Anti-Tax Evasion and Criminal Facilitation Prevention Policy

Core Declaration evidence - Criminal Finances Act 2017 corporate criminal offences

Company	Veraxus Ltd
Business activity	Construction, refurbishment, flooring, repair and maintenance services
Responsible person	Alex Stefan, Director
Document status	Approved controlled policy
Approval date	19 May 2026
Applies to	Directors, employees, labour-only operatives, subcontractors, suppliers, agents, consultants and any person acting for or on behalf of Veraxus Ltd.

Policy commitment

Veraxus Ltd has zero tolerance for tax evasion, the facilitation of tax evasion, false accounting, false invoicing, disguised payments or arrangements intended to dishonestly reduce tax, VAT, PAYE, CIS or other statutory liabilities. The company will act proportionately as a small contractor while maintaining clear prevention procedures.

1. Purpose

This policy sets out Veraxus Ltd procedures for preventing those acting for, or on behalf of, the company from criminally facilitating tax evasion. It supports the company's Core Declaration response and demonstrates adequate, proportionate procedures for a small construction contractor.

The Criminal Finances Act 2017 introduced corporate criminal offences for failure to prevent the facilitation of UK or foreign tax evasion. Veraxus Ltd therefore maintains procedures designed to prevent facilitation by associated persons and to identify, stop and report concerns.

2. Practical construction-sector risk areas

Risk area	Example red flag	Required control
Cash requests	Requests to pay or receive cash to avoid VAT, CIS, PAYE, income tax or proper records.	Do not proceed; record concern; escalate to Director.
False invoices	Invoices that do not match work done, labour supplied, materials used or agreed scope.	Query and reject inaccurate invoice; retain evidence.
CIS / labour payments	Pressure to treat workers incorrectly or avoid deductions/reporting where rules apply.	Use correct accounting advice and maintain proper records.
Supplier/subcontractor behaviour	Requests to split invoices, use unrelated accounts or hide the real supplier.	Pause payment until legitimacy is verified.
Client requests	Client asks Veraxus to omit VAT, understate value or describe works inaccurately.	Refuse and keep communication evidence.
Expense / mileage / materials records	Unsupported or exaggerated claims.	Require receipts and business purpose.

3. Six prevention principles used by Veraxus Ltd

Assess	Proportion	Lead	Check	Brief	Review
Identify tax evasion facilitation risks	Small-business controls suited to risk	Director commitment and approval	Due diligence on payments and parties	Communicate rules and red flags	Monitor and improve controls

Principle	How Veraxus applies it
Risk assessment	Construction, labour, CIS, VAT and supplier-payment risks are considered when setting procedures and reviewing unusual transactions.
Proportionality	Controls are practical for a small contractor but strong enough to prevent dishonest facilitation and maintain evidence.
Top-level commitment	The Director approves this policy and requires honest tax, CIS, VAT and payment conduct.
Due diligence	Supplier, subcontractor, agency and payment details are checked where relevant before engagement or payment.
Communication and training	Workers and suppliers are briefed that Veraxus will not assist tax evasion or false accounting.
Monitoring and review	Concerns, exceptions, unusual payment requests and policy effectiveness are reviewed by management.

4. Required procedures

- Use clear written quotations, purchase orders, invoices or payment records wherever practicable.
- Do not knowingly assist any person to evade tax, VAT, CIS, PAYE, income tax, corporation tax or other statutory liabilities.
- Do not create or accept invoices that disguise the true nature, value, timing or recipient of work or materials.
- Make payments only to verified business/person accounts unless a legitimate reason is documented and approved.
- Check subcontractor/supplier identity and payment details where there is risk or where the relationship is new.
- Seek accountant or professional advice where tax status, CIS treatment, VAT or employment status is unclear.
- Retain appropriate accounting, invoice, bank, CIS and communication records.
- Stop, query and escalate any request that appears dishonest, unusual or designed to hide tax liability.

5. Reporting and escalation

Escalation route

Any director, worker, labour-only operative, subcontractor or supplier who suspects tax evasion facilitation must raise the concern with Alex Stefan, Director. Concerns may also be raised through the company's whistleblowing/speak-up route. Veraxus Ltd will not penalise anyone for refusing to take part in dishonest tax conduct.

6. Monitoring, review and evidence

Control	Evidence / action
Document evidence	Policy approval, briefing records, invoices, bank records, CIS records, supplier checks and correspondence.
Management action	Correction of inaccurate documents, refusal of suspicious arrangements, advice sought where needed and supplier/payment review.
Review trigger	Annual review, new type of project, new supplier route, agency use, material tax/accounting change or identified concern.

Control	Evidence / action
Record retention	Accounting and project records are retained in line with HMRC, company and project evidence requirements.

7. Red-flag response record

Record field	Required action
Concern identified	Record the request or behaviour that caused concern, including date, person/company and project context.
Immediate action	Pause the payment, invoice, appointment or instruction until the issue is clarified.
Evidence reviewed	Check invoice, quotation, bank details, CIS/VAT treatment, email/WhatsApp instruction and supplier identity where relevant.
Decision and advice	Record whether the matter was resolved, corrected, rejected, escalated to accountant/professional adviser or reported where required.
Learning / prevention	Update briefing, supplier checks, payment rules, project controls or records to prevent repeat issues.

8. Worker and supplier briefing points

- All invoices and payment requests must accurately describe the actual work, materials or services supplied.
- Veraxus will not make or accept arrangements intended to hide income, suppress VAT, bypass CIS/PAYE obligations or disguise the true recipient of payment.
- Subcontractors and suppliers must provide accurate identity, payment and tax-related information where relevant to the engagement.
- Anyone who feels pressured to support a dishonest tax arrangement should stop and escalate the matter to the Director.

9. Disciplinary and commercial consequences

Any deliberate involvement in tax evasion, facilitation of tax evasion, false accounting, false invoicing or dishonest payment arrangements may result in removal from site, termination of engagement, referral for professional advice, notification to relevant authorities where required, and/or disciplinary or commercial action.

Approval

Electronic approval statement

Approved and signed electronically on behalf of Veraxus Ltd. This document has been electronically approved and signed by the Director of Veraxus Ltd. The typed signature below is intended to authenticate and approve this document on behalf of the company.

Name	Alex Stefan
Position	Director
Signature	Alex Stefan
Date	19 May 2026
Review period	Annually or earlier if legislation, work scope, supply-chain arrangements, client requirements or company procedures materially change.

Guidance references used

Reference	Official source
HMRC - Corporate offences for failing to prevent criminal facilitation of tax evasion	https://www.gov.uk/government/publications/corporate-offences-for-failing-to-prevent-criminal-facilitation-of-tax-evasion
HMRC internal manual - Criminal Finances Act 2017	https://www.gov.uk/hmrc-internal-manuals/economic-crime-supervision-handbook/ecsh24000
Criminal Finances Act 2017	https://www.legislation.gov.uk/ukpga/2017/22/contents/enacted

Appendix A - tax evasion concern / briefing record

Field	Record entry
Date / project	To be completed if concern or briefing is recorded
Person/company involved	Name and role/company
Concern or briefing topic	False invoice, cash request, CIS/VAT/PAYE concern, unusual payment instruction, supplier check or worker briefing
Action taken	Paused / corrected / rejected / accountant advice sought / supplier removed / briefing delivered
Close-out evidence	Email, invoice correction, bank/payment check, advice note, briefing attendance or management review note