



VCS Academy Fiscal Partnership Agreement (Revised)

VCS Academy Fiscal Partnership Agreement

Effective Date: [Date of last signature]

Parties: This Fiscal Partnership Agreement (the “Agreement”) is made between VCS Academy C.I.C. (“VCS Academy” or the “Fiscal Host”), a not-for-profit community interest company, and [Partner Name] (the “Partner” or “Sponsored Group”), an unincorporated grassroots initiative. Both VCS Academy and the Partner are collectively referred to as the “Parties.”

Article 1: Purpose and Background

1.1 Purpose of Fiscal Partnership. VCS Academy’s mission is to empower grassroots initiatives by providing administrative and financial infrastructure to help them create real impact. The Partner has a community-focused mission that aligns with VCS Academy’s objectives, and both Parties wish to enter into a fiscal sponsorship (fiscal hosting) relationship to support the Partner’s activities under VCS Academy’s not-for-profit status. In this arrangement, VCS Academy will receive and manage funds on behalf of the Partner, and will disburse those funds for Partner expenses in accordance with this Agreement.

1.2 No Separate Legal Entity. The Partner is not a separate legal entity from VCS Academy for the purposes of this Agreement. Instead, the Partner will operate under VCS Academy’s sponsorship. However, nothing in this Agreement creates a joint venture or general partnership; the Partner remains a distinct initiative run by its own team (see Article 3 on relationship status).

Article 2: Term of Agreement

2.1 Term Start and Duration. This Agreement commences on the Effective Date (when signed by both Parties) and continues indefinitely until terminated as outlined in Article 9.

2.2 Continuity. There is no fixed end date. The Partner can continue to operate under VCS Academy’s fiscal sponsorship as long as both Parties are satisfied and in compliance with this Agreement.

Article 3: Relationship of the Parties

3.1 Independent Relationship. The Parties agree that their relationship is one of fiscal sponsor (VCS Academy) and sponsored partner (the Partner). Nothing in this Agreement makes the Partner or its members an agent, employee, or legal representative of VCS Academy, except as expressly allowed by this Agreement. Similarly, this Agreement does not make VCS Academy an agent or representative of the Partner for any purposes beyond what is described here.



3.2 No Partnership or Joint Venture. This Agreement does not create a general partnership, joint venture, or any other business combination between VCS Academy and the Partner. Each Party manages its own affairs, and neither Party will be liable for the debts or obligations of the other, except as specifically provided in this Agreement.

3.3 Mission Alignment. The Partner confirms that its activities and mission remain consistent with the charitable and community purposes of VCS Academy. The Partner will not engage in activities that conflict with VCS Academy's mission or that could jeopardise VCS Academy's legal or tax status (such as activities outside the scope of community benefit or any unlawful activities). VCS Academy may request the Partner to pause or cease any activity that it reasonably believes could endanger VCS Academy's compliance with laws or not-for-profit regulations.

Article 4: Financial Management and Fiscal Sponsorship

4.1 Establishment of Partner Fund. VCS Academy will establish a dedicated fund or account to hold funds for the Partner (the "Partner Fund"). All money raised for the Partner and received by VCS Academy (including grants, donations, and other contributions) will be deposited into this Partner Fund. VCS Academy will hold and manage these funds on behalf of the Partner, and will only use them to support the Partner's mission and activities, minus any agreed administrative fees or expenses. VCS Academy will not divert the Partner's funds for other purposes not related to the Partner.

4.2 Fundraising and Receipt of Contributions. The Partner is permitted to solicit donations, grants, and other funding in the name of VCS Academy for the benefit of the Partner. Donors should be instructed to make payments to VCS Academy (or via the official VCS Academy platform) with an indication that the funds are for the Partner. All such contributions will be treated as funds of VCS Academy earmarked for the Partner. The Partner may also raise revenue through sales or events if approved by VCS Academy, provided those revenues are handled through VCS Academy under this Agreement.

4.3 Open Collective Platform & Transparency. VCS Academy will set up the Partner with a page on the Open Collective platform (or a similar transparent financial platform) as part of the fiscal sponsorship. Open Collective is an online platform that enables transparent fundraising and financial management for communities and collectives. The Partner's page will publicly show all funds received and all expenses paid, creating a transparent ledger of the Partner's finances. Both Parties agree to use this platform for managing Partner finances: incoming funds will be recorded there, and expenses will be submitted and documented there, unless otherwise agreed in writing.

4.4 Administrative Fee and Expenses. In return for VCS Academy's fiscal sponsorship services, the Partner will pay VCS Academy an administrative fee on funds raised. The standard fee is 5% of all funds received for the Partner, though VCS Academy may agree to a different rate (for example, 0% or a flat amount) in writing for certain projects or funding sources. This fee is automatically deducted from incoming funds. Additionally, any direct costs incurred by VCS Academy on behalf of the Partner (such as payment processing fees for credit card donations, bank transfer fees, or other third-party platform



fees) will be charged to the Partner Fund. VCS Academy may also retain any interest or investment income earned on the Partner Fund balance to help cover administrative costs.

4.5 Not Tax-Deductible Donations (if applicable). The Partner acknowledges that VCS Academy is organised as a Community Interest Company and not a registered charity. Therefore, contributions to VCS Academy earmarked for the Partner are generally not tax-deductible as charitable donations for donors under current law. VCS Academy will not issue charitable donation receipts. The Partner (and VCS Academy, where appropriate) must inform potential donors that their contributions may not be tax-deductible as charitable gifts. Each donor is responsible for determining the tax treatment of their contribution. (If the Partner secures any grant or donation that requires special tax handling or donor acknowledgement, the Partner will discuss and coordinate this with VCS Academy in advance.)

