



**Think a client could be involved in tax evasion?
Then blow the whistle!**

From 30 September 2017, it became a criminal offence in the UK for a business to fail to prevent its employees or any person associated with it from facilitating tax evasion under the Criminal Finances Act 2017.

What is tax evasion?

Tax evasion is a crime and involves dishonest behaviour. A person behaves dishonestly if they know, or turn a 'blind eye' to whether they have a liability to pay tax, but decide not to pay or declare it.

- Dishonest behaviour may involve a person simply deciding not to declare money they make.
- It may involve someone deliberately trying to hide the source of money, or even intentionally misrepresenting where money came from.

Our zero tolerance policy

Our staff handbook is being updated to include facilitation of tax evasion as an instance of activity which is likely to be deemed gross misconduct by the firm. A detailed policy is also now on the staff intranet.

Facilitation could include:

- Actively enabling a client to carry out tax evasion
- Turning a blind eye to the actions of a client that we suspect are tax evasion
- Turning a blind eye to the actions of a subcontractor to the firm which we suspect are facilitating tax evasion

Example of actions that could be deemed evasion:

- Understating turnover
- Overstating expenditure
- Concealing disallowable expenditure
- Incorrect dating of tax sensitive document, including tax relief claims which have no basis
- Understating taxable earnings
- Overstating recoverable VAT

Report it!

Think something might represent tax evasion? Then report it via our whistleblowing process!

If you suspect something could represent tax evasion, then report it to the MLRO (or as alternatives, the Managing Partner or HR Partner). You do not need to ask permission from the engagement partner!

As a firm, it is far more important to the overall success of the firm that we know of the risks than the harm that could be caused by reporting any engagement or client.

It is imperative that all matters which "could" be deemed to be tax evasion are reported and considered properly. All reports made will be treated on the basis that a report is helpful to the risk management for the firm and so any report will be treated in confidence and without any negative connotations arising from it having been made.

It is in all our interests that any actions that risk being classified as facilitation of tax evasion are reported.