

# Gift Acceptance Policy

## Introduction

Financial support from individuals and organisations is essential to help deliver the aims of the Royal Society of Medicine (RSM). We welcome support, donations and gifts from and partnerships with a wide range of supporters.

In exceptional circumstances however, it may be necessary to refuse support if acceptance would prejudice the aims of the RSM, compromise our independence or threaten our reputation.

## Policy statement

The RSM is a registered charity governed by its Council. Members of Council are also Charity Trustees and it is their responsibility to ensure that decisions are made in the best interest of the RSM and in a manner consistent with the RSM's governing documents.

It is the RSM's policy that members of Council, and any individuals to whom the Council delegates its authority, have responsibility to "know your donor" and carry out appropriate and proportionate due diligence and risk assessments related to the acceptance of gifts.

This policy outlines how the RSM undertakes these responsibilities and our ethical approach to philanthropic funding and partnerships and aims to make our approach transparent. It relates to philanthropic support from and partnerships with individuals, charities, grant making trusts and foundations and companies. The UK Government and its agencies are not covered by this policy.

Before funding is accepted, the RSM will consider whether acceptance would:

- a. constitute a breach of any obligation under charity law or other legislation (including but not limited to the Proceeds of Crime Act, Sanctions and Anti Money Laundering Act, and the Bribery Act);
- b. be incompatible with the governing documents and strategic objectives of the RSM;
- c. be inconsistent with the RSM's ethical approach;
- d. create undue additional costs or burdens for the RSM; and/or
- e. create reputational risk for the RSM.

In order to be consistent with the RSM's ethical approach, the RSM does not accept donations from or enter into partnerships with companies whose primary business is in:

- a. Tobacco;
- b. Gambling;
- c. Arms;
- d. Pornography; or
- e. Fossil fuels.

For these purposes, primary business is defined as more than 10% of revenue. The list above is not exhaustive.

The RSM welcomes working with and accepting support from pharmaceutical companies that is in line with the Association of British Pharmaceutical Companies' code of practice, or with other companies involved in medical research, diagnostics or devices so long as any relationship or agreement does not risk the independence of the RSM.

The RSM is happy to restrict funding to specific areas of work and will account for income and expenditure recognising restricted funds. We will however not be able to accept donations with restrictions that we cannot meet. We will always seek to communicate with the donor, executors of wills and we will take advice from the Charity Commission if necessary.

In line with guidance from the Charity Commission, anonymous donations totalling £25,000 or above where we are unable to identify the donor will be reported to the Charity Commission as a Serious Incident. The Charity Commission is clear however that charities are free to accept anonymous donations where there are no suspicious circumstances. The RSM will follow the principle of “know your donor” to ensure that we are not receiving support that may be linked to the proceeds of criminal activity.

This policy is designed to cover donations including cash, shares, property and other assets as well as gifts-in-kind such as pro bono work whether donated directly by individuals, companies, trusts, foundations or as a result of a bequest. In the normal course, any legal expenses, valuation costs or transport charges pertaining to the transfer of items to the RSM will normally be the responsibility of the donor or executor. Unless otherwise agreed with the donor, we reserve the right to dispose of shares or property at a time to be decided by the RSM. Unless otherwise agreed with the donor, articles of value or collections are accepted on the understanding that the RSM will have full authority to use, lend, exhibit, donate or sell the property. Gifts-in-kind may be refused if:

- a. the RSM is unable to provide sufficient space, appropriate storage facilities or sufficient resources to protect, catalogue and display such gifts;
- b. the gift is a duplicate of an item already owned by the RSM;
- c. the RSM does not wish to own or hold the item for ethical reasons; or
- d. the gift creates a new financial or other liability that the RSM is unable to resource.

### **Gift acceptance process**

The RSM will carry out due diligence on any single gift or cumulative giving valued at £5,000 or more. We will take into consideration the source (adhering to the principles of “know your donor”), potential use, and value of the funds offered to the RSM.

Dedicated research will be undertaken using the Internet and a range of resources such as Companies House, the Charity Commission Register of Charities and the UK Sanctions List to compile a report for consideration by RSM’s Council or any committee authorised to consider such matters on its behalf. Due diligence steps will include obtaining key details about the relevant donor. Due diligence reports will be reviewed by the Director of Development then issued to the Chief Executive or Director of Finance to make a recommendation.

The Finance and Investment Committee, consisting of at least four members of Council, is authorised to make gift acceptance decisions on behalf of Council. Recommendations to accept or decline a gift will be sent to the Finance and Investment Committee via email, with a request for response within 72 hours. Should Committee members request the opportunity to discuss a specific gift, an online meeting shall be arranged. In some circumstances, the Finance and Investment Committee may decide to refer consideration of a possible gift for a decision by Council.

The Council and its relevant Committees shall determine how any funding accepted by the Society without conditions is applied.