4.6 Use of Funds & Compliance. VCS Academy will only disburse funds for legitimate Partner expenses that further the Partner's mission, as described by the Partner and approved under this Agreement. The Partner agrees that it will use the funds only for partner-related purposes that are in line with the description of the Partner's activities given to VCS Academy and consistent with community benefit. No funds will be used for the private benefit of any individual or for any purpose that would conflict with VCS Academy's not-for-profit status. VCS Academy may require documentation (receipts, invoices, etc.) for all expenses before disbursing funds. All disbursements will follow the procedures set by VCS Academy (for example, submitting expenses through Open Collective for review and approval by VCS Academy).

4.7 No Commingling of Funds. VCS Academy will track the Partner's funds separately from VCS Academy's general funds and other projects' funds. The Partner Fund is a restricted fund for the benefit of the Partner. However, the Parties understand that all funds are legally held by VCS Academy (the funds are reported as part of VCS Academy's income on financial statements) while this Agreement is in effect. Subject to Article 9 (Termination), VCS Academy will ensure that the Partner's funds are available for the Partner's expenses and are not treated as general revenue for other purposes.

4.8 Financial Records and Audit. All Partner-related financial transactions will be recorded by VCS Academy. The Partner's income and expenditures will be visible on the Open Collective platform (providing real-time transparency), and VCS Academy will also keep internal records. The Partner may request periodic financial statements or transaction reports from VCS Academy, and VCS Academy will provide reasonable access to financial information regarding the Partner's fund. Since transparency is a key value, all transactions are essentially open for review by the Partner and the public via the platform. If VCS Academy undergoes any financial audit, the Partner's transactions may be reviewed as part of VCS Academy's records, and the Partner agrees to cooperate by providing any needed information about partner transactions.

Article 5: Partner Responsibilities and Conduct

5.1 Implementation of Partner. The Partner Team (the individuals leading the Partner) is responsible for the day-to-day operations and implementation of partner activities. The Partner will carry out its programs



and use funds in a manner that is consistent with the description of the Partner provided to VCS Academy and with the community benefit mission that justified fiscal sponsorship. The Partner agrees to operate in a lawful, ethical, and inclusive manner, respecting all applicable laws and regulations (including those related to charitable fundraising, data protection, non-discrimination, etc.).

5.2 Compliance with Host Policies. The Partner will adhere to any reasonable guidelines, policies, or protocols that VCS Academy provides, especially those attached to this Agreement or provided during onboarding (such as any Protocol documents or the Fiscal Hosting Manual). This includes requirements around financial reporting, use of the Open Collective platform, communications, and branding (using VCS Academy's name appropriately), among others. The Partner leaders will also sign any required agreements (for example, VCS Academy's Volunteer Agreements for partner members, if applicable) to ensure individuals involved understand their roles and obligations.

5.3 Third-Party Agreements and Commitments. Because the Partner is not a separate legal entity, the Partner cannot independently enter into contracts or agreements with third parties (such as donors, sponsors, vendors, or service providers) that purport to bind VCS Academy or create obligations for VCS Academy without VCS Academy's prior written consent. In practice, this means: if the Partner wants to sign an agreement (for example, a grant agreement with specific conditions, a sponsorship deal, a lease, or a service contract) or make a significant commitment to any outside party, the Partner must first discuss it with VCS Academy and obtain VCS Academy's approval. VCS Academy may need to be the signatory on such agreements since it is the legal entity. The Partner shall not represent to any third party that it has the authority to bind or sign on behalf of VCS Academy. Any unauthorised agreements will be the sole responsibility of the Partner team, and VCS Academy reserves the right to disavow or refuse to honour any such commitments.

5.4 Respecting Restricted Funds and Donor Intent. If any donation or grant is received with specific restrictions or conditions (for example, "this money must be used only for purchasing school supplies for the partner's program"), the Partner must inform VCS Academy of these conditions. The Partner and VCS Academy will honour such donor intent to the extent feasible and legal. The funds will be tracked to ensure they are used for the intended purpose. If the Partner wants to change the use of a restricted fund, it must seek permission from the donor (if required) and get approval from VCS Academy. VCS Academy will not apply Partner funds to purposes outside of those restrictions without consent.

5.5 Cooperation and Good Faith. Both VCS Academy and the Partner agree to communicate openly and cooperate in good faith throughout this partnership. The Partner will promptly respond to reasonable information requests from VCS Academy (for example, questions from an auditor or updates needed for a report). Likewise, VCS Academy will be available to the Partner for guidance and will notify the Partner of any issues that arise regarding compliance or fund management. The goal is a transparent, supportive partnership where potential problems are discussed and resolved collaboratively.

Article 6: Intellectual Property and Publicity



6.1 Intellectual Property Ownership. The Partner retains ownership of all intellectual property (IP) that is created by the Partner, including but not limited to copyrights, trademarks, logos, designs, content, and inventions related to the Partner. VCS Academy does not claim ownership of the Partner’s intellectual property. For avoidance of doubt, any trademarks, branding, or materials that the Partner develops belong to the Partner (or its creators), and the Partner is free to register these in the name of a partner representative or organisation separate from VCS Academy. VCS Academy’s role as fiscal sponsor does not transfer ownership of any Partner-created content or assets to VCS Academy.

6.2 License for Use of Name and Materials. The Partner grants VCS Academy a limited, non-exclusive, royalty-free license to use the Partner’s name, logo, and other submitted materials (such as photos, videos, or reports provided by the Partner) for purposes of fulfilling this Agreement. This includes using these materials for reporting, transparency, and promotional purposes, such as on the Open Collective platform, VCS Academy’s website, social media, or in presentations/reports about the Partner’s impact. VCS Academy will use the Partner’s name and materials in a manner that is respectful and consistent with the Partner’s mission and image. This license ends when the Agreement is terminated, except that VCS Academy may retain archive copies of reports or media that were created during the partnership.

