

## Terms and Conditions of Accepting a Grant Improving Lives



### The following conditions apply to all Improving Lives Grants:

- The grant must be used for the purpose for which it was awarded; the offer letter will clearly state what the grant has been awarded for. If the grant has been awarded towards the “running costs.....” additional conditions apply (see below).
- You must send us an original bank statement (or a copy signed and dated by two Trustees), which is no more than 3 months old. This statement will be copied and the original returned to you. If you are not able to send a recent bank statement, please send an original letter (not a copy) from your bank verifying your Sort Code, Account Number and Account Name. On receipt, we will ensure that your details are stored securely and will inform you by email when a payment has been made to you.
- The first payment of your grant must be drawn down within 12 months of the date that the grant was awarded. The grant may be cancelled if it is not drawn down within this period.
- If you have been unable to start spending a payment within three months of receipt, or it cannot be used for the purpose for which it was awarded, you must inform us of the situation as soon as possible.
- All grants are approved on the basis of an annual budget so we would expect that the payments for each year of the grant are spent in the relevant budget year (i.e. payments for year 1 should be spent by the end of budget year 1).
- A Progress Report and update on the financial position of your organisation is due at the end of each year of your grant.
- A copy of your latest Audited/Independently Examined accounts must be sent to us no later than ten months after your financial year end.
- You must inform your Grants Manager in writing (in advance if possible) if there are:
  - Any significant organisational changes (e.g. a merger or proposed transfer of work we are funding to another charity);
  - Changes of key personnel (e.g. the Chair of Trustees, CEO or any post funded with this grant);
  - And of any adverse material developments which may affect the work funded by our grant;
  - If any funded post(s) become(s) vacant for more than three months;
  - Any underspend on the work funded is accrued, or if other funds are secured towards the work we have agreed to fund.

- The Trustees reserve the right to require the return of a grant, if at any time during the course of the grant, false information has been knowingly supplied.
- All payments are subject to the necessary funds being available within the Henry Smith Charity.

**The following additional conditions apply to grants towards Running Costs:**

**A Running Costs Grant has been made to give your organisation/project as much flexibility as possible in delivering the work the Trustees have decided to support. However, it is not “unrestricted” as the following conditions apply to how it can be spent:**

- Payments for each year of your grant should be spent in a planned but flexible way over a 12 month period. However, we do recognise that underspends can occur. If you have an underspend, please make this clear in your Progress Report and we may agree to roll it forward into the next year, thereby extending the total period of the grant.
- Although your grant is towards the running costs of your project or organisation, it is **not** to be used towards:
  - Redundancy costs;
  - Legal fees;
  - Significant Capital purchases.
- You **can** use the grant as a contribution towards the general running costs which may include:
  - Staff salaries;
  - Sessional staff payments;
  - Rent and utilities;
  - Other general overheads.

**If the Trustees are not satisfied that the relevant conditions have been met, no further payments will be made.**