

How to set up **your** **own charitable** **foundation**



givingworks

www.givingworks.org.uk

Your own charitable foundation

You and your business can make a real difference

More than ever before, the world is in need of philanthropists, business managers and owners who are prepared to give their time, money, motivation and skills to help others.

If you are one of those exceptional individuals who runs a business and is prepared to step up to address the challenges we face, then it is likely you already give to charity. We invite you to take the next step to make your charitable giving even more effective.

The impact of your business having its own charity, without the cost or administrative burden of running it

GivingWorks offers you the opportunity to set up your own charitable foundation, fully compliant with charity law, eligible for Gift Aid and Corporation Tax relief and without the administrative burden of running a charity. To make things as simple as possible for you, our charity team works as your foundation's back office, allowing you to focus on achieving your philanthropic objectives.

Setting up a GivingWorks charitable foundation gives you all the moving parts of a charity:

- Your own charitable bank account
- Gift Aid and Corporation Tax relief
- Taking in funds delivered through giving platforms
- Financial reconciliation of donations with expenses and grants paid out by your foundation
- Compliance with Charity Commission requirements and reporting
- Due diligence to ensure recipients of your grants are legitimate
- Distribution of grants to beneficiaries and charities you wish to support
- The GivingWorks Trustees independently oversee your foundation on your behalf

Furthermore, we have knowledgeable and valuable contacts who have worked for much of their lives in the not-for-profit sector available for when you need advice.



Compare setting up a GivingWorks Charitable Foundation with setting up your own charity

	GivingWorks Foundation	Standalone Charity
Trustees	No Trustees are required. GivingWorks provides independent Trustees for you	A minimum of 3 independent Trustees are required to establish a charity, all of whom need to be volunteers
Registration with government bodies	No need for account holders to register with either Companies House or the Charity Commission	Charities must register with the Charity Commission if their income is over £5,000, unless they are a Charitable Incorporated Organisation (CIO) in which case they must register upon formation
Reporting	We do all reporting to the Charity Commission and Companies House. A GivingWorks foundation receives a yearly independent audit at no extra cost to account holders	If your charity is a CIO you must submit annual returns and (over a certain threshold) accounts to the Charity Commission. If your charity is a charitable company you must submit an annual return and (over a certain threshold) accounts to Companies House and the Charity Commission
Conflicts of interest	GivingWorks' own board (as a charity) must declare their conflicts and provide account holders with a level of independence they require for governance purposes	All Trustees must be independent and any conflicts must be declared
Policy documents	GivingWorks has all necessary policy documents already in place and can provide these to foundation clients upon request	All charities are required to have policy documents in place including conflicts of interest policies
Charity registration number	Account holders are able to use the GivingWorks charity registration number to open a JustGiving Account and to refer to it in any fundraising materials	Charities are provided with their own charity number upon registration with the Charity Commission which can take many months
Name	An account holder can set up their foundation in any name they choose provided it does not already exist as a company or registered charity	Charities may be formed in any name they choose provided it does not already exist as a company or registered charity
Bank accounts	GivingWorks will establish a separate bank account for your foundation to hold its funds	Charities must establish their own bank account which should be subject to dual authorisation controls
Trustee remuneration	Account holders may be remunerated by the foundation in certain circumstances	Trustees may find it more difficult to be remunerated for work they carry out and cannot be full time employees without Charity Commission permission
Gift Aid	Able to accept Gift Aid and corporate tax reliefs on donations	Able to accept Gift Aid and corporate tax reliefs on donations

Please note that as your charitable foundation will be set up under GivingWorks you may not be able to claim certain benefits that a stand-alone registered charity may be able to obtain from some providers. Where they can be claimed on your behalf, GivingWorks will endeavour to do so.

Wherever your motivation comes from, you are in control

There are so many reasons why you may want to control your own charitable foundation. Many GivingWorks clients have set up their foundations as a result of losing a loved one or colleague to a particular disease. Others aim to support very specific causes and projects that are linked to their business objectives, perhaps in the communities from which they draw employees. Equally your company may seek to make a difference across wider social issues - to improve education, promote gender equality or preserve the environment. Others see it as a responsibility of their family, their faith or their business to make a difference and engage with friends and employees to do so.

If you are a business owner, your foundation can form the cornerstone of a Corporate Social Responsibility strategy for your company, engaging employees in the process and determining what causes to support whilst claiming corporate tax relief on donations the business makes.

It really doesn't matter why you want to make a difference, if you have causes you wish to support, a GivingWorks charitable foundation will help you support them more effectively.

Who we are

GivingWorks is a registered charity, set up purely to assist those who wish to contribute towards the public good and support charitable causes anywhere in the world. We have been helping clients for over 20 years; establishing and administering charitable foundations on their behalf, providing them with all the support needed to achieve their philanthropic goals.