6.3 Credit and Acknowledgement. The Partner may publicly acknowledge VCS Academy as its fiscal sponsor or partner, and VCS Academy may publicly acknowledge the Partner as a sponsored partner. For example, the Partner might say “Hosted by VCS Academy” on its materials or pages, and VCS Academy might list the Partner among the initiatives it supports. Both Parties agree to use each other’s names, and logos if applicable, in such acknowledgements in a manner that is accurate and not misleading. Any detailed press releases or public announcements about the partnership should be reviewed by both Parties in advance, if possible.

Article 7: Reporting and Transparency Requirements

7.1 Quarterly Partner Reports. The Partner must provide VCS Academy with a brief quarterly report on its activities and progress. This report should summarise the key activities carried out during the quarter, the outcomes or impact observed, and any challenges faced. The Partner is encouraged to include stories, statistics, and evidence of work (for example, photos or testimonials) to help demonstrate what has been done. These reports ensure that both VCS Academy and any stakeholders (including donors) stay informed about how the Partner is advancing its mission.

7.2 Quarterly Financial Reports. The Partner must also provide a quarterly income and expenditure report detailing how funds have been used. Since most transactions will be visible via Open Collective, this financial report serves to explain and verify the financial activity. It should list all income (donations, grants, etc.) received in the quarter and all expenses paid, aligning with VCS Academy’s accounting records. Any significant deviations from the budget or unexpected costs/income should be noted and explained.



An activity report: a short summary of what you did, who you helped, and any major successes or hurdles. Include photos or stories if you can – it brings your work to life. Think of it as letting both us and your supporters know how things are going on the ground.

A financial report: a check-in on the money side – what came in and what went out during the quarter. Since the finances are on Open Collective, we mostly have that data, but we want to hear from you about how the spending matches your plans. For example, if you raised £1,000 and spent £800 on workshop materials, just confirm that and let us know if everything is on track or if you need to adjust anything.

These reports are important for transparency and accountability. They help show donors and our team that funds are being used well and the partner is making progress. It's also a chance to flag any help you might need or any changes in your partner. We'll remind you each quarter, and we're here to assist if you're unsure how to report. By doing this routinely, we all maintain trust and stay aligned.

7.3 Record Keeping. The Partner should maintain its own records of activities and expenses as well, including receipts, invoices, and documentation for expenditures. While VCS Academy will keep financial records, the Partner is responsible for keeping details of how each expense ties into partner work (for example, logs of events held, inventory of purchased items, etc.). The Partner agrees to make these records available to VCS Academy upon request, especially if needed for audits or donor inquiries. Good record-keeping by the Partner complements VCS Academy's oversight and helps in preparing the quarterly reports.

7.4 Meetings and Check-ins. In addition to written reports, the Partner agrees to periodic check-in meetings (for example, quarterly or semi-annually) with a representative of VCS Academy, if requested. These meetings (by phone or online) are informal opportunities to discuss the Partner's progress, address any concerns, and provide feedback from both sides. VCS Academy will use these check-ins to stay engaged with the Partner's development and to offer support or guidance as needed (for instance, suggesting resources or adjustments if the Partner encounters challenges).

Article 8: Indemnification and Liability

8.1 Partner Responsibility. The Partner (and its team members) is fully responsible for its own actions, programs, and any obligations it undertakes. The Partner agrees to indemnify and hold harmless VCS Academy, including its directors, employees, and agents, from and against any and all claims, liabilities, losses, and expenses (including reasonable legal fees) that arise from the Partner's activities or the Partner's breach of this Agreement. In other words, if someone brings a lawsuit or claim due to something the Partner did (for example, an injury at a partner event, misuse of funds by the Partner, or an infringement of intellectual property by the Partner's materials), the Partner, not VCS Academy, will be responsible for addressing that claim and any resulting costs.

8.2 Limitation of Host Liability. VCS Academy will administer the Partner's funds and support the Partner as described, but VCS Academy is not liable for any debts, contracts, or other obligations of the Partner outside of this Agreement. VCS Academy does not assume responsibility for managing the Partner's programs or personnel – that is the Partner's domain. The Partner acknowledges that VCS



Academy makes no guarantee about the success of the Partner or the amount of funds that will be raised; those risks are borne by the Partner. Any liability of VCS Academy under this Agreement is limited to instances of gross negligence or willful misconduct in handling the Partner's funds. In no event will VCS Academy be liable for indirect or consequential damages arising from this Agreement.

Article 9: Termination of Agreement

9.1 Termination by Notice (No-Fault Termination). Either Party may terminate this Agreement for any reason by giving the other Party at least 30 days' written notice of termination. After the 30-day notice period, the fiscal sponsorship relationship will end, unless both Parties agree in writing to continue or extend the term. (The Parties can also mutually agree in writing to terminate at any time.)

9.2 Termination for Cause by VCS Academy. In addition to the above, VCS Academy may terminate the Agreement sooner than 30 days if the Partner materially breaches the terms of this Agreement or engages in any activity that jeopardises VCS Academy's legal standing, and fails to remedy the breach promptly.

Specifically:

If VCS Academy notifies the Partner of an activity that could jeopardise VCS Academy's not-for-profit or legal compliance (for example, a request to cease an improper activity), the Partner must comply within 10 days. Failure to do so allows VCS Academy to terminate immediately after the 10-day period.

If the Partner otherwise fails to perform any obligation under this Agreement (for example, not providing required reports or misusing funds), and that failure is not corrected within 15 days after written notice from VCS Academy describing the issue, VCS Academy may terminate this Agreement immediately after the 15-day cure period.

VCS Academy will provide written notice of any breach and intended early termination to give the Partner a chance to correct the issue if possible. Early termination for cause is a last resort, used if the Partner cannot meet the agreement terms or puts the host at serious risk.

