

Trust Top Up Review – May 2017

Scheme

Greenham Trust offers Trust Top Up (matched funding) to all applications in its area of operation which meet with our funding criteria, as outlined in the funding section of our website: <http://www.greenhamtrust.com/our-funding>. Trust Top Up is limited to £5,000 per application and £10,000 per applicant per financial year (1st April to 31st March).

Whilst the Trust Top Up scheme is quite separate from the Gift Aid scheme many of the principles that govern gift aid are equally applicable to Trust Top Up. Perhaps the most obvious of these are that the donations must be genuine donations rather than a payment for goods or services and that the donation does not secure a benefit for the donor or a member of their family.

The main difference between the schemes is that to take advantage of Gift Aid the donor must be a UK taxpayer whereas Trust Top Up can still apply even if the donor is not a taxpayer.

The Trust encourages applicants to make the maximum legitimate use of Gift Aid as it is another way to increase the value of donations and fundraising.

Aims

- To bring new funds into the local charitable sector
- To enable the public to have a direct influence on the Trust's grant making activities.
- To provide encouragement for people to support local charitable projects by donations and fundraising activities.

Definitions:

Applicant = the name of the organisation registered on The Good Exchange

Registered User = the individual registered on The Good Exchange to administer grant applications on behalf of a given applicant.

What we will match fund:

1. Public donations from individuals

This may include the following fundraising activities:

Sponsorship money – preferably paid in directly by the sponsor and with a Gift Aid declaration where applicable, but also if paid in by the fundraiser (ie person being sponsored).

An example of this would be a sponsor agreeing to pay 10p per length for each length of the swimming pool that the fundraiser swims at a specific fundraising event. The key point is that there must be no benefit to the sponsor or a related person.

Aggregated collections – if donations are made by 3rd parties and paid in by a fundraiser (or registered user). The person paying in the money should sign a declaration stating that the whole of the funds have been donated by 3rd parties and that none of the funds come directly or indirectly from a charitable organisation.

Where an event such as a plant sale takes place then the person who donated the plants can be treated as the donor and both Trust Top Up and Gift Aid (subject to the usual rules) can apply. It is not possible to treat the person who gives money in return for a plant as the donor – they are not a donor but a purchaser.

If the plants come from many sources then if they are given unconditionally to one person eg the organiser and then the organiser sells them and donates the proceeds that donation will be eligible for Gift Aid (subject to the usual rules) and Trust Top Up. The key point is that they must be given unconditionally so that they become the property of the organiser in this example, for this arrangement to be used.

2. Company donations

Donations (sometimes called sponsorship or sponsorship donations) towards project costs of an application on The Good Exchange: these will be eligible for matched funding except where there is a benefit in return for the sponsorship eg advert or marquee space, in which case the difference between the value of the donation and the higher of the cost or value of the benefit provided will be eligible for Trust Top Up.

Example of Sponsorship / Donation directly towards an application:

Carnival (application is for running costs to put on a carnival as a community event)

Sponsorship donation is £1,000 for the prizes

Sponsor receives a half page advert in the programme (value £500)

Trust Top Up paid on £500

Carnival (application is for running costs to put on a carnival as a community event)

Sponsorship donation is £1,000 for the prizes

Sponsor receives a one line accreditation in programme with logo

Trust Top Up paid on £1000

Sponsorship donations towards a fundraising activity for a project: in this instance Trust Top Up would only be payable on the “net proceeds” of the fundraising event, after all the donations/sponsorships have been paid and the production costs finalised.

Example of Sponsorship Donation towards a fundraising activity for a project

Hospital fete (raising funds for project to build new wing at hospital)

Sponsorship donation is £1,000

Includes half page advert in programme normally sold at £500 (Value)

Cost to charity of providing programme £400

Trust Top Up paid post event on £500 (difference between donation and value)

Hospital fete

Sponsorship donation is £1,000

Half page advert in programme normally sold at £500 (Value)

Cost to charity of providing programme £800

Trust Top Up paid on £200 (difference between donation and cost)

In these two cases, the organisers of the Hospital Fete would need to pay in the “net proceeds” after the event once the total number of sponsorships sold and production costs are known.

3. Donations from Public bodies including local authorities

This does not include payments made under any sort of contract or where there is a service level agreement or similar arrangement in place.

What we won't match fund:

1. Donations from the applicant's own bank account.

The funds are already in the charity sector.

Exceptions: if a registered user is making a donation on behalf of a 3rd party, so long as evidence is available. If the 3rd party does not have online access, we would prefer donation to be by cheque from the donor with a manual donation form. If an applicant is making a donation of the "net proceeds" following a fundraising activity, the applicant would need to complete a declaration stating how the funds have been raised and that none of the funds come directly or indirectly from a charitable organisation.

2. Donations from other charitable trusts and organisations.

The funds are already in the charity sector

Exception: donations from charitable organisations such as Rotary Club, Round Table where funds are raised through a specific fundraising event/activity but not their own money. The donating organisation would need to complete a declaration stating how the funds have been raised and that none of the funds come directly or indirectly from a charitable organisation.

3. 'Donations' made in return for goods, services and personal benefits including payment for tickets for events eg concerts, admission to festivals, gala dinners etc.

Exception: where the 'donation' is well in excess of the true cost of providing the goods or services the difference between the 'donation' and the true cost may be eligible for Trust Top Up.

Examples – Fundraising Events.

Quiz raising cash for local hospice

£10 donation per team. 10 teams.

Hall hire £10

Food £50

Organiser – volunteer £0

No other costs.

Total "donations": £100.

Total cost of event: £60

Trust Top Up would be payable on "net proceeds" of £40.

Historic Car Rally raising cash for local hospice

£1,000 donation per car with two occupants. 10 cars.

Advertising and promotion costs £1,000.

Hotel costs £2,000.

Gala dinner £1,000.

Programme printing £500.

Prizes £1,500.

Organiser – volunteer £0.

Marshalls – non volunteer £1,000.

Total costs £7,000.

Trust Top Up would be payable on £3,000, not the full £10,000.

4. Gift Aid

5. Volunteer Time

The Trust will not match fund the value of time donated by volunteers supporting a project.

6. Support in Kind

The Trust will not generally allow a cash value to be attributed to support in kind to enable match funding to be claimed against that value.