WESTBOURNE SCHOOL

ANTI-MONEY LAUNDERING POLICY

VERSION CONTROL	
Title(s):	Anti-Money Laundering Policy
Owner:	Scott Thomas (Director of Finance)
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Date of Approval of this version:	October 2025
Next Review Date:	October 2025
Version Number:	3.1

1. Westbourne School Policy Statement

1.1 Westbourne School is fully committed to compliance with the applicable provisions of the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended), the Economic Crime (Transparency and Enforcement) Act 2022, and all subsequent amending legislation, including sanctions obligations under the UK Sanctions and Anti-Money Laundering Act 2018.

1.2 If the School suspects that money laundering may be taking place, it will submit a Suspicious Activity Report (SAR) to the National Crime Agency (NCA). The School recognises that:

- a SAR can provide crucial intelligence for law enforcement and can help to prevent a wide range of serious and organised crime and terrorist activities.
- Investigations are often based on multiple SARs, and a report from a school could be the missing piece of the puzzle.

1.3 The School must regularly review and update processes and procedures to protect itself and its stakeholders against money laundering attempts and in recent years legislation has broadened the definition of money laundering and its associated activity. This policy has been implemented to meet legislative requirements, assist with mitigating money laundering risk, and update procedures to address suspected cases.

2. The Law

2.1 Money laundering is the process by which the proceeds of criminal or illegally obtained money are processed or spent to create the appearance that they have come from a legal source. The term “money laundering” covers several offences relating to the improper handling of funds that are the proceeds of criminal acts, or terrorist acts. It relates to both the activities of organised crime but also to those who benefit financially from dishonest activities such as tax evasion or receiving stolen goods.

2.2 The four main offences that may be committed under money laundering legislation are:

(a) concealing, disguising, converting, transferring, or removing criminal property from anywhere within the UK;

(b) entering into or becoming concerned in an arrangement which a person knows or suspects facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person;

(c) acquiring, using or possessing criminal property; and

(d) doing something that might prejudice an investigation - for example, falsifying or destroying a document.

2.3 There are also two 'third party' offences:

(a) failing to disclose information relating to any of the above money laundering offences; and

(b) tipping off (informing) someone who is, or who is suspected of being involved in money laundering activities in such a way as to reduce the likelihood of them being investigated or prejudicing an investigation. These offences may be committed by an organisation or by individuals working for an organisation.

3. Independent Schools

3.1 In the context of independent schools, the two key areas where money laundering activities may occur are:

- Payment of school fees (including (a) using the proceeds of crime to pay school fees and (b) requests for the return of fees paid in advance); and
- Donations and gifts (including (a) large unexpected donations from unknown individuals, organisations or other sources; and (b) unexpected or unexplained requests for the repayment of all or part of a donation).

4. The Money Laundering Reporting Officer (MLRO)

4.1 If an individual becomes aware that their involvement in a matter may amount to money laundering then they must report it to the Money Laundering Reporting Officer (MLRO) and not take any further action until they have received consent from the MLRO, who may have to be granted such consent by the NCA.

4.2 The Director of Finance, Scott Thomas, has been appointed as the School's Money Laundering Reporting Officer (MLRO). The MLRO receives disclosures from anyone involved in the management of the School of any suspected money-laundering activities and is responsible for:

- receiving reports of suspicious activity from staff;
- considering all reports and evaluating whether there is - or seems to be - any evidence of money laundering or terrorist financing;
- reporting any suspicious activity or transaction to the NCA by completing and submitting a SAR; and
- ensuring that proper records are maintained on all the relevant activities.

4.3 The Finance Assistant, Jensen Rees, will act as temporary MLRO if the Director of Finance is not available.

4.4 **Address:** Westbourne School, 4 Hickman Road, Penarth, CF64 2AJ

Telephone Number: +44 2920 705 705

Email: scottthomas@westbourneschool.com

or in his absence: jensenrees@westbourneschool.com

5. Due-Diligence Procedure/Preventative action

5.1 The School will carry out due diligence checks on parents at periodic intervals.

5.2 The School is vigilant as to the source of funds that are paid to the school and alert to unusual patterns of behaviour or activities. The school will use the Due Diligence Service provided by the Boarding Schools' Association (BSA), in partnership with Verisio. This bespoke service helps us identify and manage any potential risks when admitting any international students, including money laundering, sanctions, child trafficking and politically exposed persons (PEPs).

The list below sets out circumstances considered as potential “red flags”. Whilst not conclusive evidence of money laundering, they will prompt the School to question whether additional due diligence is required to satisfy itself as to the legitimacy of the funds:

- Transactions
  - Transactions are unusual because of their size, frequency or the manner of their execution, in relation to the parent's known business type or source of income, or if it changes over time.
- Structures
  - Payments involving complex or illogical arrangements that make it unclear who is making the payment.
- Third parties
  - Payment of school fees by companies, trusts, offshore entities etc
- Assets
  - A parent’s assets seem inconsistent with their known legitimate income.
- Resources
  - The payer’s funds being made up of a disproportionate amount of private funding, bearer's cheques, or cash, in relation to their socio-economic profile.
- Identity
  - The parent has taken steps to hide their identity or is difficult to identify.
- Behaviour
  - The parent seems unusually anxious to complete a transaction or is unable to justify why they need to make a payment quickly.
- Political
  - The parent is engaged in unusual private business given that they hold a prominent public title or function.
- Document
  - Information or documentation is withheld by the parent or their representative or appears falsified.
- Geographical Area
  - The parent is native to, or resident in, a high-risk country.

5.3 For anti-money laundering reasons, and for practical reasons, the School does not accept school fees in cash. There may, however, be exceptional circumstances where cash is accepted, for example: if a child arrives with cash and it may put the child at risk if we were not to accept or if the amount is not material. If the amount is material (over £1,000) we will accompany the child to the bank where they will be allowed to deposit the money directly into our account.

6. Training

6.1 Anti-Money Laundering training will be provided to staff working in relevant parts of the School (particularly the Finance Department).

7. Reporting Procedure For Suspicions Of Money Laundering

7.1 If anyone at the School 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 MLRO immediately, including the following information:

• Details of the people involved;

- type of transaction;
- the relevant dates;
- why there is suspicion;
- when and how activity is undertaken; and
- likely amounts, etc.

7.2 Once the MLRO has evaluated the disclosure or other information, they will determine if there are reasonable grounds for suspecting money laundering and whether any further investigations need to take place.

7.3 If the MLRO concludes that there are reasonable grounds to suspect money laundering is taking place, the School will make a SAR to the NCA.

8. Record Keeping Procedures

8.1 All internal reports to the MLRO and all SARs made by the MLRO to the NCA will be retained for a minimum of five years.