9.3 Winding Down and Fund Distribution. When termination happens (whether no-fault or for cause), both Parties will work together to wind down the sponsorship in an orderly and fair manner. This includes resolving any pending expenses or obligations and handling any remaining funds in the Partner Fund. The following steps will be taken regarding any balance of funds or assets held for the Partner at termination:

a. Final Expenses: The Partner may submit any final expense reimbursement requests to VCS Academy within 15 days after the notice of termination. VCS Academy will review and, if valid, reimburse those final partner expenses from the Partner Fund as per the usual process.

b. Transfer to Successor (if applicable): During the notice period (or by the termination date), the Partner may identify a successor organisation or fiscal sponsor that is willing and able to take over management of the Partner and its funds. If such a successor is found and VCS Academy approves the transfer (approval will not be unreasonably withheld if the successor is a reputable not-for-profit entity),



VCS Academy will transfer the remaining Partner funds to that successor organisation for the continued benefit of the Partner. This transfer will occur as soon as practicable after termination, and may require the successor to sign a receipt or agreement. (For example, if the Partner incorporates as a nonprofit or finds another host, the remaining money can follow the Partner to that new entity.)

c. Donation or Reallocation: Alternatively, the Partner may request that any remaining funds be donated to another related charitable partner or cause, or even to VCS Academy's general community fund to support similar work. Such a request should be made in writing by the Partner's leaders. If permissible under any donor restrictions and applicable law, VCS Academy will carry out the requested reallocation (for instance, transferring the funds to another VCS-hosted partner or issuing them to a nonprofit organisation that aligns with the Partner's mission).

d. Default Disposition: If no instructions for remaining funds are provided by the end of the 30-day notice period, or if a proposed successor or reallocation is not found/approved, then VCS Academy may, in its discretion, distribute or use the remaining Partner funds in a manner consistent with applicable law and community benefit. This could include, for example, using the funds to support other initiatives that have a similar purpose or to cover any final administrative costs related to the Partner. VCS Academy will make a good-faith effort to use the funds in a way that honours the original intent (if possible). In the event the amount is small or no clear alternative exists, the default may be to absorb the funds into VCS Academy's charitable programs or operating funds. (As a safeguard, if the Partner's team has become unresponsive, VCS Academy may wait up to 12 months while attempting contact. If the Partner team still cannot be reached after such period, VCS Academy can proceed with treating the funds as described above.)

You can spend what you need on final legitimate expenses. If you have the last bills or purchases for the partner, send those in within about two weeks of termination. We'll pay those out from your fund as long as they're proper partner costs.

You can move the money to another host or nonprofit. If you've arranged for another fiscal sponsor or you've set up your own nonprofit or found a charity to take on your partner, let us know within the notice period. We'll transfer whatever money's left to that new organisation, so your partner can keep going with them. We'll want to ensure that the new place is a legitimate, aligned organisation (we won't unreasonably refuse – it's mainly to make sure the funds still go to a good cause in line with your partner).

You can suggest donating the money to a similar cause. Maybe you want the remaining funds to go to another partner doing related work, or if you're okay with it, even to VCS Academy's own community fund to help other initiatives. Tell us, and as long as it doesn't conflict with any promises to donors, we'll do that.

If we don't hear from you, we'll decide. If you don't give any direction by the time the partnership ends, VCS Academy will use the money in a way that we think best respects the original purpose. We might support similar community projects or cover the costs we incurred managing your partner. We'll try to do something that makes sense given why the money was raised. (As a courtesy, we'll try to contact you



multiple times – we won’t just disappear your funds. But if you’ve gone totally quiet for, say, a year after termination, we have to make a call and put those resources to some good use.)

The big idea: the money raised for community benefit will stay in the community, one way or another. We won’t ever pocket it for personal gain or anything like that.

9.4 Ongoing Obligations. Termination of this Agreement does not excuse either Party from any liability or obligation that was incurred under the Agreement prior to termination. For example, the Partner still must account for any funds used up to termination, and VCS Academy must still hand over any remaining funds or final reports as agreed. Provisions of this Agreement that by their nature should survive (such as indemnification, governing law, and any required final reporting) will remain in effect even after the rest of the Agreement ends.

9.5 Compliance with Funder Requirements. Both Parties agree that if any grant agreements or major donors have specific requirements about termination (for instance, requiring notice to the funder or return of unspent grant funds), they will cooperate to fulfil those requirements. The Partner should inform VCS Academy of any such obligations in advance. In the event of termination, the Parties will jointly ensure that all funding source conditions are met – such as providing final reports to funders or transferring a grant to a successor fiscal sponsor – so that no donor or grant terms are violated.

Article 10: Dispute Resolution

10.1 Good Faith Negotiation. If any dispute or disagreement arises between the Parties regarding this Agreement or the fiscal sponsorship arrangement, the Parties agree to first try to resolve the matter through good-faith discussions and negotiations. This means each Party will communicate openly and attempt to find a fair solution before taking any formal action.

10.2 Mediation. If the Parties cannot resolve a dispute through informal discussion, they may mutually agree to seek the help of a neutral third-party mediator to facilitate a resolution. The cost of mediation, if any, will be shared equally by both Parties (unless otherwise agreed). Mediation is not mandatory, but it is strongly encouraged as a next step before any legal proceedings.

10.3 Further Action. If a dispute cannot be resolved through negotiation or optional mediation within a reasonable timeframe (for example, 30 days from when the dispute arose), either Party retains the right to pursue legal remedies appropriate to the situation (such as arbitration or litigation, depending on the Governing Law clause below). However, both Parties agree to consider less adversarial solutions first, in the spirit of the collaborative relationship. During the dispute resolution process, both Parties will strive to continue fulfilling their obligations under this Agreement to the extent practical, so the Partner isn’t unnecessarily disrupted.

