



Donations Policy

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APPROVED BY:	Trust Board
DOCUMENT OWNER:	Director of Finance

This policy is applicable to our current schools, Khalsa Secondary Academy (KSA), ATAM and The Khalsa Academy Wolverhampton and for any further schools we open.

1. Introduction

1.1 Khalsa Academies Trust (the Trust) is committed to the highest possible standards of conduct and has a wide range of interrelated policies, procedures, codes and guidance that provide a corporate framework to counter the possibility of fraudulent activity and/or bribes. This policy and associated procedures must be read in conjunction with the following other Trust policies/procedures:

- Anti-Corruption and Bribery Policy
- Whistleblowing Policy
- Trust Governance Handbook and Scheme of Delegation
- Disciplinary Procedures
- Complaints Procedures

1.2 The Donations Policy sets out the framework for the acceptance, management and use of donations to the Trust.

1.3 A donation is a contribution that is voluntarily transferred by a person or an organisation to the Trust without compensation or benefit flowing from the giver to the receiver. Generally, donations are irrevocable, and, beyond a possible designation of use, the donor does not impose contractual requirements or subsequent reports as a condition of the donation. The term donation in this policy includes sponsorship and gifts.

Donations and gifts to the Trust may be in the form of cash, goods or services. They may be given with (restricted) or without (unrestricted) conditions.

Where a gift is donated (in the form of goods) of estimated value totalling £100 or less (e.g. an adhoc donation of a box of chocolates for a raffle prize) it is regarded as non-material and not recorded on the donations register or financial systems.

Where a gift in kind (in the form of services) of estimated value totalling £100 or less (e.g. one off professional service) it is regarded as non-material and not recorded on the donations register or financial systems.

2. Statutory requirements

2.1 **Due Diligence**

Due diligence should involve judging the quality and completeness of initial information obtained and then deciding whether further checks or enquiries are necessary.

2.2. **'Know your' principles**

As per Charities Commission, The Trust should know, at least in broad terms, where the money they are being given comes from (e.g. grants, cash donations etc). Trustees should also be able to identify and be assured of substantial donations. There are no minimum legal requirements as to what Trustees should do to comply with the 'know your beneficiaries' principle and a common sense approach is suggested.

2.3 **Monitoring**

Trustees must use Trust's funds and assets only in furtherance of the Trust's purposes. They must ensure that funds are properly protected so that, for example, they are not used for illegal or improper purposes, including for terrorist and other criminal purposes.

2.3 **Suspicious situation**

If trustees suspect a crime has been committed or the charity's money is being used for illegal purposes, they must report the suspicious activities to the police and appropriate authorities. Serious incidents should also be reported to the commission under the reporting serious incidents regime via RSI@charitycommission.gsi.gov.uk.

3.Solicitation for and acceptance of donations

3.1 Khalsa Academies Trust supports the solicitation for, and acceptance of, external donations, gifts and sponsorship that promote the objects and strategic objectives of the Trust.

3.2 Donations, gifts and sponsorship are accepted free of obligation to the donor.

3.3 Donations, gifts or sponsorship will be declined where they are given with conditions that are incompatible with:

- The objects of the Trust
- Public procurement legislation
- Genuine principles of donation without obligation

Or because the source or conditions of the donation might bring the Trust into disrepute.

3.4 Donations will be accounted for so that their receipt and subsequent expenditure or transfer to other funds can be readily identified and reported.

4.Procedures for donations

4.1 **Offers of Donations**

Offers of donations made to individual trustees, local governors or employees should be referred to the Chief Executive Officer or the Headteacher (each individual school) in

the first instance. The Chief Executive Officer/Headteacher will determine whether the donation is consistent with the Trust's objects as defined in its Articles of Association. For donations that are equal to, or greater than, £10,000 in value the Headteacher will consult with the Chief Executive Officer and the Director of Finance before making a decision about accepting the donation.

All donors should be requested, for audit purposes, to put in writing details of their donation/gift, the fact that it has no conditions attached (where relevant), their estimation of the value (where relevant), and when the individual school/central trust will receive the donation/gift.

