

Gift Acceptance Policy (UK) August 2024

Summary and Scope

The END Fund's mission is to end the most prevalent neglected diseases among the world's poorest and most vulnerable people. The END Fund encourages the solicitation and acceptance of gifts for purposes that will help The END Fund further and fulfil its mission. The Gift Acceptance Policy (hereafter, "the Policy") governs the acceptance of all restricted, unrestricted, current and deferred gifts made to The END Fund. It is the responsibility of the Chief Executive Officer to educate the following people about the Policy:

- (A) **Staff:** Staff at all levels, including full-time and part-time employees, full-time consultants, fellows and interns.
- (B) **Board and Advisors:** Members and observers of the Boards of Directors, Technical Advisory Council, Leadership Advisory Council and Board Committees.
- (C) **Other Partners:** Other consultants, contractors, donors, sponsors, journalists, media, researchers, guests and others engaged in resource mobilisation with or on behalf of The END Fund.

The Policy must also be publicly available on The END Fund website for the purpose of providing guidance to prospective donors and their advisors when making gifts to The END Fund.

Unrestricted and Restricted Gifts

The END Fund has been established with the purpose of following donors' instructions for all gifts. As such, the formal donor legal documents will clearly state how much of any gift may be used for unrestricted purposes and restricted purposes. The END Fund will accept unrestricted gifts and gifts for specific programmes and purposes, provided that such gifts are not inconsistent with its stated mission, purposes, and priorities.

The END Fund reserves the right to decline any financial commitment, gift, or bequest, as well as the right to determine how a gift will be credited and/or recognized. The END Fund will not accept gifts that: (a) are too restrictive in purpose; (b) are too difficult to administer; (c) are for purposes outside the objects of The END Fund; (d) would be unlawful to accept; or (e) if accepted would be detrimental to the achievement of The END Fund's purposes and that detriment to The END Fund is likely to be greater than the benefit of accepting the gift.

The END Fund has a legal obligation to refuse or return a gift that:

- is from a donor who does not have the mental ability to decide to donate;
- cannot legally be given to your charity (for example, where the donor does not own the property that they are donating); and
- under the terms of the donation, must be returned in certain circumstances (for example, a grant agreement that required The END Fund to return any unused funds by a particular date, or return any funds that cannot be used for the purpose for which they were given).

More detail on the refusal of gifts is set out below.

In drafting instruments that govern the receipt of restricted funds to The END Fund, or to any of its affiliated organisations, donors and their advisors shall be encouraged to use language that would permit application of the gift to a more general purpose if, in the opinion of the CEO, the designated purpose is no longer feasible.

All receipts from unrestricted bequests, annuities, charitable remainder trusts and charitable lead trusts shall constitute unrestricted funds, unless the CEO determines a particular unrestricted gift of the type enumerated in this section should become part of a general endowment.

Acceptance and refusal of funds

The END Fund will undertake appropriate and proportionate due diligence in respect of potential donations and, where relevant, will have regard to the Charity Commission's "[Know your donor](#)" tool (which lists questions for charity trustees to consider whenever they receive a donation that is out of the ordinary in some way).

The END Fund's policy is that, if deemed in the best interests of The END Fund, potential donations may in exceptional circumstances be refused if, having carried out a risk assessment, the Directors determine that:

- it would be unlawful to accept the donation (**refusal ground A**); or
- acceptance would be detrimental to the achievement of The END Fund's charitable purposes and that detriment to The END Fund is likely to be greater than the benefit of accepting the donation (**refusal ground B**).

The procedures for determining whether refusal ground A and/ or B applies are set out below.

Refusal ground A

In determining whether refusal ground A applies, the Directors acknowledge that The END Fund must carry out effective due diligence and monitoring in respect of financial matters to avoid being unwittingly involved in a fraudulent transaction.

Due diligence on potential donations will be proportionate and will include verifying the source of the donation.

The Board of Directors must review any potential gift with the following "red flags" and provide direction to the Chief Executive Officer:

- donor has criminal convictions and/or is facing legal action;
- donor has known criminal associates;
- activities that demonstrate a disregard for human rights;
- funds originate from known conflict zones;

- lack of transparency about activities in sectors/regions where contraventions of international standards frequently occur;
- known or alleged violates of international standards or codes of conduct.

To manage the risk of The END Fund accepting a donation where it would be unlawful to do so, The END Fund has adopted the following procedures to facilitate the identification of donations which might be fraudulent: Any staff, volunteer or Director who is made aware of a potential donation that has one or more of the characteristics set out below must report that donation to the Head of Legal & Global Operations, who shall consult with The END Fund's Board of Directors, to determine whether it is in the best interests of The END Fund to accept the donation. Characteristics to look out for are donations that:

- are of an unusually large amount, taking into account the identity of the donor, the nature of the donation and The END Fund's relationship with the donor;
- have complex conditions or transfer arrangements attached;
- are of a significant sum from an anonymous donor.

