

THE MONSOON ACCESSORIZE TRUST (THE "CHARITY")

GRANT MAKING POLICY

Approved by the Trustees on: 04.05.2024

Review Frequency: Annually

Last Reviewed: 4th May 2024

1 INTRODUCTION

The Charity is a charitable trust registered with the Charity Commission for England and Wales (with registered charity number 1038446). The Trustees of the Charity have responsibility for the Charity's grant-making function.

1.1 Purposes of the Charity

The charitable purposes of the Charity for which grants can be awarded are as follows:

- (a) to provide relief in cases of poverty need hardship or distress of persons who are members of the general public anywhere in the world and in particular the relief of children and young adults in developing countries who are suffering as a result of ill health disease epidemic drought earthquake flood or other natural disaster or by reason of their social or economic circumstances; and
- (b) the advancement of education of the general public anywhere in the world and in particular children and young adults resident in developing countries including in matters of health and hygiene and environmentally sound agricultural and other practices.

1.2 Grant making Focus

By way of general policy, the Trustees intend primarily to focus their funding on improving the lives of disadvantaged women and children in Asia, focusing predominantly on the advancement of education, the advancement of health and the relief of sickness and the relief of poverty.

The Trustees intend to give preference in particular to projects involving communities in India, China and Afghanistan.

1.3 Types of Grant

The Trustees intend to make grants to:

- charitable organisations in England and Wales and overseas;
- non-charitable organisations to carry out projects for charitable purposes; and
- individuals with a specific charitable need.

The Trustees will make grants to fund specific charitable projects and for the general charitable purposes of the recipient charity.

The Trustees intend in each year to provide grants up to (but no more than) the Charity's annual income.

[The Trustees consider that in some circumstances grant funding over a two or three year period is appropriate so that the grants may fund sustainable work and have real impact. In exceptional cases, grants to be provided over a longer period of time may be approved.]

Each grant application (including repeat applications from previous grant recipients) will be assessed on its project sustainability, value for money and likelihood of achieving development outcome. The Trustees consider that repeat grants may be approved, having assessed the application on its merits and provided that the Trustees consider this to be the best means of furthering the Charity's charitable objects.

The Trustees will review the focus of their grant making and this grant making policy on an annual basis unless the Charity's circumstances change such that it must be reviewed sooner.

2 **THE GENERAL GOVERNING PRINCIPLE**

The Trustees shall take reasonable and proper steps to ensure that the funds of the Charity granted to a successful applicant for assistance are applied for the charitable purposes for which they are intended.

The Trustees shall consider the following aspects to determine the level of involvement the Trustees shall have in the administration of any grant made:

- the size of the grant: the larger the grant the greater the level of supervision;
- the legal status of the applicant;
- whether the grant is for a single purpose, or the general purposes of the recipient;
- whether there are particular risks or sensitivity;
- the period of time over which the grant is to be applied; and
- the behaviour of the recipient based on any previous dealings between the Charity and the recipient.

3 **GRANT PROCEDURE**

The procedure to be followed in respect of every application for funding received is as follows:

- 1) EoI
- 2) Due diligence
- 3) Proposal

- 4) Score card
- 5) Grant agreement
- 6) Reporting
- 7) Risk register
- 8) Project evaluation

4 **INFORMATION GATHERING**

As part of the initial information gathering stage of each application, the Charity will obtain the following information:

Amount	the amount applied for;
Eligibility	confirmation that the applicant fits with the Charity's mission and meets eligibility requirements;
The applicant	details of the applicant and, where applicable, confirmation of the applicant's charitable status including its place of registration and operation;
Purpose	the purpose to which the funds applied for will be put;
Non UK grants	if the funds are to be applied outside the United Kingdom the additional steps to be taken to safeguard the application of funds outside the jurisdiction;
One off or continuing	whether the project to be supported is a one off or continuing one and whether a single grant (or multi-year funding) is requested;
Previous applications	details including dates, amounts and outcome of previous applications.
Constitution	copies of the applicant's constitution together with the latest copy of the applicant's accounts, audited if possible and, if a charity, its latest annual return and report to the Charity Commission (or equivalent);
Supervision	detailed statement as to how the expenditure of the funds will be supervised by the applicant; and
Other funders	whether application has been made to other funders, the status of those applications and whether the project is dependent on the success of one, some or all those applications. If the application is part of a larger funding package it should be a condition of the grant that it will only be paid over once satisfactory evidence is received that the other funding is in place.

ASSESSMENT

4.1 General considerations

4.1.1 Following the receipt of an application for funding, the Trustees must consider the merits of the application and in particular:

- whether the proposed grant is charitable under English law and accords with the Charity's charitable purposes;
- whether the application accords with the general direction the Trustees intend the Charity to take and any additional policies the Trustees have adopted in relation to those purposes;
- whether the application is complementary to the particular purposes and/or organisations already supported by the Trustees (for example it may be illogical to support two charities with fundamentally opposed approaches to a particular problem);
- the efficacy of supporting the area in question when compared with the Charity's other areas of activity and support;
- the Trustees' own ability accurately to assess the merits of the application in view of their own particular skills and whether the application justifies the expense of obtaining an independent assessment of the merits of the application and whether there is value for money on the costings provided;
- the costs likely to be incurred by the Charity in administering and monitoring the grant;
- whether the project has a justifiable concept;
- the benefit which the proposed grant will provide to the public and the need for the proposed grant; and
- the constitution, track record and financial performance of the applicant.

