

The Old Horn Community Pub Society Limited (the Society) Anti Fraud policy and procedures.

1. Introduction

This document sets out the policy and procedures of the Society against fraud and other forms of dishonesty.

It applies to Members, Members of the Management Committee, any employees and volunteers.

The Society will not accept any level of fraud and other forms of dishonesty and will treat any such matter with the utmost seriousness. Anybody associated with the Society who commits fraud, theft or any other dishonesty, or who becomes aware of it and does not report it to the Society, will be subject to appropriate disciplinary action.

2 Statement of Intent and responsibilities

The Society is committed to the prevention, deterrence, detection and investigation of all forms of fraud and corruption. The Society fosters honesty and integrity and seeks to reduce the opportunity for fraud. Members, members of the Management Committee, employees and volunteers are expected to lead by example in adhering to our policies and practices.

Equally, members of the public, service users and external organisations (such as suppliers and contractors) are expected to act with integrity and without intent to commit fraud against the Society.

The Society will continually strive to ensure that all its financial and administrative processes are carried out and reported honestly, accurately, transparently and accountably and that all decisions are taken objectively and free of personal interest.

All members of the Society, employees and volunteers have a responsibility for putting these principles into practice and for reporting any breaches they discover to a member or members of the Management Committee.

3 Fraud and other forms of dishonesty

All fraud has the common aim of trying to dishonestly deprive a person of something which belongs to them or to which they might be entitled. In many cases, fraud will also be theft. It is not necessary to prove or show any actual consequences such as gain or loss in fraud cases, and Fraud Act offences do not require an intent permanently to deprive someone of the item. The Fraud Act 2006 creates a general offence of fraud, and sets out three ways of committing it. These are fraud by false representation; fraud by failing to disclose information; fraud by abuse of position. This might involve internal or external fraud committed by a member of the Society, member of the public, employee or volunteer.

Examples of fraud by false representation include:

- A representation as to fact such as using a false identity or stating the Society owns property when it does not
- A representation as to law covers any situation where the defendant states the law knowing that what they say is not true.

- A representation as to state of mind covers such matters as stating saying the Society will pay its account when there is no intention of doing so
- Such representation may be made expressly or impliedly
- The representation can be made to a person or to a machine such as entering a number into a bank ATM or giving false credit card details to voice-activated software or to a website to obtain goods

Examples of fraud by failing to disclose information include:

- A member of the Society dishonestly fails to disclose information where a legal duty to do so exists, such as failing to disclose the business status to the council so that council tax could be reduced
- Failing to disclose the refusal of a safety certificate to an insurer

Examples of fraud by abuse of position include:

- A member of the Society who sells his own bottles of wine passing them off as belonging to the Society
- A member of the Society who abuses his position in order to grant contracts or discounts to friends, relatives and associates

Bribery is set out in the Bribery Act 2010 and involves the offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of any person.

Theft is defined in the Theft Act 1968. A person is guilty of theft if he dishonestly appropriates property belonging to another with the intention of permanently depriving the other of it. This includes dishonestly taking any of the rights of the Society over its belongings including selling property or destroying it, as well as possessing it, consuming it, using it, lending it or hiring it out. This includes misuse of equipment belonging to the Society for financial or material benefit.

4 Responsibilities

In relation to the prevention of fraud, theft, misuse of equipment and abuse of position specific responsibilities are as follows

- Members of the Management Committee are responsible for establishing and maintaining appropriate systems of internal control that supports the achievement of the Society's policies, aims and objectives.
- The systems of internal control are designed to respond to and manage the range of risks which the Society faces. The system of control is based on an ongoing process designed to identify the principle risks, to evaluate the nature and extent of those risks and to manage them effectively.
- In particular it is the responsibility of the Management Committee to ensure that :-
 - All new suppliers and orders are authorised by two Directors with such actions reported and minuted at Management Committee meetings.
 - All payment from The Society Bank account are authorised by any two of the Directors and reported and minuted at Management Committee Meetings.
 - All COF expense claims are authorised by the Treasurer and one other Director and details minuted at Management Committee Meetings

- All movement on the Company Bank account is reported monthly to the Management Committee.
- Every member, employee and volunteer is responsible for:
 - Acting with propriety in the use of Society resources and the handling and use of funds whether they are involved with cash, receipts, payments or suppliers
 - Conducting themselves with selflessness, integrity, objectivity, accountability, openness and honesty
 - Reporting details immediately to a member or members of the Management Committee if they suspect that a fraud has been committed or sees suspicious activity
 - Cooperating fully with whoever is conducting internal checks or reviews or fraud investigations

Date 15 April 2023

R Wortley (Chairman)

A Simon (Secretary)