

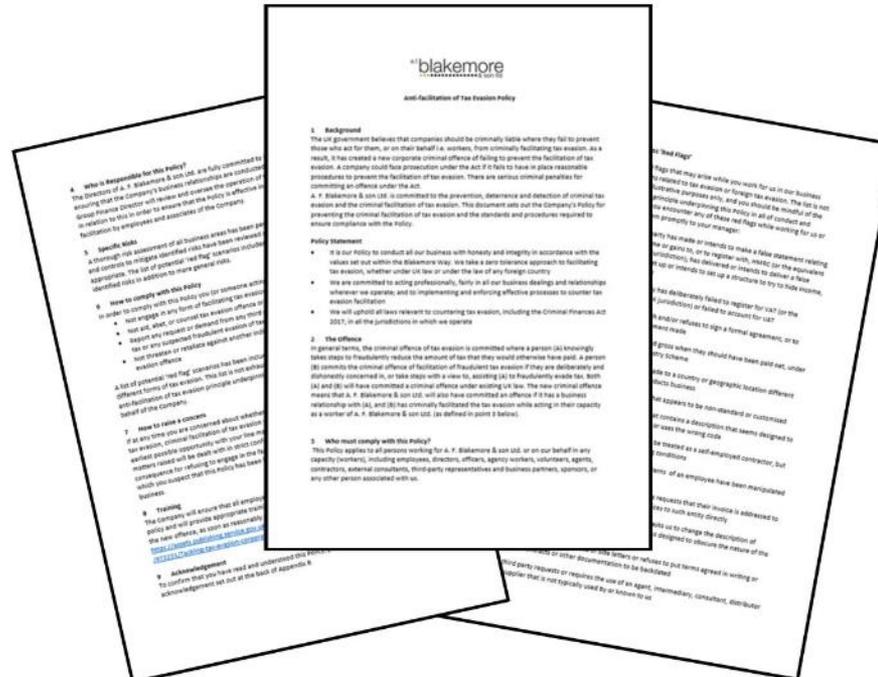


Anti-facilitation of Tax Evasion Training Session



Purpose:

To provide all 'workers' with an understanding of the A.F. Blakemore 'Anti-facilitation of Tax Evasion' policy



Content of training:

- Legislation; what does it mean
- Who must comply with the policy
- How to comply with the policy
- How to raise a concern
- About the policy
- Acknowledge your understanding of this policy



Legislation; what does it mean?

- Tax Evasion is an illegal action in which a person or entity deliberately avoids paying a true tax liability
- There is a new corporate criminal offence of a business failing to prevent an associated person (employee or representative) from assisting a 3rd party commit tax evasion
- There are serious criminal penalties for committing an offence under the legislation including unlimited financial penalties
- The legislation does not hold businesses to account for the crimes of their customers, nor does it require them to prevent their customers from committing tax evasion



Legislation; what does it mean for A.F. Blakemore?

The criminal offence of tax evasion is committed when the following occurs:

A 3rd party with whom we have a business relationship knowingly takes steps to fraudulently reduce the amount of tax that they would otherwise have paid

and

An associate of A.F. Blakemore deliberately and dishonestly take steps with a view to assisting the third party to fraudulently evade tax



The 3rd party will have committed a criminal offence under existing UK law. The new criminal offence means that A.F. Blakemore will also have committed an offence if its associate criminally facilitated the tax evasion while acting in their capacity as an associate of A.F. Blakemore. Definition of 'associate' is on following slide.

Who must comply with the policy?

This Policy applies to all persons working for A.F. Blakemore & Son Ltd or on our behalf in any capacity (associates), including:

- Employees
- Directors
- Officers
- Agency workers
- Volunteers
- Agents
- Contractors
- External consultants
- Third-party representatives
- Business partners
- Sponsors
- Any other person associated with us



How to comply with the policy

In order to comply with this Policy, you (or someone acting on your behalf) must:



- Not engage in any form of facilitating tax evasion or foreign tax evasion
- Not aid, abet, or counsel tax evasion offence or foreign tax evasion by another person (see next slides for examples)
- Report any request or demand from any third party to facilitate the fraudulent evasion of tax or any suspected fraudulent evasion of tax by another person
- Not threaten or retaliate against another individual who has refused to commit a tax evasion offence

Potential risk scenarios

The following is a non-exhaustive list of red flags that would raise concern and require reporting:

-  You become aware that a third party for whom we provide a payroll bureau service has made or intends to make a false statement relating to employment taxes; has failed to register with HMRC for employment taxes; has delivered or intends to deliver a false document relating to employment tax;
-  A third party requests payment in cash and/or refuses to sign a formal agreement, or to provide an invoice or receipt for a payment made

Potential risk scenarios

-  A supplier or other subcontractor is paid gross when they should have been paid net, under a scheme such as the Construction Industry Scheme
-  A third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business
-  You receive an invoice from a third party that appears to be non-standard or customised

Potential risk scenarios

-  You receive an invoice from a third party that contains a description that seems designed to obscure the nature of the services provided or uses the wrong code
-  You become aware that an employee asks to be treated as a self-employed contractor, but without any material changes to their working conditions
-  You become aware that the travel to work patterns of an employee have been manipulated to avoid payroll taxes
-  A third party to whom we have provided services requests that their invoice is addressed to a different entity, where we did not provide services to such entity directly

Potential risk scenarios

-  A third party to whom we have provided services asks us to change the description of services rendered on an invoice in a way that seems designed to obscure the nature of the services provided
-  A third party insists on the use of side letters or refuses to put terms agreed in writing or asks for contracts or other documentation to be backdated
-  A third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us

How to raise a concern

If at any time you are concerned about whether a particular transaction or activity may amount to

- Tax evasion or
- Criminal facilitation of tax evasion

You should raise any question or concern at the earliest possible opportunity with your line manager and/or with the Finance Director



About the policy

The Board of Directors of A.F. Blakemore are fully committed to implementing this policy and are ultimately responsible.

The policy is available on the Staff Zone of the A.F. Blakemore website. Alternatively, a copy can be requested from Tania Bending on 01443 235212 or at tbending@afblakemore.co.uk

If you wish to speak to anyone about the content of this policy, please contact Tania Bending.



Acknowledgement

To confirm that you have read and understood this Policy, please sign and return the acknowledgement set out at the back of Appendix B in the policy document to Julie Knowles in the training department.

Appendix B: Acknowledgement

Please return this form to the A.F. Blakemore & Son Ltd Learning & Development Department at Apen 2 or scan and email to Julie Knowles (L&D Admin Manager) at jknowles@afblakemore.com

A. F. Blakemore & son Ltd.

Prevention of the criminal facilitation of tax evasion policy

By signing this form I hereby declare that I have read and understood the Company's prevention of the criminal facilitation of tax evasion Policy.

If you do not fully understand this Policy, please contact the Finance Director for further assistance and guidance before you sign.

NAME _____

SIGNATURE _____

DATE _____