What we can do for you

Our charity team acts as the 'back office' for your foundation, allowing you to focus on your goals, without having the burden and complexity of running a full charity.

Banking and finances

Whether you are a business, a family or a group of private individuals we manage your finances, taking donations, including shares, investments and other assets, direct or through public giving platforms into your own dedicated charitable bank account, which we oversee on your

behalf, reporting to you on your foundation's income, expenditure and the charitable grants you make.

Compliance and reporting

As a registered charity, we are regulated by the Charity Commission and represent your foundation's activity within our own reporting, so you don't have to. We are also able to claim Gift Aid on donations to your foundation wherever possible.

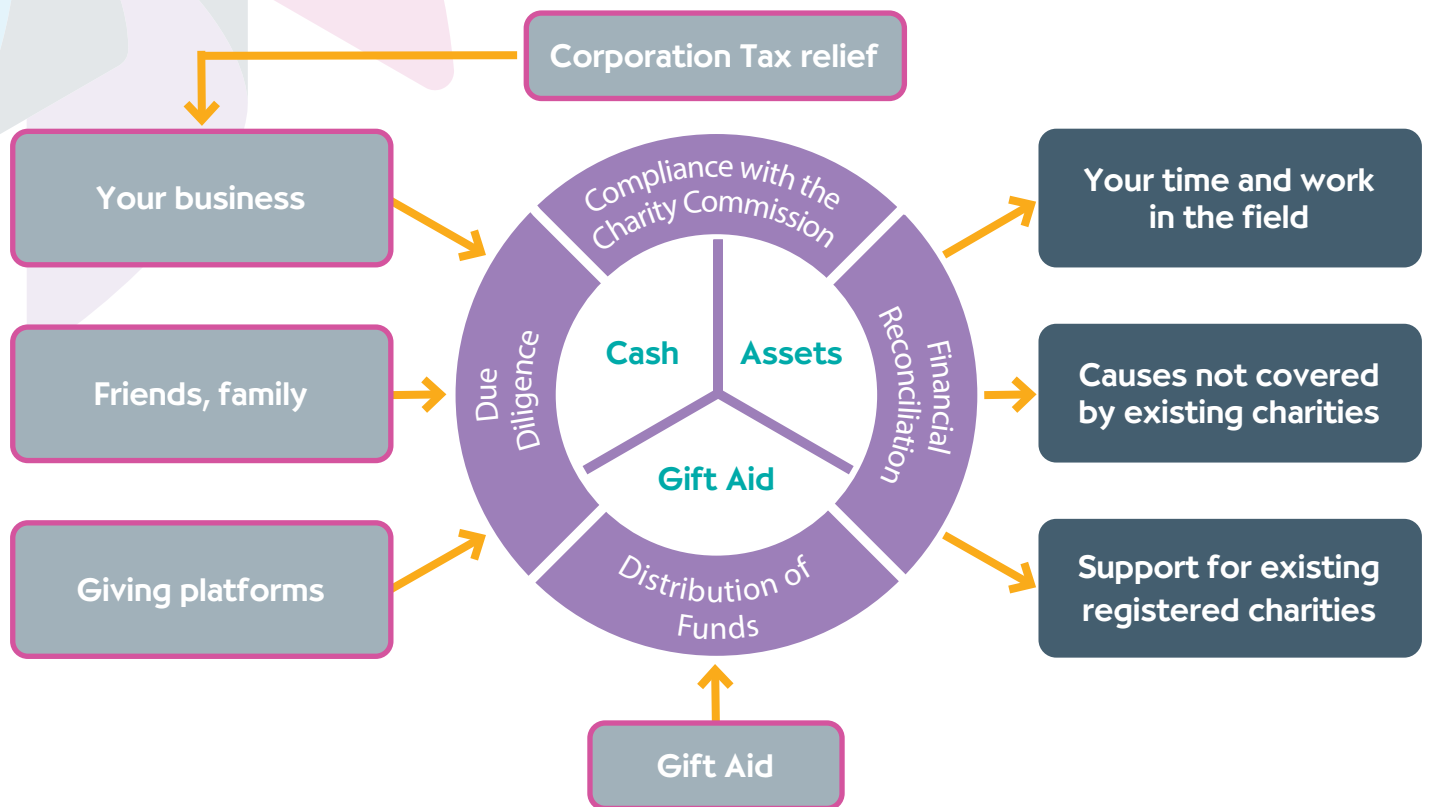
Trustees and due diligence

We have an independent set of Trustees who protect your foundation by carrying out due diligence on the recipients of the grants you wish to award. You may wish to support not only recognised charities but also individuals, projects and organisations working 'on the ground' to address your chosen causes. Through the work of our Trustees, all of that is possible with a GivingWorks charitable foundation.



