

Tax Evasion Prevention Policy

Criminal Finances Act 2017

Company Name:	SB Construction (Design & Build) Ltd
Version Number:	9
Review Date:	Annually (next review by 13/07/2027)

1 - Policy Statement

SB Construction (Design & Build) Ltd is committed to conducting all business honestly, ethically and in compliance with UK law. We have zero tolerance towards the facilitation of tax evasion by any employee, director, agency worker, sub-contractor or any person acting on the company's behalf.

This policy has been developed to comply with the Criminal Finances Act 2017 and sets out the procedures we have in place to prevent the criminal facilitation of UK or foreign tax evasion.

Failure to comply with this policy may result in disciplinary action, termination of contracts and, where appropriate, reporting to the relevant authorities.

SB Construction (Design & Build) Ltd has implemented reasonable prevention procedures which are proportionate to the nature, size and complexity of its business. These procedures have been developed in accordance with HMRC guidance issued under the Criminal Finances Act 2017 and are based on the following six guiding principles:

1. Proportionality of risk-based prevention procedures
2. Top-level commitment
3. Risk assessment
4. Due diligence
5. Communication (including training)
6. Monitoring and review

The controls contained within this policy have been designed to reflect these principles and will be reviewed periodically to ensure they remain effective.

2 - Scope

This policy applies to:

1. Directors
2. Employees
3. Temporary workers
4. Agency workers
5. Consultants
6. Labour-only sub-contractors
7. Trade sub-contractors
8. Anyone acting on behalf of the company

3 – Responsibilities

The overall responsibility to ensure this policy is implemented effectively lies with the Company Directors.

All employees and persons working on behalf of the company are responsible for:

1. Acting with honesty and integrity.
2. Never assisting or encouraging tax evasion.
3. Reporting any concerns immediately.
4. Following the controls set out within this policy.

4 – Definitions

Tax evasion is the illegal non-payment or under-payment of taxes.

Examples include:

- Deliberately failing to declare income.
- Creating false invoices.
- Concealing taxable earnings.
- Paying workers or sub-contractors “off the books”.
- Using false CIS information.
- Producing fraudulent expense claims.

Facilitating tax evasion means deliberately helping another person or business to commit tax evasion.

5 – Risk Assessment

SB Construction has assessed the risk of facilitating tax evasion within its business and considers the highest risk areas to be:

- Engagement of subcontractors
- CIS payments
- Supplier invoicing
- Cash payment requests
- Third-party payment instructions

The prevention procedures and controls contained within this policy have been implemented to mitigate these identified risks.

6 – Supporting Controls

To reduce the risk of facilitating tax evasion, SB Construction (Design & Build) Ltd operates the following controls:

Due Diligence

Before a sub-contractor can be appointed to a project, all sub-contractors must go through our pre-qualification process (by filling out of our QF-04 Pre-Qualification Questionnaire). This ensures that:

- a) The business identity is verified.
- b) UTR/CIS status is confirmed (where applicable).
- c) Company details and VAT registration status is obtained (where applicable).
- d) Payments are only made to the contracted business.
- e) Verification of bank account details.
- f) Checking publicly available information where appropriate to identify any concerns regarding legitimacy or unlawful activity (where appropriate).
- g) Ensuring sub-contractors have genuine trading addresses.
- h) Confirming identity of sole traders.

Payment Controls

SB Construction will:

- a) Only make payments against approved and accurate invoices.
- b) Make payments through the company’s banking system.
- c) Never make unofficial cash payments.
- d) Never agree to split payments of pay into third-party bank accounts without appropriate verification and Director approval.

Record Keeping

SB Construction will maintain accurate records of:

- a) Contracts.
- b) Purchase Orders.
- c) Invoices.
- d) CIS deductions.
- e) Payment records.
- f) VAT documentation.

All records will be retained in accordance with legal requirements.

Commercial Practices

SB Construction employees must never:

- a) Help anyone conceal income.
- b) Produce false invoices.
- c) Alter payment records.
- d) Agree to back-date documents.
- e) Ignore suspicious requests relating to taxation.
- f) Comply with any request or instruction that appears intended to evade tax or facilitate tax evasion, regardless of commercial pressure, client demands or the potential loss of business.

Where any employee, director or person acting on behalf of the company receives a request that appears intended to evade tax or facilitate tax evasion, they must refuse the request and report the matter immediately to a Company Director. No employee will suffer any detriment for refusing to participate in unlawful activity.

Reporting Concerns

Anyone who suspects tax evasion or the facilitation of tax evasion must report it immediately to the Company Directors. Any payment or instruction believed to be facilitating tax evasion must not proceed. Where there is any doubt, work must stop until the matter has been reviewed by a Director.

Reports will be investigated confidentially and, where necessary, referred to professional advisors or the appropriate authorities.

No employee will suffer any detriment for reporting a genuine concern.

Training and Awareness

All employees will:

- a) Be made aware of this policy during the company induction process.
- b) Be reminded of their responsibilities periodically.
- c) Receive additional guidance where their role presents a higher risk.

Monitoring

Directors will monitor compliance by periodically reviewing payment records, subcontractor due diligence records and any reported concerns. Findings will be used to improve the company's prevention procedures.

7 – Policy Breaches

Any breach of this policy may result in:

- a) Disciplinary action.
- b) Termination of employment, engagement or subcontract.
- c) Reporting to HMRC or law enforcement where appropriate.

Signed:	
Date:	13.07.26
For and on behalf of SB Construction (Design & Build) Ltd	
Scott Appleford – Commercial Director	