b>Finance Manager</b>	Louise Worrall 01494 731337 <a href="mailto:LWorrall@nfts.co.uk">LWorrall@nfts.co.uk</a>
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## **7. Related Policies**

See **Public Interest Disclosure and “Whistleblowing” policy**

*See appendix 1 for guidance on how to raise any concerns or suspicion of potential money laundering activity.*

## **Appendix 1 - Disclosure procedures to be followed by Individuals**

Where you know or suspect that money laundering activity is taking or has taken place, or you become concerned that your involvement in a transaction may amount to a breach of the regulations, you must disclose this immediately to your line manager.

If in consultation with your line manager reasonable suspicion is confirmed a disclosure report must be made to the Finance Director.

This disclosure should be made on the proforma report attached at **Appendix 2** and should be completed the same day the information came to your attention. Should you not do so you may be personally liable to prosecution under the regulations.

Your report should include as much detail as possible including:

- Full available details of the people, companies 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 exact reasons as to why you are suspicious.
- The dates of any transactions, where they were undertaken, how they were undertaken and the likely amount of money or assets involved.
- Any other information that may help the Finance Director assess the case for knowledge or suspicion of money laundering and to facilitate any report to the Serious Organised Crime Agency (SOCA).

Once you have reported your suspicions to the Finance Director you must follow any instructions provided.

You must not make any further enquires unless instructed to do so by the Finance Director.

**At no time and under no circumstances should you voice any suspicions to the person(s) you suspect of money laundering.**

If appropriate the Finance Director will refer the case to the SOCA who will undertake any necessary investigation. This may include consent to continue with a particular transaction and care should be taken not to 'tip off' the individuals concerned, otherwise you may be committing a criminal offence.

## Appendix 2 – Suspected Money laundering – Disclosure Report to Finance Director

<b>CONFIDENTIAL - Suspected Money Laundering Reporting Form</b> <i>Please complete and send this (to the Finance Director using the details below)</i>	
From:	Department:
Contact Details :	
<b>DETAILS OF SUSPECTED OFFENCE</b> [Please continue on a separate sheet if necessary]	
Name(s) and address(es) of person(s) involved, including relationship with the School:	
Nature, value and timing of activity involved:	
Nature of suspicions regarding such activity:	
Details of any enquiries you may have undertaken to date:	
Have you discussed your suspicions with anyone? And if so, on what basis?	
Is any aspect of the transaction(s) outstanding and requiring consent to progress?	
Any other relevant information that may be useful?	
Signed:	Date:
<i>Please do not discuss the content of this report with anyone you believe to be involved in the suspected money laundering activity described. To do so may constitute a tipping off offence, which carries a maximum penalty of 5 years' imprisonment and/or an unlimited fine.</i>	

## **Appendix 3 - Action and disclosure by the Finance Director as (MLO)**

On receipt of a disclosure report the Finance Director will:

- Note the date of receipt and acknowledge receipt of it.
- Assess and advise the individuals concerned when a response can be expected.
- Consider the report and any other relevant information, undertaking further enquires necessary to decide if a report should be made to the SOCA.

Once the Finance Director has evaluated the case a timely determination will be made as to if:

- There is actual or suspected money laundering taking place.
- There are reasonable grounds to know or suspect that is the case.
- Consent is required from SOCA for a particular transaction to proceed.

Where the Finance Director concludes that the case should be disclosed to SOCA this needs to be done:

- In a timely manner
- In the prescribed manner on a standard report format provided by SOCA (**Appendix 4**)

Where the Finance Director concludes that there are no reasonable grounds to suspect money laundering then consent will be given for transactions to proceed and the disclosure report will be marked accordingly.

## Appendix 4 – MLRO Report (to be completed by Finance Director only)

MLRO Report			
Date report received: / /		Date receipt of report acknowledged: / /	
<b>Consideration of Disclosure:</b> [Please continue on a separate sheet if necessary]			
Action plan:			
<b>Outcome of consideration of Disclosure:</b>			
Are there reasonable grounds for suspecting money laundering activity?			YES/NO
If there are reasonable grounds for suspicion, will a report be made to the SOCA?			YES/NO
<p><u>If yes</u>, please record the date of report to SOCA and complete the details below:</p> <p>Date of report: / /</p> <p>Details of liaison with the SOCA regarding the report:</p> <p>Notice Period: ..... to .....</p> <p>Moratorium Period: ..... to .....</p>			
Is consent required from the SOCA to any ongoing or imminent transactions that would otherwise be prohibited acts? <u>If yes</u> , please confirm full details below:			YES/NO
Date consent received from SOCA:			/ /
Date consent given by you to employee:			/ /
If there are reasonable grounds to suspect money laundering, but you <u>do not</u> intend to report the matter to the SOCA, please set out below the reason(s) for non-disclosure:			
Date consent given by you to employee for any prohibited act transactions to proceed:			/ /
Signed		Date:	/ /
<b>THIS REPORT TO BE RETAINED FOR AT LEAST FIVE YEARS</b>			

## **Appendix 5 - Record keeping requirements**

By keeping comprehensive records the School will be able to show that we have complied with the Money Laundering Regulations. This is crucial if there is a subsequent investigation into one of our customers/students or transaction.

The types of record kept may include:

- Daily records of transactions
- Receipts
- Cheques
- Paying-in books
- Customer correspondence
- Student identification evidence

Records may be kept in any of the following formats:

- Originals
- Photocopies
- Microfiche
- Scanned
- Computerised or Electronic

Records must be kept for five years beginning on either:

- The date a business relationship ends
- The date a transaction is completed

In practice Departments will routinely create and retain records in the course of normal business and these will be sufficient for this purpose.