

Money Laundering and Financial Crime Policy

Adopted: 28 January 2026

Next review: in 3 years

1. Purpose

RG Spaces is committed to preventing its funds and activities from being used for money laundering, terrorist financing, or other financial crime. Although the charity is not subject to the Money Laundering Regulations, the trustees recognise their responsibility to safeguard charitable funds and ensure good governance.

This policy sets out the proportionate steps taken by the charity to manage and mitigate the risk of money laundering.

2. Scope

This policy applies to:

- All trustees
- Any volunteers involved in financial decisions or handling funds

3. Risk assessment

The trustees consider the risk of money laundering to be **low**, based on the following factors:

- The charity normally has an annual income of less than £10,000
- Currently the majority of income comes from CAF (Charities Aid Foundation) trusts and CAF itself has stringent money laundering checks in place
- Activities are based solely in the UK
- The charity awards a small number of grants each year (typically two or three)
- Grants are usually made to established organisations such as charities, local authorities, or universities
- Where grants are made to individuals (e.g. a local artist), these are infrequent, small in scale, and related to heritage or cultural projects and the charity's trustees will have knowledge of the project and be able to monitor its progress

- Grant amounts are modest (from a few hundred to a few thousand pounds)
- There are no overseas activities or transfers

4. Financial controls

To reduce the risk of financial misuse, the charity:

- Holds funds in a bank account in the charity's name
- Requires trustee approval for all grants and any other payments
- Minimises the use of cash
- Requires two trustees to ratify any payments
- Publishes all financial transactions, including a list of grants made, in its publicly available annual reports

5. Due diligence on grant recipients

The charity takes a proportionate approach to knowing its grant recipients:

- The purpose of each grant must align with the charity's charitable objects
- Trustees will ensure they understand:
 - The purpose of the project
 - How the funds will be used
- Grants to organisations are normally made to known local bodies (e.g. registered charities, local authority services, or educational institutions)
- Where, exceptionally, a grant is made to an individual, formal identity checks are not normally required but trustees will not issue a grant to an individual who is not well-known either to RG Spaces or to other organisations in the local cultural and heritage scene
- Where a project is led by the charity, the Trustee Board acts as project board
- Where the project is led by another body (which is the usual case) either a member of the charity will sit on the project board or the trustees will be updated on progress at each of their meetings
- Progress on all current projects is summarised and published in the annual report

6. Recognising and managing concerns

Trustees and volunteers are alert to potential warning signs, including:

- Requests to pass money through the charity for third parties
- Pressure to make urgent or unusual payments
- Requests that are inconsistent with the charity's aims
- Unexpected or unexplained changes to how funds are to be used

Any concerns should be reported promptly to a trustee.

7. Reporting and escalation

If trustees believe there is a serious risk of money laundering or financial crime, they will consider whether it is appropriate to report the matter to:

- The Charity Commission
- Action Fraud or the police

8. Responsibility and review

The trustees are collectively responsible for implementing this policy.

The policy will be reviewed periodically and whenever there is a significant change to the charity's activities or risk profile.