

GRANT MAKING POLICY

1. Charitable purposes of The Ephesian Fund (“the Charity”)

- 1.1. The purposes of the Charity are for the public benefit to advance the Evangelical Christian Faith, including (but without limitation) by providing grants or other funding to churches and other Christian charities, groups or individuals that are in sympathy with the Statement of Faith. The Charity’s Statement of Faith is set out in Appendix 1.
- 1.2. The trustees apply the resources of the Charity, at their discretion, in pursuance of the purposes of the Charity.
- 1.3. The trustees will normally honour any expression of wishes made by a donor to the Charity as to the proposed recipient of the funds donated provided that the proposed beneficiary meets all the criteria normally applied by the trustees.
- 1.4. The trustees will accept donations with a restricted purpose provided the restricted purpose falls within the purposes of the Charity.
- 1.5. Any decision whether to provide support remains solely the responsibility of the trustees, although the trustees may exercise their discretion to delegate such decisions to others within the financial parameters set out in the annual budget or other delegation limits agreed from time to time by the trustees. Currently the total amount of grants which could be awarded on delegated authority between trustee meetings is £1,000.

2. Priorities for support

1. The amount of work or number of projects which can be supported by the Charity is necessarily limited to the resources that are available at any one time.
2. The trustees have determined that the current priorities for support, as at the date of this policy, are to advance the Evangelical Christian Faith by:

- 2.1. providing grants to organisations (including Parochial Church Councils) in accordance with any restriction or wishes expressed by donors to the Charity;
 - 2.2. providing grants to Church of England Dioceses in respect of Parish Share in response to requests from donor Parochial Church Councils
 - 2.3. providing grants for evangelism and mission initiatives ;
3. These priorities must be undertaken in a manner that is consistent with the Charity's purposes to advance the Evangelical Christian Faith, including (but without limitation) by providing grants or other funding to churches and other Christian charities, groups or individuals that are in sympathy with the Statement of Faith. This means that grant monies are not available for unqualified payment of parish share and any recipient PCC will only be permitted to pass this money on to a diocese if it is assured that it will be used to support parishes endorsing the Statement of Faith.
 4. The priorities for support will be reviewed by the trustees at least every three years and may be changed depending upon circumstances and the perceived effectiveness of the application of resources. Any change to these priorities must still fulfil the charitable purposes of the Charity.
 5. The trustees will only provide support to other individuals or organisations where an individual's or organisation's work comes to their attention and the trustees consider, at their sole discretion, that the Charity has sufficient resources at that time to support this work in addition to the priorities for support.
 6. The trustees may at their sole discretion ask organisations or individual to submit an application for a larger grant.
 7. The Charity will not make grants to any individual or organisation outside the UK.

2. Applying for a grant

2.1. For all grants the applicant should use the application form in Appendix 4 and the trustees should be confident:

- 2.1.1. of the purpose of the proposed grant including an understanding of the work and the way in which the grant will be managed and applied;

- 2.1.2. of the person(s) responsible for the management of the grant and for overseeing the work; and
- 2.1.3. that suitable safeguarding policies are in place in cases where the applicant works with children or vulnerable adults.

2.2. Where a donor to the Charity has restricted the purpose of the donation or made an expression of wishes as to the proposed recipient of the funds donated the trustees will contact the proposed beneficiary to seek their acceptance and confirmation in the form set out in Appendix 2 or 3, or another method of assessment approved by the trustees as appropriate

3. Principles applied in determining support

1. In determining whether or not to grant support, the trustees will apply the following principles:
 - 1.1. Each request or situation will be considered on its own merits;
 - 1.2. The trustees will carry out sufficient due diligence to satisfy themselves that the request or the situation meets the Charity's purposes;
 - 1.3. The trustees will also consider whether or not a need has been demonstrated or displayed;
 - 1.4. Where an application for a grant has been previously considered (whether successful or not) any due diligence undertaken to reach an earlier decision will be made available to the trustees;
 - 1.5. The trustees are content to work in partnership with other bodies where supporting an entire project may be beyond the scope of support capable of being provided by the Charity;
 - 1.6. The Charity will not normally provide support in kind, for example, in the form of paying a third party for the provision of accommodation or premises. The Charity intends to simply award financial grants.
2. The trustees must declare the nature and extent of any interest, direct or indirect, which could, or could be seen to, prevent them from making a grant decision only in the best interests of the Charity. Situations in which a conflict might arise include where:

- 2.1. A trustee (or a person connected to them as defined in s249 Charities Act 2011) stands to benefit from a grant from the Charity; or
 - 2.2. A trustee has a duty of loyalty to a third party that conflicts with their duty to the Charity (for example, where a trustee of the Charity is also a staff member or a trustee of a church which has applied for support. This includes where a trustee is a member of a church's Parochial Church Council.)
3. Any such conflict of interest or loyalty must be declared and managed by the trustees in accordance with the Charity's governing documents and conflicts of interest policy.

