



FOUNDATION FUND VERSUS CHARITABLE TRUST

	COMMUNITY FOUNDATION FUND	CHARITABLE TRUST
Procedure	Simple agreement.	Possible legal fees for registration plus, depending on size and scale, potential staff/overhead costs for grant making and financial administrative functions of the charity.
Costs	Standard core cost contribution on a scale, depending on the Fund size, of 1% to 2% of the capital value of the endowment. 10% core cost contribution for immediate impact funds.	Possible legal fees for registration plus, depending on size and scale, potential staff/overhead costs for grant making and financial administrative functions of the charity.
Timeframe	Immediate.	May take several weeks/months.
Minimum contribution	Entry level to establish a Named Fund is £25,000, usual gifts range from £100,000 to £1,000,000 or more.	There is no minimum requirement.
Tax status	Covered under the Community Foundation in Wales' charity status.	Covered by registration with the Charity Commission.
Reporting to authorities	The Foundation takes care of reporting to the Charity Commission and Companies House, submitting audited accounts.	The donor/trustees must maintain all financial records and prepare accounts and submit formal reports annually.
Donor control	Trustees of the Community Foundation take on legal and fiscal responsibility for the client's Fund and due diligence on grants, while the client's role depends on their preferred level of engagement.	Donor appoints Board of Trustees to control all aspects of grant-making and investments.
Philanthropy advice	The Foundation provides a full ongoing philanthropy advice service to the client.	Donor/trustees responsible for developing their own giving strategy and monitoring and evaluation protocols.
Grant-making service: expertise, administration, follow-up	The Foundation's team promotes the Fund, identifies and assesses grantees, provides input on community needs, undertakes due diligence on all applicants. After awarding any grants the Foundation will complete monitoring and evaluation, producing an annual impact report for the client.	Donor responsible for own grant-making process, administration and oversight.
Privacy	The Foundation can maintain the anonymity of its clients and Fund holders.	The charitable trust must keep publicly-available records and report to the Charity Commission.
Profile	Foundation can help the client achieve profile for their philanthropy if requested.	Responsible for own profile.
Geography	We work primarily in Wales, but we do partner with other Community Foundations across the UK and globally on delivery of regional, national and international initiatives.	Donor/Board of trustees determines the geographic reach.
Reach	We connect donors to a variety of groups and issues in the communities of interest or geography. We can connect like-minded donors, match and leverage gifts, and show the impact of philanthropic investments.	Must find own networks and information sources.
SUMMARY	Donors decide how much engagement they would like with their philanthropy.	Donors and Trustees must undertake all financial, governance, promotion, programme design, grants admin and due diligence.