4.1.2 If, in principle, the area is one which falls within the Charity's purposes, complies with any specific policies the Trustees have adopted and fits in with the Trustees' more specific areas of support, then the Trustees will review the application in greater detail to assess whether the particular type of organisation and proposal is appropriate for financial support.

5 CONDITIONS TO APPLY IN ALL CASES

5.1 If the Trustees decide in favour of the application then the following (minimum) conditions should be applied to grants in all cases. These conditions must be set out in writing:

- the identity of the parties;
- the amount of the grant;
- the date the grant will be available and manner of payment;
- the purpose for which the grant is intended (general or specific);

- the obligation for the applicant to provide a written signed receipt for the funds from the treasurer or relevant competent officer of the applicant;
- the obligation for the applicant to assess the impact of the grant and to provide a report to the trustees on the impact of the grant and the activity (either general or specific) actually supported;
- the obligation for the applicant to submit financial reports;
- the obligation that the applicant acknowledges the grant on annual accounts and website;
- a project evaluation to show the impact of the project and any associated risks;
- termination provisions such that any future payment will be withheld and any earlier payment returned where the funds are not used for the purposes for which they were granted; and
- an acknowledgement in publicity material might also be considered in all cases.

6 GRANTS TO CHARITIES

- 6.1 The constitution of charities, by definition, prevents the “escape” of assets subject to the grant to non-charitable purposes. However, the Trustees shall still assess the purposes of the applicant to ensure first, that it has power to carry out the activity for which it has applied for financial support and secondly, to ensure the activity falls within the Charity’s objects.
- 6.2 Where the grant is a one-off grant to another charity for the general purposes of the recipient, and where those purposes fall within the Charity’s purposes, the Trustees shall carry out those steps set out in section 6.1 above.
- 6.3 Where the grant is for a one-off grant for a specific project, the Trustees shall consider the following factors:
- whether the funds should be held by the recipient in a restricted fund so that they are not available for the more general purposes of the recipient and subject to a condition that they should be returned should the project fail;
 - whether the funds should be held in a designated fund which would provide the recipient with the flexibility to use the funds for the applicant’s other more general purposes should the principal purpose not succeed;
 - whether the recipient should be required to provide separate accounts in accordance with the standards laid down by the relevant SORP (Statement of Recommended Practice); and
 - in the case of a one-off project which may take some months or years to complete, whether an obligation should be included to provide interim reports together with management and other accounting information and funds should not be made available to a recipient until they are actually needed. Where grants are made for a project intended to continue over a number of years, the Trustees must assess whether it would be preferable for the Charity to provide a one-off grant to a research project or whether it would be better to provide financial support over the period of the project

itself. The Trustees shall be aware that if the latter is selected, the Trustees will be in a better position to monitor the project. However, it will be a longer running liability and the Trustees will be required to factor this into their decision relating to future financial years' expenditure.

7 **GRANTS TO NON-CHARITIES**

In the case of a grant to a non-charitable organisation, the possibilities of misapplication by the recipient are greater. The Trustees should therefore consider imposing more onerous conditions for smaller amounts of money in order to safeguard against the risk that the recipient will not apply the funds for the purposes intended. The Trustees should consider the applicability of safeguards such as:

- requiring that the funds at all times be held in a separate account;
- requiring that a Trustee of the Charity be a signatory to the separate account;
- requiring that ownership of the funds and/or any assets acquired with those funds remains with the Charity's Trustees until actually applied for the charitable purposes in question;
- providing the funds by way of loan, which are secured on assets of the applicant and then will be converted into a grant when the purposes of the grant have been fulfilled;
- obtaining representation on the governing body of the applicant either indefinitely or for a specified period.

8 **GRANTS TO OVERSEAS ORGANISATIONS**

In line with the requirement imposed by HMRC regarding payments by charities to bodies outside the UK, the Trustees are aware that should grants be made to overseas organisations, they must take such steps as are reasonable in the circumstances to ensure that the payment is made for purposes which are charitable under English law, and that the payment is used by the recipient for those purposes only. The Trustees must also consider such considerations as are included in the above sections as are relevant.

9 **GRANTS TO INDIVIDUALS**

The Trustees are aware that any private benefit conferred by a grant must be incidental to a charitable purpose, therefore, grants must only be made to individuals in order to meet a specific charitable need. The selection process for determining whether individuals are eligible for a grant must be fair and objective. Grants must not be restricted to individuals who share a specific personal nexus such as members of a particular family. Any grants given to individuals must be restricted so that they are spent solely on the relevant charitable need and careful monitoring and reporting procedures must be put in place to ensure that the grant was spent in accordance with the conditions under which it was given.