(Optional: In some cases, VCS Academy might include a specific arbitration clause here. However, given the grassroots context, we’ve chosen a flexible approach: talk first, mediate if needed, and legal action as a last resort. This aligns with best practices of resolving issues amicably in the nonprofit sphere.)



Article 11: Notices

11.1 Form of Notice. Any official notices or communications required by this Agreement (for example, notice of termination, notice of a breach, or a change of address) must be given in writing to be effective. Written notice can be delivered by hand, sent by postal mail, or sent via email (with confirmation of receipt encouraged).

11.2 Recipient Addresses. Notices to VCS Academy shall be sent to the following address and/or email:

VCS Academy C.I.C. – Attn: Fiscal Sponsorships

[Mailing Address]

Email: [official email for VCS Academy contact]

Notices to the Partner shall be sent to the contact person and address/email provided by the Partner in its application or as updated in writing. Initially, notices will be sent to:

[Partner Name] – Attn: [Partner Lead Name]

[Partner Contact Address]

Email: [Partner contact email]

Each Party is responsible for notifying the other in writing if the contact person or address for notices changes.

11.3 Effective Date of Notice. A notice is considered effective: (a) if delivered in person, on the day it is delivered; (b) if sent by postal mail, on the second business day (or actual day of receipt, if later) after it's mailed with proper postage; or (c) if sent by email, on the day the email is transmitted without an error bounce-back, provided that a copy of the notice is also sent by another method if requested by the receiving Party. Email is acceptable for routine communications and official notices, but for critical or sensitive notices (like termination), it's good practice to use a method that confirms delivery (such as registered mail or a read-receipt email).

When you send a notice, here's how we decide when it "counts" as received: if you hand-deliver or courier it, it counts that day. If you mail it, we'll assume it gets there in a couple of business days (unless the post office proves otherwise). If you email it, assume it's received the day you send (as long as it doesn't bounce back). For something really important like a termination, we might do both email and a physical letter just to be safe. Essentially, we want to ensure that when something important is communicated, the other side definitely gets it in a timely way.

Article 12: Governing Law and Jurisdiction

12.1 Governing Law. This Agreement shall be governed by and interpreted per the laws of England and Wales (since VCS Academy is based in the UK).

12.2 Jurisdiction. The Parties agree that any legal action or proceeding relating to this Agreement that is not resolved through the dispute resolution process (Article 10) will fall under the jurisdiction of the courts of England. Both Parties consent to the personal jurisdiction of such courts. (If the Partner is based



in a different country, the Parties may discuss and agree on a different choice of law or a neutral jurisdiction, but absent a different agreement, English and Welsh law applies.)

Article 13: Entire Agreement and Amendments

13.1 Entire Agreement. This document (including any attached exhibits or protocols expressly incorporated) constitutes the entire agreement between the Parties concerning the fiscal sponsorship arrangement. It supersedes all prior discussions, understandings, or agreements (whether written or oral) related to this fiscal sponsorship. The Parties confirm that they have no other agreements or promises between them concerning fiscal hosting, except what is written here.

13.2 Amendments. Any changes or amendments to this Agreement must be made in writing and signed by both an authorised representative of VCS Academy and an authorised representative of the Partner. This ensures that no unilateral changes are made and that both Parties explicitly agree to any new terms. (In practice, if some detail needs adjustment – for example, a change in the admin fee percentage or an extension of terms – we’d draft a short written amendment or addendum and both Parties would sign it.) No oral modifications will be effective.

Article 14: Miscellaneous Provisions

14.1 Severability. If any provision of this Agreement is found to be invalid, illegal, or unenforceable by a court of competent jurisdiction, that provision will be severed (i.e., treated as removable) from the Agreement. The rest of the Agreement will remain in full effect and enforceable, as if the invalid part had not been included, unless removing that part defeats the essential purpose of the Agreement. The Parties will, if feasible, replace any invalid provision with a new provision that reflects the original intent and is valid under law.

14.2 Waiver. If either Party fails to enforce any provision or right under this Agreement, or delays in enforcing it, that does not mean the Party waives their right to enforce it later. To officially waive any term of this Agreement, the Party must expressly do so in writing. For example, if VCS Academy does not immediately act on a late report from the Partner, it doesn’t mean VCS Academy cannot insist on timely reports in the future or enforce other terms. Each provision can be enforced on its own. A written waiver of one breach or provision does not constitute a waiver of any other provision or any future breach.

14.3 No Assignment. The Partner may not assign or transfer this Agreement (or any of its rights or obligations hereunder) to another party without VCS Academy’s prior written consent. This Agreement is specific to the Partner (as identified and approved in the application to VCS Academy). Any attempted assignment without consent is void. VCS Academy may assign its rights and obligations to a successor entity (for example, if VCS Academy’s fiscal sponsorship program is taken over by another nonprofit or entity), but will provide notice to the Partner if that occurs.

14.4 Independent Entities. Nothing in this Agreement shall be construed to make either Party the agent or representative of the other, except as specifically set forth (for instance, VCS Academy acting as agent



for receiving funds, or the Partner being described under VCS Academy for fundraising purposes). Other than the limited relationship established herein, the Partner and VCS Academy are independent entities and neither can bind the other to any contract or obligation not expressly authorised by this Agreement (*reiterating Article 3 and Section 5.3*).

14.5 Counterparts and Signatures. This Agreement may be executed in counterparts, meaning the two Parties can sign on separate copies, and together those copies will constitute a single agreement. Scanned or electronic signatures (including PDF copies or electronic signing services) are acceptable and considered equivalent to original signatures. Each person signing this Agreement represents that they have the authority to sign on behalf of the Party they represent.