How it works

Flow of funds



Getting started

We make it as simple as possible for you to establish your own charitable foundation

Step 1: Planning

The first step is all about identifying what you want to achieve through your foundation, how best to achieve it, how you plan to raise funds, where you would like to send them and how you can measure the positive impact created.

Step 2: Establishing

Setting up a foundation is very straightforward through GivingWorks. You complete an application form setting out the causes you wish to support and your goals. Your foundation can be set-up to run as a short-term project or a long-term commitment.

Step 3: Funding

Using GivingWorks, it is easy for you to support your chosen causes, linking to giving platforms or accepting direct payments. You can fund-raise towards your foundation and involve others in building your funds.

Step 4: Support

We can provide you with a range of support to help make your foundation tailored to your requirements – this can be tax and legal advice, helping you design a fundraising campaign, help in setting up your website and more. We can also put you in touch with other clients who will be happy to share their experiences and knowledge with you.

Step 5: Management

GivingWorks manages the charity administration, accounting and regulatory reporting obligations on your behalf. You will be kept fully up to date with comprehensive financial reporting on all donations and the balance of your account.

For an application form to set up your own charitable foundation, please call **0845 362 8425** or email **info@givingworks.org.uk**

Running your Foundation with GivingWorks Q&A

Q. How long does it take to set up a charitable foundation with GivingWorks?

A. We give an expectation of up to 6 weeks, with the majority of this time allocated to setting up your dedicated GivingWorks bank account. If you are connecting to a fundraising platform we recommend you allow a further week as we need to provide evidence of your dedicated bank account to the platform provider to satisfy banking security procedures. This compares very favourably with the time taken to set up a charity.

Q. What charges are there for my GivingWorks charitable foundation?

A. A one-off set up fee charged to establish your GivingWorks account, normally £750. After that GivingWorks typically charges a simple administrative fee on all receipts into the account. The fee arrangement will be agreed with you at the point of signing the agreement. At your request, we may undertake extra consultation work for your foundation. Any separate charges for consultation fees will be agreed prior to the work being carried out.

The only other charges will be relatively minor bank charges and any international bank charges for payments sent abroad. Also, any monthly fee for fundraising platforms will be taken from the account. There are no separate charges for any expenses or grants requested.

Q. Once established, how do I start using the foundation?

- A. 1. As soon as your charitable foundation has a bank account, you can start putting money into it and supporting the causes that are important to you, your business or your family and friends. When you decide that you wish to make a payment to a charity, project, organisation or person, you can email our charity team at support@givingworks.org.uk they will ask you to complete a simple online form which asks who the recipients are, the amount and the purpose.
2. Our Trustees will carry out the necessary due diligence to ensure grants are in the public interest and that you are not being misled in

terms of who will receive the money. If the grant or donation is to a registered UK charity no further information is needed. If the organisation or person receiving the grant is not a registered charity please provide as much information as possible and in particular a contact email or telephone number. GivingWorks will contact this organisation or person to ensure we are able to grant funds to them in line with guidelines set out by the Charity Commission.

Q. Can I pay fundraising expenses from my charitable foundation?

A. Yes, you can pay both fundraising expenses and payments for work required by your foundation to meet its goals. Requests for payment should be made to support@givingworks.org.uk accompanied by receipts and evidence of payment for the goods or services they are for.

Q. How do I connect a fundraising platform to my foundation's bank account?

A. Contact support@givingworks.org.uk and let us know which platform you have selected. We will start the set-up process, as many platforms require Trustee information as well as evidence of the bank account to be connected. Once the registration is complete we will give you access to the fundraising account in order to personalise the fundraising pages.

Q. What fundraising platforms are there to use?

- A. 1. There is a wide choice of giving platforms to choose from and we already work with many of them. Below are the details of just a few to help you get started:
- **JustGiving** is a popular choice, being the most well known and very easy to use. There is a JustGiving monthly fee in addition to processing fees.
 - **The People's Fundraising or Golden Giving** are alternatives. They have low or no monthly fees. It is always worth checking their fee structure before you decide.
 - **Donorbox** - this platform needs to be integrated with a Stripe account. They typically have low or no monthly fees

- **Fundraising.com** – as above
- **Charity Checkout** – now called Enthuse for which there is a monthly fee.

These are the options we use most regularly. Others are available but we would need to check first that full integration with our systems is possible. A call to our charity team may help you decide the best ones for you.

