



Acceptance and Refusal of Donations

Flamingo Chicks actively encourages donations from a range of sources including individuals, companies, and charitable trusts through live crowdfunding. These gifts may be in the form of cash, in-kind services or pro bono work. The purpose of this policy is to enable Flamingo Chicks' Board of Trustees and the staff who support them to make clear and consistent decisions regarding the acceptance or refusal of donations for Flamingo Chicks' core costs.

Trustees have a responsibility to act in Flamingo Chicks' best interests in achieving its vision. When deciding whether to refuse a donation, trustees must only do so if to accept it would be more detrimental to the charity being able to achieve its objectives than rejecting it. Donations to Flamingo Chicks will only be rejected in exceptional circumstances, when:

- it would be unlawful to accept it (e.g. Flamingo Chicks knows that the gift comprises the proceeds of crime); or
- accepting the donation would be detrimental Flamingo Chicks' purpose, as set out in its constitution, or its reputation

This policy is aligned with guidance from the Charity Commission, which refers charity trustees to the Institute of Fundraising's Acceptance, refusal and return: A practical guide to dealing with donations (May 2018).

Guidelines

Any donation that could create a reputational risk for Flamingo Chicks must be referred to the Board of Trustees before approval. In considering the acceptance of such donation, the following guidelines may apply:

- donations should support Flamingo Chicks' objectives, mission and strategy
- any additional costs and conditions associated with the acceptance of a donation need to be clearly identified and agreed by Flamingo Chicks' Board of Trustees
- reasonable steps should be taken to ascertain that the proposed donation does not arise, in whole or in part, from illegal or unethical activity
- reasonable steps should be taken to ascertain that the acceptance of the proposed donation would not:
 - require Flamingo Chicks to be involved in action that is illegal or unethical
 - lead Flamingo Chicks to contravene legislation on data protection and/or freedom of information
 - create an unacceptable conflict of interest for Flamingo Chicks;
 - expose Flamingo Chicks to significant liability;
 - damage to Flamingo Chicks reputation;
 - deter other donors;

- seriously harm Flamingo Chicks relationship with members, non-profits, partners, employees or other stakeholders

Flamingo Chicks has the discretion not to accept donations that may impair or harm its reputation or its capacity to carry out its objectives. To refuse a donation, they must be able to demonstrate that they have reasonable grounds for believing that accepting the donation would lead to a net decline in Flamingo Chicks' assets. Similarly, any consideration as to accepting or refusing a donation would damage Flamingo Chicks' reputation must be assessed in purely financial terms; that is, that the acceptance or refusal of a donation would give rise to a greater financial loss to Flamingo Chicks than the sum it would gain by accepting it, or lose by refusing it.

Process

1. In the first instance, the CEO is responsible for ensuring any donation is supporting Flamingo Chicks in accordance with this policy. Central to this are assurances about the identity of donors, the provenance of funds and the conditions attached to them. The CEO will inform the trustees on any donation that he/she judges could potentially raise questions.

2. On the basis of the evidence available, the Trustees will establish which course of action (i.e. to accept or to refuse the donation) is in the charity's best interests. Trustees can refuse the donation:

a) where it is clear that the activities of a donor are directly detrimental to the objectives of the charity or to the its beneficiaries

b) where the potential donor is a person/ company whose activities are not directly related to the charitable objects of the charity, but TFN nevertheless wishes to avoid association with the donor; great care should be exercised in coming to such a decision

3. Trustees will conduct a risk assessment to demonstrate that the action (of acceptance or refusal) is reasonable in light of the risks and mitigating actions, and, by extension, serves the best interests of Flamingo Chicks. This is important, as the trustees are potentially answerable to the Charity Commission and MUST be able to demonstrate clearly to the Commissioners how 'the best interests of the charity' have been served in accepting or refusing the donation in question.

4. If, having considered the above, the trustees are still concerned about whether or not to refuse a particular donation, they will seek the views of the Charity Commission under section 110 Charities Act 2011 (power to give advice) or an order from the Charity Commission sanctioning their decision under section 105 Charities Act 2011 (power to authorise dealings with charity property etc.). Circumstances where such an order might be considered are those where:

a) It is not immediately clear what the 'best interests of the charity' are in relation to the proposed donation

b) Large sums of money or property are involved

c) The trustees have reason to believe that a decision taken by them might be subsequently challenged in court

d) The trustees wish to use the 'authority' of a Charity Commission order to mitigate against the threat of negative publicity engendered by the refusal of a donation

5. Where the trustees decide to refuse a donation, they will keep a careful minute of their decision, and the reasons for it. The Chair of the Board of Trustees will communicate the decision to refuse a donation to the parties concerned.

Reviewed 29.01.2023 KS CEO