Article 15 – Force Majeure

Neither Party shall be liable for any delay or failure to perform its obligations under this Agreement due to events beyond its reasonable control, including but not limited to acts of God, war, terrorism, sanctions, natural disasters, epidemics, governmental restrictions, or failure of suppliers or systems. Such events shall suspend performance until they are resolved, provided notice is given to the other party.

Article 16 – Non-Compliance & Disclosure Penalties

The Partner agrees to fully disclose any known banking, legal, compliance, or financial obstacles at the start of or during the term of this Agreement. Failure to disclose such information may result in the following:

- - Immediate suspension of all fund disbursements.
- - A penalty of 5% of the total Partner budget or £5,000, whichever is greater.
- - Liability for any reputational damage or compliance-related legal costs borne by VCS Academy.
- - Clawback of funds already transferred to the Partner if used in breach of terms.
- - Termination of the Agreement and loss of access to hosted services or funds.

Annex A – Plain English Guide

In plain English: This agreement is between VCS Academy (us, acting as the fiscal sponsor or host) and your Project (you, the community group being sponsored). It takes effect once both parties sign and, from that point, VCS Academy will officially fiscally host your Project so you can operate under our umbrella.

In plain English: Why are we doing this? VCS Academy is a not-for-profit organisation that helps community projects by handling their finances and administration. Your Project has goals that fit with our community mission. We both want VCS Academy to fiscally host your Project – meaning we'll hold



money for you and pay out expenses for your activities – so you can focus on your mission without setting up a new legal entity.

In plain English: What does this mean for your project’s legal status? By entering this agreement, your Project isn’t becoming an independent company or charity – it’s operating under VCS Academy’s umbrella. We’re not forming a new company together or anything like that. This setup simply lets your team use our legal and financial framework to run the Project.

In plain English: How long does this last? The agreement starts once we both sign (or otherwise officially agree) and then stays in effect unless or until either you or we end it following the process in Article 9.

In plain English: No set end date. We don’t automatically expire this partnership. It keeps going until one of us decides to end it or if something happens that requires termination (see Article 9 for how that works).

In plain English: We’re partners, but separate. VCS Academy is your fiscal sponsor, but your Project team isn’t employed by VCS and can’t act on behalf of VCS in general. And VCS isn’t going to run your project for you. We each operate independently, except for the specific ways this agreement lets us work together.

In plain English: Liability separation. We’re not merging into one entity or sharing finances beyond the scope of this sponsorship. VCS Academy won’t be responsible for your Project’s obligations or debts (for example, if you owe someone money outside of this agreement), and your Project isn’t responsible for VCS Academy’s obligations. We simply have a sponsorship arrangement.

In plain English: Staying on mission. Your Project’s goals should fit with our community-minded goals. You agree not to do anything that would put VCS Academy in legal trouble or stray from a public-benefit mission (for example, we can’t support for-profit ventures or illegal acts under this agreement). If we’re worried something you’re doing could threaten our legal status, we’ll ask you to stop – and you’ll need to address the issue quickly.

In plain English: We hold your funds for you. We’ll set up a separate internal account for your Project. Any donations or grants meant for your Project go into that account. We promise to only use that money for your Project’s expenses and activities (and not for anything else), except for the small admin fee or costs we agreed on. In other words, it’s your project’s money held by VCS, and we’ll manage it responsibly for your benefit.

In plain English: Raising money. You can fundraise using VCS Academy’s name or channels so that people can donate to your Project. When you get donations or grants, they actually go to VCS Academy (into your Project’s fund). Even if you sell something or have a fundraising event, the money should flow into the VCS-managed account for your Project. This way, it’s all properly tracked and under our umbrella.



In plain English: Using Open Collective for openness. We will put your Project on the Open Collective website, which shows exactly how much money comes in and goes out for your Project. This makes all your Project's finances transparent to you, us, and the public. It helps build trust, because anyone can see donations and expenses on your Project's page. We'll handle the setup — linking it to our bank account and payment systems — and you'll use the platform to submit expenses and see your balance in real time. This is a key benefit of our fiscal hosting: full transparency in how funds are managed.

In plain English: Our admin fee and any transaction costs. Like most fiscal hosts, we charge a small percentage to cover our work (handling donations, accounting, compliance, etc.). Typically, we take 5% of the money that comes in for your Project, which is in line with industry standards. (In some cases, we might agree on a lower rate or no fee for certain grants or projects – we'd put that in writing if so.) Also, if collecting your funds costs us something directly (for example, credit card fees or bank fees), those costs will come out of your Project's fund – basically, the Project covers its own transaction fees. If the money in your account earns a bit of interest, we keep that to help cover our overhead. All of this ensures we can sustainably support your Project and is common practice for fiscal sponsorships.

In plain English: Donations aren't charity tax write-offs (unless we tell you otherwise). Because VCS Academy is a not-for-profit company but not a registered charity, donations to your Project through us do not qualify for charitable tax deductions in most cases. We won't be giving out charity tax receipts. You should make sure big donors understand this, so there's no confusion or disappointment later. (If you do get a grant that needs special paperwork or if there's a question about taxes, let's talk about it so we handle it correctly.)

In plain English: Using the money correctly. We'll pay out money from your Project's fund only for things that have to do with your Project's activities and goals. You can't use the project's money for personal use or anything outside your project's scope. We might ask for receipts or invoices when you need money for an expense – that's to keep everything accountable. As long as you spend the money on your project and keep good records (submitting expenses on the platform for us to approve), we're all good.

In plain English: We keep your money separate in our books. Internally, we earmark your Project's money just for you. It's kept separate from our own organisational funds and from other projects we host. Technically, because we're the legal entity, the money lives in our bank account and counts as our income for accounting purposes. But don't worry – it's restricted to be used only for your Project. We won't mix it up with our other money or use it elsewhere.

