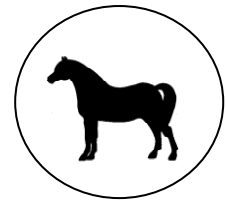


# The Welsh Pony and Cob Society Cymdeithas y Merlod a'r Cobiau Cymreig



Author: WPCS

Review: October 2019

## **Funding Charitable and Non Charitable Organisations**

The Welsh Pony and Cob Society recognises the contribution other organisations, both charities and non-charities, can make in the furtherance of its own charitable aims and objectives. This policy sets out the Societies approach to donating funds to charities and granting funds to non-charities.

This policy recognises the difference in working with charities and non-charities as per Charity Commission guidance. The trustees will set annual priorities for funding (which they can change or depart from at their discretion). The trustees will ensure that all funding is overseen by trustees or within a framework of delegation that ensures appropriate oversight and scrutiny by the trustees.

When deciding on the level of funding available each year for the funding of charities or non-charities the trustees of the Finance and HR standing committee will exercise due prudence in committing the funds that are available in advance of each new financial year and in accordance with the funding priorities that have been identified.

### **Grants and Donations to Other Charities**

The Society will work with other charities to carry out its charitable aims and objectives. This joint working could include fundraising, donating or making a grant to the other organisation or collaborating to deliver a project or contract, or to share facilities.

In making a decision to do one of these things the trustees of the Finance and HR standing committee will properly consider and be satisfied that:

- A UK applicant is a charity registered in England, Wales, Scotland or Northern Ireland
- It will be an effective way of using the Societies resources to further its charitable purposes
- It will be in the Society's best interests
- That the Articles do not prevent the Society from doing so
- And that risks are identified and dealt with

### **Grant Funding an Organisation that is not a Charity**

The Society will consider awarding a grant to a non-charity to further its charitable aims and objectives but the grant cannot be "unrestricted", can only cover costs that are directly connected to carrying out the activities being funded and cannot be used to fund the core costs of a non-charity. This is to avoid the Society's funds being applied for activities that are outside its purposes or not charitable in law. The Society is only able to make grants for activities that in principle it could carry out itself.

In making a decision to award a grant to a non-charity the trustees of the Finance and HR standing committee will:

- Confirm that the organisation being considered is not a charity or does not have to register as it is an exempt charity

- Confirm that the Articles do not prevent the Society from doing so
- Take reasonable steps to assess risks and carry out an appropriate process of due diligence on the organisation
- Ensure that the organisation receiving the grant understand the Society's purposes and their boundaries as part of the due diligence process
- Set appropriate grant conditions and ensure that the organisation understands and accepts them
- Put appropriate monitoring arrangements in place
- Plan for contingencies if something should go wrong.
- Evidence that the grant is clearly in line with the Society's charitable purposes.
- Ensure that any private, or non-charitable, benefit is incidental to carrying out the Societies purposes.

Written agreements between the Society and organisations that are not charities will set out the terms and conditions of the grant. These terms and conditions will ensure that:

- The grant is spent in accordance with the Society's objects and powers
- The organisation that receives the grant reports to the Society as to how the funds have been spent and how the work has progressed, with interim reports for grants with timescales as appropriate
- Where appropriate the Society can carry out its own independent monitoring or assessment of the work and use of the grant
- The Society can insist on repayment if the terms and conditions are breached.