



# Afrika Freedom Climbers NPC

## Fundraising policy

Reg. No 2013/169626/08 Non Profit Company

Address: Kgosing Section, Lesethleng Village, 0374, South Africa

History of changes		
Version number	Date	Board of Directors Approval
0.1	28 September 2020	Approved



## **Purpose of fundraising policy**

Afrika Freedom Climbers (AFC) is a registered non-profit company and relies on income from fundraising to secure its business activities.

We must ensure that by undertaking fundraising activities we uphold any legal, statutory or regulatory requirements, and maintain our reputation and adherence to our company values.

This policy provides guidance on how fundraising at AFC will be managed to ensure that we maintain these standards, and provide reassurance and transparency to our donors and sponsors regarding our processes.

This policy will be reviewed every three years or more frequently as industry leading practise changes.

## **General terms and terminology**

- Sponsorship is where a business provides money in order to secure the marketing and promotion of its business name, products, services or image. Sponsorship may also include the giving of services or goods for the same in return. It may be a taxable supply (subject to 15% VAT in South Africa).
- A donation is a gift for which no direct benefit is sought. A donation may take various forms including cash, services or goods and can be from an individual or an organisation. A donor's name or list of donors may be on display or included in publicity if AFC chooses to do so by way of thanks. Donations are not subject to VAT.
- A membership scheme is where a donor makes a gift to a charity in return for a limited programme of benefits e.g. priority booking, exclusive content. The value of the benefits given must not outweigh the value of the membership. If the value of the benefits is less than the total value of the membership, then the membership may be divided into a donation and a payment for VAT purposes.
- A grant is cash given to an individual or an organisation for a specific purpose. There is an obligation to fulfil any criteria the funding body may place upon the grant i.e. to ensure the project that is funded satisfies their aims and objectives and proceeds as outlined during the grant application process. Funding bodies usually require some level of profile in return for their grant and this should be in proportion to the size of grant and agreed in writing before accepting the grant. This is usually in the form of a logo or line credit with agreed wording in publicity. Grants should always be documented in some form of written agreement between the parties. Grants are not subject to VAT, unless we are providing goods or services in return.



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## 1. Requirements

AFC will only accept funds if they meet the following criteria:

- 1.1. **Benefit:** there are strong grounds for believing it will result in benefit to AFC. The benefit sought should be viewed as good value for the level of support given and the resource required to secure it.
- 1.2. **Integrity:** the company, organisation, partnership or activity will not bring AFC into disrepute, damage our reputation or integrity, or be likely to result in loss of income for example through
- 1.3. **Strategic fit:** partnerships, activities and the objectives of companies or organisations we work with, do not contradict AFC's mission, aims and objectives.
- 1.4. **Independence:** donations, partnerships or activities do not compromise our independent status.
- 1.5. **Influence:** there is no attempt on the part of the partner, donor, company or organisation to influence our policy or actions either explicitly or implicitly.
- 1.6. **Legality:** partnerships, activities and the wider business activities of partner companies or organisations must be, as far as we can ascertain, wholly legal under applicable law.
- 1.7. **Codes of practice:** acceptance of donations, partnerships and activities must comply with the Fundraising Regulator Code of Fundraising Practice and the Fundraising Promise.
- 1.8. **Standards:** the partnership, company or organisation and activity must meet any appropriate and associated national or international standards, and abide by any relevant regulations.

## 2. Board of Directors' responsibilities

Final responsibility for actions under this policy rests with AFC Board of Directors (BOD), who must be able to demonstrate they act in the best interests of the organisation. This means BOD will not be influenced by personal moral perspectives or judgements, or derive any personal benefit from funding to the charity.

BOD will declare a conflict of interest where it exists.

## 3. Consideration of opportunities

Some companies, organisations or donors will require special consideration before funding can be accepted from them. Funders that may be considered contentious should be discussed with the BoD before being approached. The list below is not exhaustive and AFC retains the right to decline funding from any funder, which AFC in its sole discretion considers inappropriate. Examples include funders that:

- May have unethical practices with regard to the manufacture of their products e.g. animal welfare, human rights;
- Promote or are involved in pornography, weaponry or similar activities;
- Are in financial or legal conflict with AFC;
- As far as AFC is aware, does not uphold the same values of our equality and diversity.

## 4. Transparency

A copy of this policy will be displayed on our website and given to any third parties who undertake any fundraising on our behalf.

## 5. Process for managing corporate sponsorships

Before a sponsorship can be secured, the following steps must be undertaken:

- 5.1. **Research:** businesses approached should be researched to ensure a best fit in line with this policy.
- 5.2. **Valuation:** benefits to be offered to a sponsor must be valued to ensure proposals are fair and reasonably priced.
- 5.3. **Benefits:** all crediting & branding permitted must be agreed in advance based on the valuation.
- 5.4. **Invoicing:** full payment should be received before the activity sponsored takes place.
- 5.5. **Contracting:** all sponsorships should be documented with a written contract.
- 5.6. **Evaluation:** sponsors should be provided with an evaluation demonstrating return on investment after the activity.
- 5.7. **Review:** sponsors should not be contracted for longer than 3 years without consideration of whether the partnership still presents best value for AFC.

## 6. Process for managing donations and grants

When a donation or a grant is received, staff should ensure the following:

- 6.1. Clarify where the donation or grant will be spent and whether it should be treated as unrestricted or restricted funds.
- 6.2. Document the gift and log any relevant details agreed such as management of the gift and activity funded, decision making for any changes to the activity supported, payment schedule etc.
- 6.3. Procedure for thanking the funder, ensuring that benefits of significant financial value are not given that will conflict with this policy or significantly off-set the value of the gift.
- 6.4. If the gift is being made by a resident tax payer, undertake full documentation for possible tax redemption purposes.

6.5.

## **7. Use of agencies and third parties**

On occasion, we may work with third parties, sponsorship agencies, consultants and partners on our fundraising. Where such parties are engaged, they must also adhere to this policy. The use of their services must be communicated to prospective donors and the value of their use must be assessed to ensure that significant ROI is obtained.

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