In plain English: You can see the money flow, and so can we (and others). Every donation and expense for your Project will be tracked. Thanks to Open Collective, almost anyone can see a live ledger of your Project's finances. We'll also have our own books reflecting that. You can always ask us if you need a report or have questions about the finances. And if our accounts get audited, your project's finances might be looked at too (since they're part of our books) – we'll let you know if anything's needed from your side, but otherwise we handle the accounting.



In plain English: Running your project. It's up to you to run your project and do the good work you set out to do. You should stick to what you told us you'd do – no surprise pivots into unrelated activities without talking to us. And of course, follow the law and be ethical in all your project's operations. This includes things like proper fundraising practices, privacy laws if you handle personal data, and not discriminating against people. We trust you to do the right thing while carrying out your project.

In plain English: Follow the rules we've set for hosted projects. We have certain policies and processes for all the projects we host – things like how to handle money on the platform, how to report updates, or rules that volunteers need to follow. We gave you these guidelines in our onboarding materials. You agree to follow those. For example, each of your team members might need to sign a volunteer agreement with us, and you'll generally stick to the procedures we've explained for managing funds and reporting. These aren't meant to be bureaucratic – they're to make sure everything runs smoothly and stays compliant with regulations.

In plain English: Check with us before signing stuff or promising things. Because VCS Academy is the official legal organisation, you can't sign contracts or agreements on behalf of the Project that involve legal or financial obligations without looping us in. For example, if a company wants to sponsor your project in exchange for certain benefits, or you want to hire someone or buy expensive equipment, you need to let us review the agreement. Legally, those contracts would be with VCS Academy (since we're the legal entity holding the money), so we either have to sign them or at least formally approve them. If you go off and make a deal without telling us, we might not be able to uphold it – and you'd be responsible for any fallout. So, when in doubt, ask us first and get approval in writing. This protects both you and us.

In plain English: Use earmarked money appropriately. If someone gives you money for a specific purpose, we all need to respect that. For instance, if a grantor or donor says, "Here's £5,000, but you must spend it on food supplies for your community pantry project," then we have to make sure that £5,000 wholly adheres to that purpose. You need to tell us if any money you raise has strings attached. We'll help track it so it's used correctly. If you ever need to repurpose restricted money (say you got supplies donated and you want to use the cash for something slightly different), you'll likely need the donor's okay and ours too. It's all about honouring promises made to funders.

In plain English: Let's work together and stay in touch. We both agree to be honest and helpful to each other. If we ask you for something (like details for a report or clarification on an expense), you'll get back to us in a reasonable time. If you have questions or need help, we'll do the same for you. And if either of us spots a problem – maybe a rule issue or a concern with funding – we'll bring it up and solve it together. The success of this sponsorship relies on trust and open communication.

In plain English: Your project's creations are yours. Anything your Project creates – your name, logo, website content, curricula, software code, artwork, etc. – belongs to you (the Project team). VCS Academy isn't taking ownership of any of that. If you have a logo or a trademark, it's yours to register or protect as you see fit, under your own name, not VCS's. We're just here to help with the finances and admin, not to take over your work. You maintain full rights over your project's intellectual property.



In plain English: We can share your project's story (using your name and images). You're okay with us using your Project's name and any photos/videos or logos you provide, so we can showcase the work you're doing and report on it. For example, we might put your logo and pictures on our site or social media to highlight your progress, or to show donors what's happening. This is part of the transparency and celebrating your impact. We'll, of course, use everything respectfully – promoting you and the good you're doing. This permission ends if we part ways, but we might keep some records of what we published while we were working together.

In plain English: Giving each other shout-outs. You can mention that VCS Academy is supporting your Project (like putting “fiscally hosted by VCS Academy” on your site or flyers), and we might mention your Project as one of the ones we host. That's fine, and even encouraged. We'll both make sure we do it in a way that's truthful and positive. If we're going to make a big public announcement or press release about our partnership, we'll try to check in with each other first so we're on the same page about the messaging.

In plain English: Regular updates keep everyone accountable. Every three months, we ask that you tell us what your Project has been up to and how you're using the money. This includes:

In plain English: Keep your paperwork. Be sure to hang on to receipts and keep notes about what you're doing with the money. We're tracking the finances on our side, but you should also keep a file of receipts and any important documents. That way, if anyone ever has a question (“Hey, what happened to the £500 donated for laptops?”), You can easily show the purchase receipt and explain how those laptops were used in your project. Staying organised with records will make your reporting easier and ensure we can answer any questions from auditors or donors quickly.

In plain English: Let's chat now and then. Besides the formal reports, we might schedule occasional calls or meetings to talk about how things are going. This isn't meant to be intrusive – it's to make sure you feel supported and to catch any issues early. During these chats, you can update us on progress in person (or via video call), ask questions, and we can brainstorm solutions together if you're facing any hurdles. It's essentially a chance for us to touch base and ensure everything's on track and you're getting what you need from us as a fiscal host.

In plain English: You'll protect us if something goes wrong on your side. We're here to support you, but we need you to agree that if something bad happens because of your Project's actions, you will cover us. For example, if a third party sues because of something your team did or forgot to do, you can't blame VCS Academy for it – and if any money is owed or legal defence is needed, your Project will handle it. This is standard for fiscal sponsorships: you (the project) take responsibility for your own operations and promise not to let VCS Academy suffer for your mistakes. We don't anticipate problems, but this clause means, “if your project causes a problem, you'll fix it or pay for it, not VCS.”