2. Applicant and partner due diligence

2.1. The trustees will carry out sufficient due diligence on any potential beneficiary (whether being considered for a smaller or larger grant) to satisfy themselves regarding the following matters:

- 3.1.1.** The identity of the potential beneficiary;
- 3.1.2.** That the potential beneficiary (or the end user of the grant) is in agreement with the Charity's Statement of Faith
- 3.1.3.** If the potential beneficiary is an individual that they are genuine in their profession of Evangelical Christian faith (as defined in the Constitution);
- 3.1.4.** The suitability of the potential beneficiary for the work envisaged, including consideration of their training and experience;
- 3.1.5.** That, if a grant is made, the money will be applied in accordance with the Charity's charitable purposes;
- 3.1.6.** That the charity's funds are not knowingly used for:
 - 3.1.6.1.** Money laundering in accordance with the operative Money Laundering regulations;
 - 3.1.6.2.** Terrorist financing in accordance with the Terrorist Act 2000;
 - 3.1.6.3.** Bribery in accordance with the 2010 Bribery Act.

3.2. In the case of an organisation (other than a Church of England Diocese or a Parochial Church Council), the trustees will expect to be provided with a copy of the potential

beneficiary's governing documents, most recent set of accounts and safeguarding policy where relevant.

3.3.In cases where the Charity is not the only supporter of the work or project, and to protect its reputation, the trustees may choose to extend any due diligence beyond the proposed beneficiary and to include other partner supporting organisations.

3.4.The trustees will adopt a risk-based approach to due diligence. Risk factors will include: the size of the grant and the nature of the relationship between the Charity and the potential beneficiary. Grant size will be an important risk factor. The larger the amount of support to be provided, or the longer the arrangement is intended to last for, the greater will be the likely level of due diligence undertaken.

3.5.Where the potential beneficiary is well known to the trustees and the relationship has been long standing and well established, the amount of due diligence undertaken is likely to be reduced.

3.6.The results of any due diligence will not last indefinitely. In cases where beneficiaries are supported for a significant period of time, additional due diligence will be undertaken on a beneficiary's change of circumstances that becomes known to the trustees, or in any case after a period of three years.

3.7.The trustees may ask each beneficiary to confirm in writing annually that they agree with the Charity's Statement of Faith

6. Decision making

6.1.The decision of the trustees on whether to provide support is final.

6.2.The trustees are not obliged to provide an explanation to applicants in the event that their application is not successful.

6.3. If the Charity provides support to an individual or to an organisation which is not itself a charity, the trustees will have regard to the Charity Commission's guidance on working with non-charitable organisations, as updated from time to time.

7. Reporting on grants made

7.1. Subject to 7.5 below, for all grants over £10,000 in any year, the trustees require a written report every twelve months setting out the progress and achievements for the period covered and detailing any forthcoming changes to either the nature or the location of ongoing work. Any such changes need to be agreed in advance with the trustees. A financial report will need to be provided as well and the trustees may ask to see receipts and invoices for expenditure of the grant money.

7.2. If the report provided in response to 7.1 above is not adequate or requested receipts are not provided, this may affect the future release of funds.

7.3. The trustees may visit supported activities and interview individuals involved in running those activities.

7.4. For smaller grants, the trustees require a written report once the money has been spent, setting out how the money has been used.

7.5. Where a grant is made to a Diocese over the amount of the PCC's specified ministry costs, the Diocese will be required to provide an annual statement confirming which other churches have been supported and the amount attributed to each church. The Trustees will also monitor Diocesan reports and accounts in the public domain.

8. Repayment of grants

8.1. Where the grant is for a specified project or purpose, and in situations where that project or purpose does not proceed or where any grant or part of the grant remains unused, unused funds must be returned to the Charity.

8.2. Where a beneficiary ceases in the opinion of the trustees to believe in, or to act consistently with, the Charity's Statement of Faith, funding will cease and previous grants may need to be repaid, at the discretion of the trustees.

8.3. The trustees may also require repayment of all or any part of the grant, for example, if the beneficiary is subject to any serious financial or governance irregularities or fails to comply with any safeguarding obligations or there is any investigation into misuse of the grant. This list is not exhaustive.

9. Administration

9.1. Payments of grants will be made in tranches, in amounts and at a frequency determined by the trustees.

9.2. Financial grants will be provided by means of an electronic banking transfer. The Charity's normal payment authorisation process will be applied to any payments i.e. two trustees will need to authorise any bank transfer. No cash payments will be made by the Charity.

