<u>News story: Returning money to</u> <u>charities</u>

We are aware that numerous registered charities have received donations from the Presidents Club Charitable Trust and may be unsure about what to do with these donations.

Accepting or refusing future donations

It is up to a charity's trustees to make the difficult decision as to whether they should refuse a donation. They must make this decision on the basis of the best interests of the charity. That will include weighing up any issues around how the funds were raised, which may include reputational concerns, against the financial impact on the charity of turning the donation down.

Different charities may legitimately come to different decisions, and trustees can approach the Commission for advice if they are unsure about their approach.

Keeping or returning donations already accepted

As with accepting or refusing future donations, when deciding whether to keep or return donations that have already been accepted, trustees should think carefully about, and be able to demonstrate, what is in the best interest of their charities.

Depending on the terms of the donations and how the funds were raised, there may be restrictions on whether a donation can be returned and the Commission may need to authorise such returns. Charities should seek the Commission's advice about whether our authorisation is required in their specific case. Trustees may wish to seek their own legal advice. The Commission does not expect trustees to return funds raised for charitable purposes in the circumstances but understands if they wish to consider doing so.

Trustees should remember their duty to report any serious incidents which could harm their charity's reputation to the Commission. See our guidance on How to report a serious incident in your charity.

To seek the Commission's advice on this matter please contact <u>rauemailteam@charitycommission.gsi.gov.uk</u> with The President's Club in the subject line.