In plain English: Our responsibilities and limits. We promise to do our best in managing your money and giving support, but we can't guarantee your project will meet all its goals or raise all the money it hopes for – and we're not on the hook if things don't go as planned. Also, except for us mishandling funds or doing something really wrong on purpose, VCS Academy isn't responsible for losses or damages



connected to your project's activities. For example, if your event doesn't turn out well or you run into a dispute with a vendor, that's not something you can hold VCS Academy accountable for. We're not taking on your project's debts or contracts – we're managing funds and compliance, not running your project day-to-day. Essentially, we're accountable for doing our job (handling your funds properly), and you're accountable for everything else in your project.

In plain English: Either side can call it quits with 30 days' notice. If you want to end the fiscal sponsorship, or if we do, either of us can do so — no hard feelings required — by telling the other in writing and then waiting 30 days. After that time, the agreement is over (unless we both decide to extend or something). This gives a bit of time to sort things out before everything formally ends.

In plain English: If something goes very wrong. We hope it never happens, but if your Project seriously violates this agreement or puts us in a dangerous position legally, we can end the partnership faster. We'll give you a warning and a short time to fix the problem. For example, if you're doing something that could threaten our legal status or you're not following the rules of the agreement, we might say, "Hey, you need to stop or fix this within 10 days." If you don't, we can terminate the agreement pretty much right away after that. For other issues (like not turning in reports despite reminders), we'd give you 15 days to sort it out. We will certainly communicate with you first and try to get things back on track, but this clause is here in case a quick break is necessary. Essentially, if you can't or won't comply with the key terms, we have a way to protect ourselves and end the deal early.

In plain English: What happens to the money if we part ways? When our fiscal sponsorship ends, we need to decide where any leftover project money goes. Here's how we handle it:

In plain English: Wrap-up duties. Even after the agreement is terminated, both of us still have to follow through on any unfinished business from the partnership. If you have money you need to return or reports to finish, you'll do that. If we still need to transfer funds or provide documentation, we'll do that. Also, certain parts of this agreement stick around – for example, if someone made a claim about something that happened while we were partnered, the indemnity (Article 8) still applies. The end of the agreement is just the end of the fiscal sponsorship going forward; we both still honour what happened while it was active.

In plain English: Honour any special donor rules. If a funder made you agree to certain things (like "if the fiscal sponsor changes, tell us" or "return unused grant money if the project ends"), we'll make sure to do that when wrapping up. You need to let us know if any of your donors or grants have these rules. We'll work together so that we don't accidentally break a promise to a funder when our partnership ends. For example, if a grantor says unspent funds must be returned, we'll return them rather than reallocating them somewhere else. Communication is key here – as long as we both know the requirements, we'll handle them properly.

In plain English: Let's talk it out before any drastic moves. If we disagree – maybe you think we're holding funds too long, or we think you're not following a rule – we both promise to first sit down (in person or virtually) and try to work it out calmly. We won't rush to court or anything like that. If talking among ourselves doesn't fix it, we can bring in a mediator, who is like an independent referee who helps people agree. We'd split the cost for that and try to find a middle ground. Only if those approaches fail



would we consider more formal legal action. Even if we're trying to solve a conflict, we'll both do our best to keep the project running smoothly in the meantime, so that beneficiaries don't get hurt by our dispute.

In plain English: How to officially get in touch. If one of us needs to send an important notice (ending the agreement, reporting a breach, changing our contact info, etc.), it has to be in writing. An email will usually do, but we might also use a physical letter for big stuff. We listed addresses and emails above for where to send these notices. If you move or change your email, let us know so we can update that.

In plain English: Which laws apply if we have to involve lawyers? Our agreement follows the laws of England and Wales. If we ever end up in court over this (which we hope to avoid), it will be in a court in England, and English law will apply. Even if you're based elsewhere, by signing this agreement, you're agreeing to use our legal system for any official disputes. This is pretty standard and just ensures we both know which rules we're playing by legally.

In plain English: This is the whole deal, and we can only change it together in writing. What you're reading now is our complete understanding of how this fiscal sponsorship works. We're not relying on any side conversations or informal emails that aren't reflected here – everything official is in this document. If we realise we need to tweak something later (maybe adjust a requirement or change a fee), we'll write it down and both sign off on the change. We can't just say "we talked about it, so it's changed" – it has to be a written amendment that both of us agree to. This protects both parties by making sure there's clarity on any updates.

In plain English: If one part of the agreement fails, the rest stays. Sometimes a specific clause might not hold up legally for some reason. If that happens, it doesn't mean the whole agreement is dead. We'll just omit or fix that clause and keep the rest of the agreement going. We might work together to rewrite a problematic clause in a legal way that still captures what we intended. The idea is to not throw out the baby with the bathwater – most of this agreement should still stand even if one bit has issues.

In plain English: Not enforcing once is not a free pass forever. If we let something slide once (say we don't strictly enforce a deadline or requirement), it doesn't mean we can't enforce it next time. And it most importantly doesn't mean we've given up that right entirely. The only way a term is waived is if we clearly say in writing that we're waiving it. So, both sides should understand: just because one of us is lenient or accommodating at one point, the actual terms of the agreement still hold moving forward unless we formally change them.

In plain English: This agreement is between us only, unless we agree otherwise. You can't just hand off your participation in this agreement to someone else or change the project's ownership without checking with us. This is an agreement with your particular project/team – we chose to sponsor you. If you dissolve your group or someone entirely new wants to step in, we'd need to formally agree to transfer this agreement to them. On our side, if VCS Academy ever restructured or had another organisation take over its projects, we'd let you know and ensure the new host honours this agreement.



In plain English: Signing and copies. We might not sign the same physical piece of paper – it's okay if we sign two copies, or if one of us signs and scans it to the other to sign. All those pieces taken together count as one official contract. Signing electronically or via email is perfectly fine and counts as if we signed a paper original. Also, the folks signing below promise that they are authorised to bind their side (so, the person signing for VCS is an official who can do that, and the person signing for the Project is a leader who has the group's okay).