

Cash Handling & Money Laundering Policy (Lottery)

Title	Cash Handling & Money Laundering Policy (Lottery)	
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Current Version	1	
Document Change History		
Version	Date	Author/Editor
1	November 2017	Elle Green
2	January 2018	Elle Green
Document Summary		
Review date	Annually and as required with changes to policies and procedures	
Linked procedural documents	None	
Document applicable to	Charity and Trading Subsidiary All staff, Trustees and volunteers	

Crime Detection

The lottery system is programmed to flag up the details of any customer requesting more than 20 weekly entries in the draw. Lottery staff also look for those that have requested over five entries. In both these cases, the customer will be contacted by a member of staff for verification before their payment is processed.

If staff are concerned about a customer's behaviour in requesting large numbers of entries they will report this to a responsible person. The customer will then be contacted for verification. Should suspicion remain, the responsible person will submit a Suspicious Activity Response to the National Crime Agency.

In the event of suspicion of, or proven, criminal activity the customer will be barred from participating in the lottery and the matter reported to the police.

Prevention

The risk of financial crime, and the charity's ability to detect and prevent it, are continuously reviewed in quarterly compliance meetings. A risk assessment matrix is completed, and any policy or processes are updated immediately to ensure due diligence. An additional risk assessment will be completed as required before any significant change, for example the introduction of a new product, technology or entry into a new market. This process is overseen by a responsible person. Each lottery draw process is witnessed by an additional member of staff.

The charity has conducted DBS checks on key members of staff.

Third party agents working on behalf of the charity are not permitted to process cash.

Payment Processing

Payment by cheque - Cheques should arrive at all times attached to the application form, or accompanied by a cheque renewal form.

Should they arrive separated then they should be matched by the customer name. To verify this, the customer should be contacted to verify the last four digits of the account number.

Banking of any cheque should be made daily, recording the date of banking against each cheque, name of payee and lottery player reference.

Payment by Direct Debit - Direct Debits will be processed in accordance with BACS legislation and conform to the Direct Debit Guarantee. All paper mandates must be signed by the account holder. Every mandate will include a unique customer lottery player reference.

Paperless direct debits are also permitted to be taken by those trained and authorised to do so.

Direct Debit receipts come accompanied by the payment identifier. The payment identifier is the customer's lottery player reference. The system automatically matches and imports these payments to the customer account and posts the relevant payment.

Should a payment detail not match then the customer will be contacted to rectify.

Customer who pay by Direct Debit will only be entered into a draw if they are in credit on their lottery account.

All payments will be kept in the bank account relating to the charity lottery draw. This money will only be used for lottery draws, any balance being held remains the property of the lottery player until such time it has been used by lottery draws or refunded on request.

Payment by Credit/Debit card - Payments are taken using a Worldpay online payments card reader registered to East Anglian Air Ambulance (Trading) Ltd. To protect the customer, payments are only authorised once identity has been verified. They are processed by a person nominated as a responsible staff member.

Credit card details are not stored by the charity.

The charity is PCI DSS compliant.

Standing orders

The supporter is sent a standing order mandate to complete and return to the lottery office.

The lottery office will process this and then send directly to the supporter's bank for the authority to be actioned.

Only the supporter can cancel this instruction. The cancellation will be processed by the lottery office on receipt.

Current risk status

The risk of the East Anglian Air Ambulance lottery being manipulated by an external agent for money laundering, funding terrorism or other financial crime is currently low, as we operate a subscription service, pay-outs are random and processes are closely monitored.

The risk of the East Anglian Air Ambulance lottery being manipulated by an internal agent for money laundering, funding terrorism or other financial crime is currently low, as all processes are closely monitored and witnessed and stringent financial procedures are in place.

Customer funds – segregation and disclosure

Payments received in advance of the lottery draw are accounted for and reconciled monthly with the bank and the lottery software.

We qualify for the basic customer fund rating with regards to holding funds received in advance. The funds are kept in a bank account in the charity, thus separate from the trading subsidiary and these are shown as a creditor and corresponding debtor on the management accounts.

Trustees have deemed this account as separate and the funds are not included in the working capital of the charity.

No credit is granted to individual customers. If a customer has not paid they are not entered into the draw.

Credit of four weeks play is granted to a small selection of approved lottery agents by means of an invoice.