Other options:

- **Instagive** – donations received by text. Only recommended for large short-term campaigns as it is quite expensive.
 - **EventBrite** – useful for one-off events such as concerts. Attendees can donate at the same time as purchasing tickets.
2. If you are using a fundraising platform, GivingWorks will be able to claim the Gift Aid automatically from HMRC. If you or any of your employees, friends and family want to make a direct donation into the bank account and are an eligible UK tax payer we will need a Gift Aid declaration form completed by each donor. This is available from **support@givingworks.org.uk**

Q. How do I know how much is available in my foundation to make a grant or claim expenses?

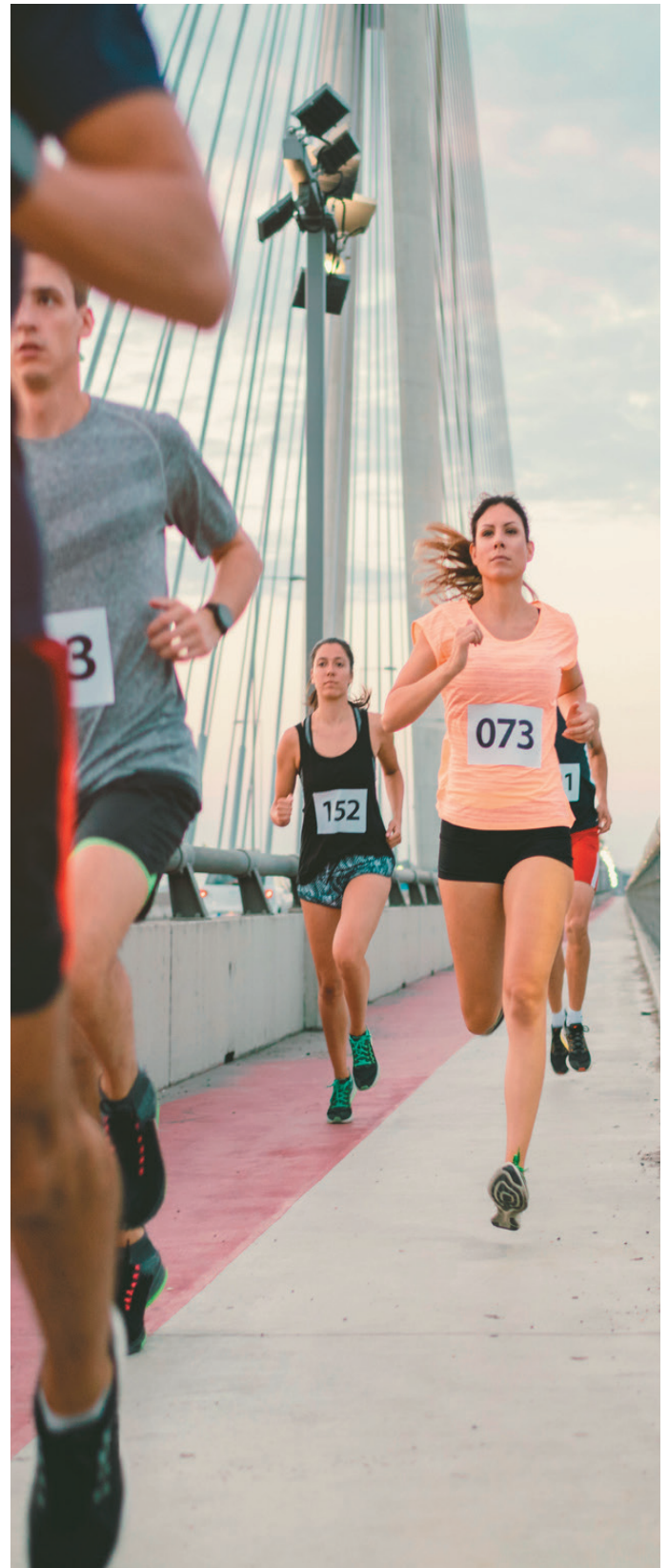
- A.** You will receive a monthly statement of account and you can request an interim balance from **support@givingworks.org.uk**. Our Trustees will also undertake periodic reconciliations to ensure the transactions i.e. money coming in via direct donations and giving platforms tally with grants or expenses going out and your account balance.

Q. Once I have set up my foundation can I change the recipients or causes that were originally set out in my agreement?

- A.** Yes, you can, please send your request to the Trustees by email to **support@givingworks.org.uk** giving details of the reasons behind the change as well as details of the new organisation/s you have chosen to support. It may also be necessary to contact your donors to ensure they have no objection to any changes being made.

How do I close my account and what happens to any funds left in the account?

Please send your request by email to **support@givingworks.org.uk**. Any remaining funds will be sent to your usual recipients or a registered charity. If you have closed your GivingWorks account because you have made the decision to move on and open your own registered charity, funds can normally be forwarded to your new organisation.





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