A report will lead to further and detailed due diligence on the donation if The END Fund has any reason to believe that the donation could be:

- an attempt at money laundering;
- the proceeds of crime;
- a 'tainted charity donation' (see further details at section 3); and/or
- an attempt at tax evasion.

Refusal ground B

In determining whether refusal ground B applies, The END Fund will consider whether acceptance of the donation would likely lead to:

- loss of donations from other supporters (where that loss is equivalent to or greater than the value of the donation in question); and/or
- loss of volunteers or staff (whose services would be of equivalent or greater value than the value of the donation in question).

Where The END Fund identifies that the risk that acceptance of a donation would, or would be likely to, significantly damage The END Fund's reputation, that risk should be taken account of when considering whether refusal ground B applies.

The Directors acknowledge that, if the acceptance of a donation would be contrary to the Charity's values and ethics, this may be relevant (but not necessarily a decisive factor) to assessing whether ground B applies, provided those values and ethics are relevant to the Charity's objects.

The Directors acknowledge that the Charity is expected by the Charity Commission to report anonymous donations of over £25,000 to the Charity Commission as a serious incident.

All final decisions on the acceptance or refusal of a gift shall be made by the Chief Executive Officer, who shall consult with the Board of Directors to determine whether it is in the best interest of The END Fund to accept a donation. The Chair of the Board and those appointed in any Board resolutions are authorised to enter into planned gift agreements on behalf of The END Fund and to execute any and all documents necessary or appropriate to consummate such agreements.

Administrative Expenses

- The END Fund will not pay commissions or finder's fees as consideration for directing a gift to The END Fund.
- Donors are responsible for obtaining their own appraisals of real property or tangible or intangible personal property given to The END Fund and for any fees or other expenses related to such appraisals.
- The END Fund retains the right to obtain its own qualified appraisals of real property or tangible or intangible personal property being offered as a gift at its own expense.
- The END Fund will acknowledge receipt of gifts of tangible personal or real property in accordance with the Companies Act 2006 and Charities Act 2011 and will sign any HMRC form or other documents necessary for the donor to obtain a tax deduction for such gifts, so long as such acknowledgment does not entail valuing the gift. Acknowledgment of all gifts made to The END Fund shall be the responsibility of the UK Board of Directors and shall comply with current HMRC requirements.
- Prospective donors shall be responsible for their own legal, accounting, appraisal, transportation, and other fees related to The END Fund.

Use of Legal Counsel

The END Fund shall seek the advice of legal counsel in matters relating to acceptance of gifts when deemed appropriate by the Senior Leadership Team or Board of Directors. Review by counsel is recommended for:

- closely held stock transfers that are subject to restrictions;
- documents naming The END Fund as Trustee;
- gifts involving contracts, such as bargain sales or other documents requiring The END Fund to assume an obligation;
- gifts of real property;
- other instances in which use of counsel is deemed appropriate.

Tainted Donations

The UK Board of Directors recognise they have a duty to put in place procedures to identify "tainted charity donations". The Charity Commission's guidance CC8 "internal financial controls for charities" explains that charities must be aware of the rules in relation to tax legislation regarding tainted charity donations and their related responsibilities. Tainted charity donations are donations that fulfil all of the following three conditions:

- (A) The donor or a person connected with the donor enters into arrangements, and it is reasonable to assume that the donations and the arrangements would not have been entered into independently of each other.
- (B) The main purpose, of one of the main purposes, of the donor/connected person entering into the arrangements is to obtain a financial advantage directly or indirectly from the charity that received the donation (or a connected charity).
- (C) The donor is not a qualifying company that is wholly owned by a charity (or charities) or a relevant housing provider linked with the charity to which the donation is made.

The risks to The END Fund of receiving a tainted donation are:

- in the event The END Fund is considered by HMRC to have been party to the arrangement from inception, or aware that the main purpose or one of the main purposes of the arrangements was to provide financial advantage to the donor, The END Fund may become jointly liable (with the donor) to pay a tax charge; and
- any consequential reputational damage arising from any publicity in connection with The END Fund's acceptance of the tainted donation.

Confidentiality

All information about donors and prospective donors, including but not limited to, their names, the names of their beneficiaries, the nature and amounts of their gifts, and the sizes of their estates will be kept confidential by The END Fund, unless the donor grants permission to release such information. See the Confidentiality Policy for more information. All requests by donors for anonymity will be honoured, except to the extent that the TND Fund is required by law to disclose the identity of donors. The UK Board of Directors must report to the Charity Commission any anonymous donation over £25,000.

Exceptions to Gift Acceptance Policy

Any exceptions to this Gift Acceptance Policy may be made only in exceptional circumstances, on an individual basis, and shall require the approval of the Board.