Deo Duce Foundation

Anti-Money Laundering Policy

1. Purpose

This Anti-Money Laundering (AML) Policy outlines the Deo Duce Foundation's approach to preventing the use of our charity for money laundering, terrorist financing, or other financial crimes. While the Foundation is a small charity with an annual turnover of approximately £75,000 and not automatically subject to full AML regulations under the **Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017**, we commit to implementing appropriate controls and safeguards in accordance with best practices and legal obligations under the **Proceeds of Crime Act 2002 (POCA)** and **Charity Commission guidance (CC8: Internal Financial Controls for Charities)**.

2. Scope

This policy applies to all trustees, staff, volunteers, and any individuals or organisations working on behalf of the Deo Duce Foundation. It covers all aspects of the Foundation's operations including donations, fundraising, grant making, and financial transactions.

3. Legal and Regulatory Framework

The following legislation and guidance inform this policy:

- **Proceeds of Crime Act 2002 (POCA)**
- **Terrorism Act 2000**
- **Money Laundering Regulations 2017 (as amended)**
- **Charity Commission Guidance CC8 & CC29**
- **Serious Organised Crime and Police Act 2005**
- **UK Financial Sanctions Regime (via Office of Financial Sanctions Implementation)**

4. Responsibilities

- **Compliance Officer**: Oversees implementation of this policy, maintains records, and liaises with relevant authorities.
- **Board of Trustees**: Holds ultimate responsibility for risk management and compliance.
- **Staff and Volunteers**: Must be familiar with this policy and report suspicious activity.

5. Risk-Based Approach

As a small charity, we adopt a proportionate, risk-based approach:

- **Donations and Income**: We assess large or unusual donations, particularly those from unknown sources, foreign jurisdictions, or anonymous donors.
- **Grants and Expenditure**: We verify the identity and purpose of partner organisations and recipients of significant grants or payments.
- **Cash Handling**: We discourage large cash donations and keep accurate records of any received.

6. Identification and Due Diligence

- **Due Diligence** is carried out for:
    - Donations of £1,000 or more from new or unfamiliar donors

  - Grants or payments over £2,000 to individuals or organisations

- **Steps include**:
  - Confirming identity (e.g. name, address, organisation registration)
  - Establishing the legitimacy and source of funds
  - Recording due diligence checks

- Enhanced due diligence will be applied for higher-risk activities or jurisdictions identified on the **UK Sanctions List** or **High-Risk Third Countries List** (per HMT guidance).

7. Record Keeping

Records must be kept for a minimum of **5 years**, including:

- Donation and grant records
- Identity verification documents
- Risk assessments
- Suspicious activity reports
- Any correspondence related to financial due diligence

8. Suspicious Activity Reporting (SAR)

All staff and volunteers must be aware of potential money laundering indicators, including:

- Reluctance to provide identification
- Donations with conditions attached
- Unusual or complex financial arrangements

Reporting Procedure:

1. Report concerns to the **Compliance Officer** immediately.
2. The Compliance Officer assesses the risk and, where appropriate, submits a **Suspicious Activity Report (SAR)** to the **National Crime Agency (NCA)** via the **SAR Online** system.
3. No action should be taken that could alert the suspect ("tipping off") until NCA clearance is received.

9. Training and Awareness

While formal training is not legally required, Deo Duce Foundation will:

- Provide annual briefings to trustees and relevant staff
- Ensure all new staff and volunteers are given this policy and basic awareness of financial risks
- Circulate updates when legislation or guidance changes

10. Review

This policy will be reviewed **annually**, or sooner if there are changes in legislation or Charity Commission guidance.

11. Contacts and Resources

- **Compliance Officer**: Eddy Dempsey, 07772 816451

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- **Charity Commission**: https://www.gov.uk/government/organisations/charity-commission
- **National Crime Agency SARs**: https://www.nationalcrimeagency.gov.uk/what-we-do/crime-threats/money-laundering-and-illicit-finance/suspicious-activity-reports
- **HM Treasury Sanctions List**: https://www.gov.uk/government/collections/financial-sanctions-regime-specific-consolidated-lists-and-releases

Version control

Version	Trustee approval	Content / summary changes
1.0	8 July 2025	New policy (previously loosely covered in the financial management policy)
	8 June 2026	Trustee review no changes