



**CORRESPONDENCE ADDRESS**

1 YEWDAL CRESCENT  
WIGAN  
LANCASHIRE  
WN1 2HP

**WORKSHOP**

UNIT 2  
TOWNSEND FARM  
RUFFORD ROAD  
BISPHAM  
MAWDESLEY  
L40 3SA

TELEPHONE: 01257 464601

EMAIL: OFFICE@LOST-ART.CO.UK

WEB: WWW.LOST-ART.CO.UK

## **LOST ART LIMITED: TACKLING TAX EVASION**

Tackling tax evasion: Government guidance for the corporate offences of failure to prevent the criminal facilitation of tax evasion. Government guidance. Arrangements in respect of the corporate criminal offences of failing to prevent those acting on its behalf from the criminal facilitation of tax evasion under the Criminal Finance Act?

<https://www.gov.uk/government/publications/corporate-offences-for-failing-to-prevent-criminal-facilitation-of-tax-evasion>

Lost Art Limited, in addition to submitting all dues accounts to our accountants and where necessary, payments to HMRC under PAYE and CIS schemes have adopted the suggestions issued by the UK Government on their .Gov.UK website giving information and advice to prevent the criminal facilitation of tax evasion. Government guidance and in particular, the suggestions made in relation to SMEs as below:

Suggested reasonable prevention procedures for lower risk SMEs

An SME should first undertake a risk assessment of the products and services it offers, as well as internal systems and client data that might be used to facilitate tax evasion, including by 'sitting at the desk' of employees and other associated persons, considering the motive, means and opportunity for facilitating tax evasion.

Consider some of the hallmarks of fraud or fraud 'red flags' when undertaking the risk assessment, for example:

- Are there staff who refuse to take leave and do not allow anyone else to review their files, or are overtly defensive over client relationships?
- Do existing processes ensure that for higher risk activity at least a sample of files are routinely reviewed by a second pair of eyes? Then consider tailoring existing processes and procedures

accordingly to prevent and detect potential tax evasion facilitation – this could include:

- Having a commitment to preventing the involvement of those acting on the relevant body's behalf in the criminal facilitation of tax evasion, which might be demonstrated by issuing a prominent message from the board of directors (or the leadership team) against all forms of tax evasion
- Having terms in contracts (with employees and contractors) requiring them not to engage in facilitating tax evasion and to report and concerns immediately
- Providing regular training for staff on preventing the facilitation of tax evasion, which may form part of wider financial crime detection and prevention training.
- Having clear reporting procedures for whistle-blowing of suspected facilitation of tax evasion offences
- Ensure their pay and bonus policy/structure encourages reporting and discourages pursuing profit to the point of condoning tax evasion
- Having regular reviews of the effectiveness of prevention procedures and refining them where necessary
- Monitoring and enforcing compliance with prevention procedures
- An overview of its strategy and timeframe to implement its preventative policies