

Policy on receiving charitable donations

This is the policy of the Confederation of School Trusts (hereafter CST) on receiving charitable donations. Our statement of general policy is the 'know your' principles approach outline in the Charity Commission's guidance [*Due diligence, monitoring and verifying the end use of charitable funds*](#).

- know your donor
- know your beneficiaries
- know your partner

CST is committed to the seven principles of public life. This policy is part of a wider policy framework and should be read alongside CST's policies on our Code of Governance, financial controls and procedures, risk management and GDPR.

Trustees undertake at all times to:

- comply with the law and act in the best interests of the charity;
- comply with the legal principles of duty of care and duty of prudence and maintain control of charitable funds;
- ensure that the charity's funds are used properly, lawfully and in furtherance of our purposes.

Trustees will act prudently in the receipt and expenditure of charitable funds. We will ensure that the funds received by the charity are legitimate.

Using our funds and assets only in furtherance of the charity's purposes and to the extent of our powers

Our core charitable object is the advancement in education in schools in England and Wales.

Our powers, exercised in the promotion of our charitable object, include:

- Providing a national forum for schools being in particular but without limitation voluntary aided schools, foundation schools, Single Academy Trusts and Multi Academy Trusts ("Schools");
- Facilitating two-way communication between Schools and government and other bodies concerned with educational matters as necessary to promote the Objects;
- Providing advice or information;
- Carrying out non-political campaigning and advocacy, provided that the Trustees are satisfied that any proposed non-political campaigning and advocacy will further the Objects to an extent justified by the resources committed and that such activity is not the dominant means by which the Charity promotes the Objects; and

- Accepting gifts and raising funds (but not by means of taxable trading) and in its discretion to disclaim any particular contribution.

We will only accept charitable donations in the furtherance of our object and to the extent of our powers.

We will ensure proper and adequate financial records for both the receipt and use of all funds together with audit trails of decisions made and in a manner consistent with the purpose and objectives of the organisation.

Due diligence

We will take reasonable steps to ensure we will:

- Identify and know who we are dealing with – we will not accept anonymous donations;
- Know the organisation's or individual's business and be assured this is appropriate for the charity to be involved with;
- Assess any risks that may arise from accepting a donation; and
- Ensure that any conditions that may be attached are appropriate and can be accepted.

We will ensure HMRC guidance is followed in relation to substantial donations.

In addition, the UK Bribery Act 2010 requires that we ensure that the receipt of a donation is not related to some inappropriate advantage that be afforded to the donor. Other relevant legislation includes the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering Regulations 2007 under which it is an offence to receive, retain or convert money or property known or reasonably suspected to be the product of criminal activity.

If due diligence checks reveal evidence of crime or suspicious activity, trustees will report the matter to the police and/or as a serious incident to the Charity Commission and/or other appropriate authorities.

Recording donor information

When obtaining and recording personal records, we will comply with GDPR, which provides a framework to ensure that personal information is handled properly and in accordance with the rules on data protection.

Monitoring

Monitoring is important to ensure we are able to account for the proper use of the charity's funds and maintain donor confidence. This is particularly the case when a partner organisation undertakes a project or activity on our behalf.

We will ensure:

- the funds can be accounted for, that there is an audit trail showing the expenditure of funds, checking the funds were received by the partner;
- the partner has actually delivered the project and charitable work expected;
- the charity's funds have been used for the purposes for which they were intended;
- that any concerns that need to be dealt with are identified;
- the partner continues to be appropriate in all respects for the charity to work with; and
- that we can verify the end use of funds – that the funding has been spent for the purposes intended in line with our charitable object.

REVIEW

This procedure may from time to time be reviewed and amended or updated in the light of working experience, charity law and case law and the circumstances of the Charity.

Date 10 May 2019; reviewed June 2022

Date of review: every 2 years; June 2024