

Private schools angered by money laundering claims

Private school heads have criticised Ben Wallace, the security minister, for outrageous, unsubstantiated claims that they may be involved in money laundering.

Mike Buchanan, the executive director of the Headmasters and Headmistresses Conference, said that it was entirely wrong to suggest that schools were turning a blind eye or inadvertently accepting laundered money from organised crime.

Wallace had warned public schools, football clubs and luxury car garages that they must report irregularities to the authorities.

The private school sector attacked the comments, insisting that it had a system in place to report suspicions of laundered money. Buchanan said: "Our schools follow the letter of the law, have robust systems in place for reporting any suspicious funds and are determined to play their part in stamping out any criminal activity. There is no evidence we are aware of that any school has ever knowingly taken illicit payments and it is entirely wrong for anyone to suggest so.

"We are continuously working with the Home Office and other agencies to raise awareness of the methods used by criminals."

One bursar at a private school said that fees were paid almost exclusively through direct debits with high street banks. Any attempt to pay in cash would be refused. The Home Office was unable to produce evidence that any private school was involved in accepting cash from organised criminals.