4.2 Use of Donations

As per Charities Commission, Trustees must use Trust's funds and assets only in furtherance of the charity's purposes. They must ensure that funds are properly protected so that, for example, they are not used for illegal or improper purposes, including for terrorist and other criminal purposes.

Trustees must approve the use of donations received by the Trust and their approval should be recorded.

Donations made to Khalsa Academies Trust may be used to promote, enhance and protect the Sikh faith or ethos of Trust and each school managed by the Trust, however the Trust has the discretion to use donations in any way it deems fit for purposes in line with the Trust objects and strategic objectives.

Where a donation is given for a specific purpose such as library books, then the school/Trust should ensure that it is used for the intended purpose. In the event that the donation funds exceed the amount required for the intended purpose or alternative sources of funds are available, the Trustees will have the discretion to use the funds for other purposes in line with the Trust objects and strategic objectives.

4.2 Reasons for Declining Donations

An offer of a donation must be declined if one or more of the following conditions exist:

- The donation has conditions attached that are inconsistent with the Trust's objects;
- The donation has conditions attached that are inconsistent with procurement best practice or legislation;
- The donation has conditions attached that are inconsistent with the principle that a donation is a contribution that voluntarily transferred by one person to another without compensation or benefit flowing from the giver to the receiver.
- The source of the donation or its intended purpose are inconsistent with the characteristics of an Academy Trust as laid out in the Funding Agreement or are likely in the view of the Trust draw adverse publicity for the Trust or bring it into disrepute.

5. Maintaining records and accounts

5.1 Monetary Donations

All donations accepted should be recorded as received on the donations register which will be maintained by the Trust Director of Finance.

Normal fundraising activities of each school such as Children in Need will be recorded at each school level and submitted to the Director of Finance.

5.2 Donations in the form of gifts in kind

Assets donated by third parties are recorded on the Trust's financial system at their fair (open market) value where the benefit to the Trust can be reliably measured (i.e. what the Trust would be prepared to pay to purchase the asset). An equivalent amount should be recognised in the appropriate fixed asset category and depreciated over its expected useful economic life on a basis consistent with the depreciation accounting policy for that category.

The assets will be depreciated over the remaining useful life of the asset in accordance with the approved accounting policies of the Trust.

The donations register (Appendix A) will be updated for all gifts in kind with an estimated value of more than £100. Copies of letters supporting the gift in kind will be retained with the register along with documentation to support the basis of valuation (prices if bought on the open market).

5.3 Donations in the form of donated services or facilities

Donated services are limited to donations by an individual or entity as part of their trade or profession. For example, if a local accountancy firm agreed to supply an accountant free of charge for a couple of hours a month. Contributions of volunteers (e.g. parents or others volunteering to assist with reading in the classroom) or governors undertaking their role as governors do not need to be recorded on the Trust's financial system.

Donated services by trade or profession should only be recorded on the financial system where the benefit to the Trust is reasonably quantifiable and measurable. The value of these services should be the price the Trust estimates it would pay in the open market for the service.

The donations register (Appendix A) will be updated for all donated services or facilities of more than £100. Copies of letters confirming the service/facility to be donated will be retained with the register along with documentation to support the basis of valuation (prices if bought on the open market).

Appendix A: Donations Register – Academic Year 20 /

School

Date the offer was made	Person/Organisation making the donation	Donation offered (cash /asset/service)	Conditions Attached	Value / Estimated Value (£)	Accepted / Refused	Date Condition Met (where applicable)
01/04/2013	A M Smith	Cash	Outdoor play Equipment	£100	Accepted	31/08/2013
01/05/2013	J Brown	2 x Mini Ipad(new)	None	£600	Accepted	N/applicable

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Note: Gifts donated (in the form of goods) of estimated value totalling £100 or less (e.g. an adhoc donation of a box of chocolates for a raffle prize) do not require recording on the donations register.

Gifts in kind (in the form of services) of estimated value totalling £100 or less (e.g. one-off professional services) do not require recording on the donations register.