

## University of the Highlands & Islands Tax Evasion Statement (Criminal Finances Act 2017)

### Our commitment

At the University of the Highlands & Islands (the “University”) we do not condone and have a zero tolerance approach to the facilitation of tax evasion. This statement is published in accordance with Part 3 of the Criminal Finances Act 2017 (“CFA2017”), corporate offences of failure to prevent facilitation of tax evasion and is a summary of our Criminal Finances Act Statement approved by the University’s Finance and General Purposes Committee on 6<sup>th</sup> June 2018.

This statement sets out the commitment of the University to preventing persons associated with the University and its subsidiary companies from engaging in the criminal facilitation of tax evasion in the UK or in a foreign country. It also sets out the steps the University has taken and will take in relation to preventing the facilitation of tax evasion.

### Introduction

Tax evasion occurs when individuals or businesses deliberately omit, conceal or misrepresent information to reduce their tax liabilities. Organisations can be used by associated individuals or businesses to facilitate taxpayer evasion in the UK or in a foreign country.

The University is committed to preventing the facilitation of tax evasion by associated individuals or businesses anywhere within its operations. We achieve this through developing and maintaining reasonable prevention procedures designed to mitigate the risk of facilitation of tax evasion, carrying out regular due diligence and risk assessments of our activities and creating awareness and a culture of compliance throughout the University. We also use our risk management processes to identify any emerging risks for future activities, changes in legislation and through efficient and effective contract management.

### The University’s structure and activities

The University is the UK’s leading integrated University encompassing further and higher education. The University of the Highlands and Islands is a limited company registered in Scotland No. 148203 and is recognised as a charity by HM Revenue & Customs and is recorded on the index of charities maintained by the Office of the Scottish Charity Regulator (Charity No SC022228). Commercial trading activities undertaken by the University are operated through its subsidiary company: UHI Research & Enterprise.

### Risk Assessment and Implementation of Prevention Procedures

The University is committed to embedding processes and controls which are designed to eliminate opportunities for the criminal facilitation of tax evasion.

The University undertakes risk assessments of all activities to determine the nature and extent of exposure to the risk of any “associated persons” (for example, employees, agents, contractors, suppliers and intermediaries) engaging in activity that could criminally facilitate tax evasion. Reasonable prevention procedures proportionate to the size, complexity and risk are implemented. The University will remain vigilant as to these risks so as to identify any relevant issues that may arise, and ensure they are addressed appropriately.

### Due Diligence

Due diligence on both customers of and suppliers to the University will be undertaken in order to ensure that the risk of potential interactions with the University or its subsidiary companies being used by associated persons to engage in the criminal facilitation of tax evasion is clearly identified before any transactions take place. This due diligence will be proportionate to the identified risk.

### Raising Awareness & Collaboration

The University’s Finance Department is committed to staying aware of developments, legislation and case studies in regard to the prevention of the criminal facilitation of tax evasion. Eliminating the opportunities to facilitate tax evasion effectively requires improved traceability, increased transparency and collaboration between statutory agencies and other organisations

Steps taken by the University in this area include (but are not limited to) the following:

- The University has nominated a key officer responsible for information and queries on CFA2017. The Key Officer for CFA 2017 is Niall McArthur, Director of Corporate Resources.
- A review of the University’s risks and associated processes and procedures to ensure that all the appropriate steps are taken to prevent facilitation of tax evasion. It will maintain a register of possible risks of the facilitation of tax evasion by its staff and associates. This register will be regularly reviewed and updated, as and when required.
- Training and awareness on CFA2017 for Finance staff.
- We will work in collaboration with other universities and external bodies such as the British Universities Finance Directors Group, HMRC, Advanced Procurement for Universities and College, and the Scottish Funding Council, to share and develop best practice in due diligence, prevention procedures and the elimination of the criminal facilitation of tax evasion.

Statement owner

Niall McArthur, Director of Corporate Resources

Date full statement approved

6 June 2018