

For Charitable Audit Purposes: Explanation as to the Use of Your Grant

BASIC (the British American Security Information Council) is a registered charity (charity number: 1001081) created by a Deed in 1990. This Deed gives it the following charitable purpose:

“To promote on a non-party basis research into, the study and discussion of and exchange of information upon, the impact of nuclear weapons, modern industry, modern methods of warfare and the psychology of warfare upon international relations (especially between Europe and the Americas), defence, disarmament, military strategy and security in order to improve people’s mutual understanding and awareness of such issues.”

It then has (inter alia) the following powers to be used in connection with that purpose:

“to raise funds and to invite and receive contributions from any person or persons whatsoever by way of subscription, donation or otherwise provided that this shall be without prejudice to the ability of the Trustees to disclaim any gift, legacy or bequest in whole or in part in such circumstances as the Trustees may think fit and provided also that the Charity shall not undertake any permanent trading activities in raising funds for the above charitable objectives.”

We therefore raise significant funding through personal gifts and charitable grants and those gifts and charitable grants often come with conditions as to which projects the specific gift or grant may be used towards. However, in operating the charity we incur certain costs which are general overheads that we incur in the running of the charity which cannot be said to relate directly to any specific project. These include the following:

- Audit, Legal and other Professional Fees
- Bank Charges
- Costs of Board and Staff Meetings
- Costs of Wider BASIC Staff such as Operational Staff (Finance, HR, etc)
- Information Technology and Telecommunications Expenses and Subscriptions
- Insurance
- Office Equipment and Stationery
- Office Lease Costs
- Recruitment
- Staff Training
- Travel and Subsistence

In order to demonstrate that we are fully in compliance with our audit requirements, we therefore want you to understand that a small proportion of any gift or grant that you make to BASIC (even a gift or grant which is made for a specific project) will get used towards these overhead costs. The amount applied for each project will be identified in the agreed project-specific budget. Overhead expenses (as set out above) will therefore be allocated to our overheads budget during the course of each project. Any unspent monies at the end of the project will be incorporated into BASIC’s unrestricted charitable reserves unless otherwise requested in writing at project completion.

We hope that you understand this but if you have any objections to this, please make this clear to us.