

# Creton Community Benefit Society Limited (CCBS)

## Anti-Money Laundering Policy

### Policy Owner: Society Secretary

#### 1. Purpose

Money laundering is a term used which relates to offences involving the proceeds of crime or terrorism funds. The following acts are defined as acts of money laundering:

- Concealing, disguising, converting, transferring criminal property or removing from the UK (section 327 of the Proceeds of Crime Act (POCA) 2002).
- To enter into or become concerned in an arrangement which you know or suspect will assist the acquisition, retention, use or control of criminal property or on behalf of another person (POCA section 328).
- Acquiring, using or possessing criminal property.

These are primary money laundering acts. Two secondary offences are also defined which relate to the failure to disclose any of the three primary acts and tipping off (POCA section 330). Tipping off is where someone informs a person or persons involved in, or suspected to be involved in money laundering acts, in such a way as to reduce the likelihood of their being investigated.

CCBS handles money both from members buying shares and on a lesser scale in the shop when purchases are made. There is a small risk that CCBS could be used for money laundering so this policy explains the level of risk and the controls in place

2. **Scope:** The purchasing of shares is in scope. Customers' cash purchases are in scope. All other forms of purchases i.e. non-cash purchase are out of scope.
3. **Policy Statement** CCBS will take measures to prevent being exposed to money laundering, to identify areas in which money laundering may occur and to comply with legal and regulatory requirements, especially the process for reporting actual or suspected money laundering cases. It is the responsibility of everyone involved with CCBS both paid and voluntary staff and the Management Committee to be vigilant and act promptly in all suspected cases.
4. **Responsibilities** (explain which roles are responsible for what. Use job titles e.g. Shop Manager; don't name individuals)

All staff, volunteers and members of the Management Committee should be vigilant to signs of Money Laundering.

One of the greatest exposure is with individuals wishing to buy shares so it is the responsibility of the Treasurer and the Society Secretary to ensure the funds used to purchase shares do not raise concerns over the original source of the cash.

The Treasurer will not accept cash payment for shares in excess of £200

The Treasurer and the Society Secretary will make contact with all individuals applying for shares. In the rare case where an applicant is unknown to any member of the Management Committee, the personal details of the individual will be verified i.e. address check

Any request to sell shares will be reviewed by the Management Committee who will consider the possible risk of money laundering. By adhering to KYC (Know Your Customer) the risk is substantially reduced.

The shop will not, except in exceptional circumstances where the customer is known to staff, accept more than £200 cash from an individual for purchases for one transaction.

Anyone who suspects money laundering activity should report their suspicions promptly and in writing to the Money Laundering Reporting Officer, who is The Chair, clearly stating the reason for their suspicion and who they suspect. The Money Laundering Reporting Officer will deal with all disclosures confidentially and make decisions on reporting the activity to the Serious and Organised Crime Agency (SOCA) in the appropriate manner. All reports will be retained for five years.

An example may be if a customer regularly pays using large amounts of cash, i.e. over £150, a member of staff or volunteer should report this to MLRO who will check out as far as possible the identity of the customer and will make enquiries as to why the customer uses large amounts of cash to pay.

5. **Policy Compliance** (explain how compliance will be checked and what happens if the policy is breached)

Any breach of this policy is a disciplinary offence

6. **Related Standards, Policies and Procedures:**

Disciplinary Policy

7. **Definitions and Terms**

Money Laundering Reporting Officer – person who receives any reports of suspected money laundering

8. **Revision History**

Version	Date of Change	Author	Summary of Change
0.1	5 March 2018	Society Secretary	Initial Draft
1.0	19 March 2018	Society Secretary	Approved by CCBS Management Committee