

The Brunswick Club Anti-Money Laundering Policy

The Law

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 proceed of criminal acts, or terrorist acts. It relates to both the activities of organised crime and to those who benefit financially from dishonest activities such as tax evasion or receiving stolen goods.

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.

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.

Charity Commission Guidance

The Charity Commission advises that, to ensure they are fulfilling their duty to manage a charity's funds properly, a charity's trustees need to know where the funds come from and take reasonable steps to ensure they:

- (a) 'identify' - know who they are dealing with;
- (b) 'verify' - where reasonable and the risks are high, verify identities;
- (c) 'know what the organisation's or individual's business is' and can be assured this is appropriate for the charity to be involved with;
- (d) 'know what their specific business is with the charity' and have confidence they will deliver what the charity wants them to; and
- (e) 'watch out' for unusual or suspicious activities, conduct or requests.

The Brunswick Club

In the context of The Brunswick Club, the key area where money laundering activities may occur are donations, 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.

Policy Statement

The Brunswick Club is fully committed to compliance with the applicable provisions of the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Money Laundering Regulations 2007, and all amending legislation.

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

- (a) 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.
- (b) Investigations are often based on multiple SARs, and a report from a charity could be the missing piece of the puzzle.

MRLO Responsibilities

The Club Manager is The Brunswick Club's money-laundering reporting officer ("MLRO"). The MLRO receives disclosures from anyone involved in the management of The Brunswick Club of any suspected money-laundering activities and is responsible for:

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

The Chair of the Management Committee will act as temporary MLRO if the Club Manager is not available.

Donations / Fundraising

The Brunswick Club carries out procedures that help it identify donors before accepting or entering a relationship or transaction with them. The Brunswick Club will, where applicable:

- (a) Identify the donor and verify their identity (use same identity verification procedures as per DBS checks – e.g., passport / driving licence / proof of address);

- (b) take adequate measures where some donors need or want their privacy intact;
- (c) accept that in some cases, the identity of the donor may not be easy to verify, in which case other measures need to be developed;
- (d) continuously monitor the situation; and
- (e) maintain proper records of all checks made.

The list below sets out circumstances considered to be “red flags” in the context of donations / fundraising. Whilst not conclusive evidence of money laundering, they will prompt The Brunswick Club to question whether additional due diligence is required to satisfy itself as to the legitimacy of the funds.

- (a) Cash deposits paid directly into The Brunswick Club’s bank account thereby obscuring the source.
- (b) Donations unusual because of their size, frequency, timing (e.g., unexpected) or the manner of their execution, in relation to the donor's known business type or source of income
- (c) Donations involving complex or illogical arrangements that make it unclear who is making the payment.
- (d) Donations by companies, trusts, offshore entities, custody accounts etc associated with a donor
- (e) The donor has taken steps to hide their identity or is difficult to identify. This may be particularly true where there is an entirely non-face-to-face relationship.
- (f) The donor seems unusually anxious to complete a transaction or is unable to justify why they need to donate quickly.
- (g) Unexpected interest in specific donors from a member of staff.
- (h) Information or documentation is withheld by the donor or their representative or appears falsified.
- (i) The donor is native to, or resident in, a high-risk jurisdiction
- (j) Funds are not coming from either a UK account or from the same jurisdiction as the donor’s nationality.
- (k) Unexpected or unexplained requests for the repayment of all or part of a donation.

Reporting

If anyone at The Brunswick Club 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:

- (a) details of the people involved;
- (b) type of transaction;
- (c) the relevant dates;
- (d) why there is suspicion;
- (e) when and how activity is undertaken; and
- (f) likely amounts, etc.

Once the MLRO has evaluated the disclosure and/or other information, they will determine if there are reasonable grounds for suspecting money laundering and whether any further investigations need to take place. If the MLRO concludes that there are reasonable grounds to suspect money laundering is taking place, The Brunswick Club will make a SAR to the NCA.

Record keeping

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.

Consultation and Commitment to Review

The Brunswick Club is committed to the review and updating of its policies and procedures through consulting with its employees, volunteers and children and young people.

Employees and volunteers will be consulted on changes to policies through staff meetings and children and young people through youth meetings.

The employees' and volunteers' representative is Danny Volino.

This policy was reviewed by the Management Committee on 21st November 2022.

This policy will be reviewed by the Management Committee in November 2023.