9.3. Grant payments will ordinarily be paid to the beneficiary within 28 days of the grant being agreed.

9.4. The trustees will keep a written record of the due diligence they undertake on potential beneficiaries.

9.5. Where formal written applications have been received, or other records maintained (including reporting on grants), these will be stored and subsequently disposed of in accordance with the Charity's policy on data protection and prevailing Data Protection legislation.

9.6. The trustees will inform applications of their decision in writing.

9.7. This policy will be reviewed by the trustees every three years.

This version of the policy was adopted by the Charity trustees on 27 August 2024

Next review date 27 August 2025

APPENDIX 1

The Statement of Faith of The Ephesian Fund as defined in the Constitution is the Basis of Faith of The Church of England Evangelical Council (including the Additional Declarations)

The Basis of Faith of the Church of England Evangelical Council shall be:

1. As members of the Church of England within the one, holy, catholic and apostolic church we affirm the faith uniquely revealed in the holy Scriptures and set forth in the catholic creeds, of which the Thirty-Nine Articles of Religion are a general exposition. Standing in the Reformation tradition we lay especial emphasis on the grace of God – his unmerited mercy – as expressed in the doctrines which follow.

2. **God as the Source of Grace** – In continuity with the teaching of Holy Scripture and the Christian creeds, we worship one God in three persons – Father, Son and Holy Spirit. God has created all things, and us in his own image: all life, truth, holiness and beauty come from him. His Son Jesus Christ, fully God and fully man, was conceived through the Holy Spirit and born of the virgin Mary, was crucified, died, rose and ascended to reign in glory.

3. **The Bible as the Revelation of Grace** – We receive the canonical books of the Old and New Testaments as the wholly reliable revelation and record of God's grace, given by the Holy Spirit as the true word of God written. The Bible has been given to lead us to salvation, to be the ultimate rule for Christian faith and conduct, and the supreme authority by which the Church must ever reform itself and judge its traditions.

4. **The Atonement as the Work of Grace** – We believe that Jesus Christ came to save lost sinners. Though sinless, he bore our sins, and their judgement, on the cross, thus accomplishing our salvation. By raising Christ bodily from the dead, God vindicated him as Lord and Saviour and proclaimed his victory. Salvation is in Christ alone.

5. **The Church as the Community of Grace** – We hold that the Church is God's covenant community, whose members, drawn from every nation, having been justified by grace through faith, inherit the promises made to Abraham and fulfilled in Christ. As a fellowship of the Spirit manifesting his fruit and exercising his gifts, it is called to worship God, grow in grace, and bear witness to him and his Kingdom. God's Church is one body and must ever strive to discover and experience that unity in truth and love which it has in Christ, especially through its confession of the apostolic faith and in its observance of the dominical sacraments.

6. **The Sacraments as the Signs of Grace** – We maintain that the Sacraments of Baptism and Holy Communion proclaim the Gospel as effective and visible signs of our justification and sanctification, and as true means of God's grace to those who repent and believe. Baptism is the sign of forgiveness of sin, the gift of the Spirit, new birth to righteousness and entry into

the fellowship of the People of God. Holy Communion is the sign of the living, nourishing presence of Christ through his Spirit to his people: the memorial of his one, perfect, completed and all-sufficient sacrifice for sin, from whose achievement all may benefit but in whose offering none can share; and an expression of our corporate life of sacrificial thanksgiving and service.

7. Ministry as the Stewardship of Grace – We share, as the People of God, in a royal priesthood common to the whole Church, and in the community of the Suffering Servant. Our mission is the proclamation of the Gospel by the preaching of the word, as well as by caring for the needy, challenging evil and promoting justice and a more responsible use of the world's resources. It is the particular vocation of bishops and presbyters, together with deacons, to build up the body of Christ in truth and love, as pastors, teachers, and servants of the servants of God.

8. Christ's Return as the Triumph of Grace – We look forward expectantly to the final manifestation of Christ's grace and glory when he comes again to raise the dead, judge the world, vindicate His chosen and bring his Kingdom to its eternal fulfilment in the new heaven and the new earth.

Additional Declarations

1. We gladly proclaim and submit to the unique and universal Lordship of Jesus Christ, the Son of God, humanity's only Saviour from sin, judgement and hell, who lived the life we could not live and died the death that we deserve. By his atoning death and glorious resurrection, he secured the redemption of all who come to him in repentance and faith.

2. We acknowledge God's creation of humankind as male and female and the unchangeable standard of Christian marriage between one man and one woman as the proper place for sexual intimacy and the basis of the family. We repent of our failures to maintain this standard and call for a renewed commitment to lifelong fidelity in marriage and abstinence for those who are not married.