[INSERT CHURCH NAME]

Accepting and Refusing Donations

**{JUN 2025: This template is intended as a ‘best practice’ document and does not constitute legal advice. We have made it clear where churches should tailor this document to their specific needs. Please be aware that if you make changes outside of these areas, it may mean the policy is no longer best practice and FIEC cannot be held responsible for your amendments. When customising this document for your own church’s use, please edit all the text in [square brackets] and delete the brackets. Please also delete the instructions in {curly brackets} once you have followed them – including this paragraph – as they should not form part of the final document.}**

## Church details

Charity number:

Church address:

Church Treasurer:

Email:

Phone:

This policy first adopted / last reviewed: [INSERT DATE]

This policy should be reviewed every 2 years. The next review is due on: [INSERT DATE]

## 1. Introduction

A clear policy on the acceptance or refusal of donations is important for [INSERT CHURCH NAME]. It is intended to:

* Ensure compliance with legal regulations
* Clarify trustees' legal obligations and responsibilities
* Provide clarity on where authority lies for making decisions
* Ensure decisions are taken in the best interests of the church

The Charity Commission’s guidance sets an expectation that charities will accept donations as a starting point, using funds given to further to the work of the organisation. It is however recognised that there will be occasions when a donation must be refused or returned and occasions when it is in the best interests of the charity to do so.

## 2. Responsibilities

Ultimate responsibility in respect of the acceptance or refusal of donations rests with the trustees of [INSERT CHURCH NAME]. {If it applies, you may want to add, “The trustees have chosen to delegate day-to-day decisions to [ROLE TITLE] {e.g. treasurer} in accordance with this policy and in line with the procedures laid down in [INSERT CHURCH NAME]’s Financial Management Policy.”}

Those with decision making responsibility will have due regard for the Charity Commission’s guidance on accepting refusing and returning donations (www.gov.uk/guidance/accepting-refusing-and-returning-donations-to-your-charity).

Decisions to accept or refuse donations must be taken in the best interests of [INSERT CHURCH NAME]. Any personal views or prejudices must not affect the decisions.

## 3. Key principles

Any donation / grant should contribute towards [INSERT CHURCH NAME]’s strategic goals and objectives and not be accompanied by specific constraints or conditions that would be detrimental to the furtherance of the same.

The donor’s ethos and activities must not appear to be incompatible with [INSERT CHURCH NAME]’s ethos and values, particularly if this would risk causing significant damage to the church’s integrity, public reputation, or relationship with its members.

## 4. Procedures

The [INSERT ROLE] {“trustees” or the role with delegated responsibility as mentioned in section 2} will use the following guide:

* [INSERT CHURCH NAME] will not query gifts unless they are more than [£5,000 /£10,000].
* All potential or actual donations (other than from church members) above [£5,000 /£10,000], are to be referred initially to [INSERT ROLE AS ABOVE] prior to being verbally accepted or rejected, acknowledged in writing or otherwise processed through church’s accounting system or bank accounts. If such a sum is paid directly into the bank account of [INSERT CHURCH NAME] it should be referred as soon as possible to [INSERT ROLE AS ABOVE] for approval
* [INSERT ROLE AS ABOVE] will make enquiries to try and establish the identity of the donor and bone fide nature of the gift, with the relevant information recorded and retained by the Treasurer.
* A decision to accept / refuse a donation will be made based on the guidance provided by the Charity Commission, the examples below and in the best interests of the church.
* A list of any donations refused will be maintained by the Treasurer and additions reported to each meeting of Trustees.
* Any written communication from a grant-making organisation with conditions attached, other than with regard to reporting procedures relating to an actual or potential grant must be referred to the Trustees for a decision.

## 5. Examples of donations or grants that would not be acceptable

These would include:

* Donations from companies, organisations or individuals where it is known that the funds emanate from any illegal activity or come with illegal conditions. Such donations will not be returned / refused but reported to the statutory authorities.
* Donations from a donor who does not have mental capacity to decide to donate.
* Where any donation or conditions accompanying the donation would:
  + Fall outside the permitted charitable activities of [INSERT CHURCH NAME]
  + Create an unacceptable conflict of interest for the charity
  + Undermine the independence of the charity
* {The examples above are all best practice. You may want to add additional examples/criteria in line with your convictions, such as, “[INSERT CHURCH NAME] does not apply to, or accept grants from, lottery organisations (where such organisation’s funds are raised through the medium of gambling). This would be incompatible with the values of a large proportion of the supporter base.”}

[INSERT CHURCH NAME] must be particularly careful when refusing donations based solely on the grounds of expediency. In such cases 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 donation in question. In order to pre-empt possible disputes and/or negative publicity in complex or potentially difficult cases, the Trustees may wish to apply to the Charity Commission for an order authorising the charity to refuse a donation.