

What is a Donor-Advised Fund (DAF)?

When you give through Shamaazi, your donation doesn't go directly from us to the charity you've chosen. Here's how it works - and how it protects your donation.

- **Shamaazi is a technology platform designed for fundraising, not a charity**
Donor-Advised Funds are registered charities – they're legally and structurally designed to receive, safeguard and grant donations responsibly
- **Your donation goes to our DAF partners, not to Shamaazi** – we never hold or control your funds
- **The DAF approves all grants independently** – they have final say and full accountability
- **This structure protects your donation** – through regulation, oversight and proven charitable governance
- **We focus on making giving easy and impactful, they focus on governance** – and your donation benefits from both

They are designed to ensure your donation is processed and granted in line with the causes you care about, subject to trustee approval and regulatory requirements.

For more information on our Fees and broader funding model, please see our Fees & Transparency page.

Why do Shamaazi use a Donor-Advised Fund (DAF)?

Shamaazi is a technology platform, not a registered charity.

We build the digital infrastructure that enables generosity - helping donors discover causes, set up giving schedules and track impact.

Registered charities, by contrast, are legally structured to receive and distribute charitable funds under formal trustee oversight and regulatory supervision.

Rather than combining these roles, Shamaazi deliberately operates a separation-of-functions model:

- Shamaazi focuses on technology, donor experience and fundraising innovation.

- A regulated charitable DAF partner is responsible for receiving, safeguarding and granting funds.

This structure ensures:

- Donations are handled by an entity operating under UK charity law and trustee governance.
- Gift Aid and tax processes are managed by a legally authorised charity.
- Grant-making decisions sit with independent trustees, not a technology platform.
- Financial controls, compliance procedures and regulatory reporting are embedded within the charitable entity receiving funds.

This governance model is by design.

It ensures that every donation benefits from both modern fundraising infrastructure and independent charitable oversight. **To ensure your donations are handled with the utmost due diligence and transparency**, we partner with organisations that are specifically designed, regulated and trusted to do exactly this work: **Donor-Advised Funds**.

What is a Donor-Advised Fund (DAF)?

A Donor-Advised Fund is a type of registered charity, trusted by donors and charities worldwide, that specialises in receiving donations and granting them responsibly to other charities.

Think of them as the safe, regulated bridge between your donation and the charities you want to support.

DAFs are:

- Registered charities or philanthropic foundations
- Regulated by the Charity Commission (and subject to relevant financial crime / AML obligations)
- Legally authorised to receive charitable donations
- Required to follow strict governance and compliance rules
- Trusted by individual donors, families, corporations and platforms worldwide

When you donate through Shamaazi, your money goes straight to our DAF partner—not to us. The DAF becomes the legal, charitable recipient of your donation, and they're responsible for making sure it reaches legitimate charitable work.

This isn't unique to us. DAFs are widely used across the charitable sector precisely because they provide the oversight, regulation and trust that donors deserve.

Why Shamaazi uses Donor-Advised Funds

At Shamaazi, trust and integrity sit at the heart of everything we do.

Shamaazi isn't a charity, so using a DAF is essential. This separation allows us to focus on building tools that increase generosity and consistency, while regulated charities focus on safeguarding funds and compliance. It also provides you with safeguards that wouldn't exist otherwise:

Independent oversight

A regulated charity (not a tech platform) reviews every donation and grant.

Regulatory compliance

The DAF must follow Charity Commission rules, financial regulations and anti-money laundering laws. They're held accountable by regulators, not just by us.

Verification of charities

Before your donation reaches any organisation, the DAF confirms they're legitimate, registered and eligible to receive funds.

Protection from misuse

Your donation can only ever be used for charitable purposes. The DAF's legal obligations ensure this.

Tax administration done properly

Gift Aid, tax receipts and HMRC compliance are handled by an organisation legally authorised to do so.

Transparency and audit trails

Every donation, every grant and every decision is documented and auditable.

Donor Intent

When you donate through Shamaazi, your intention matters. The DAF exists to seek to respect and reflect donor intent, while exercising independent judgement in line with its charitable obligations and gives significant weight to your recommendation, while retaining independent discretion in line with charity law. Grants may be delayed, amended or declined where required by law, regulatory considerations, due diligence findings or trustee judgement

If we tried to handle donations directly without charitable registration and these structures, your funds wouldn't have these protections. Using DAFs allows us to combine innovative technology with proven charitable governance.

How donations flow from us to charities

Let's walk through what happens when you donate through one of our fundraising platforms:

1. You choose a cause and donate on our platform

You use a Shamaazi fundraising platform (MyTenNights, MyTenDays, MyFridays, MyDailyGiving) to make your donation to one of our charity partners.

2. Your donation goes directly to the DAF—not to Shamaazi

Your donation is processed via our payment provider and received directly by our DAF partner. If you choose not to cover payment provider fees, these are deducted by the payment provider before the donation reaches the DAF. In some cases, donations may be allocated to structured or pooled funds operated by the DAF, where funds are held and distributed over time in line with its charitable obligations.

3. We send the DAF a 'grant recommendation'

Shamaazi only allows charities who have gone through these steps to appear on our website, then we tell the DAF which charity you've chosen to support and ask them to grant your donation to them. This recommendation reflects your explicit choice as a donor.

4. The DAF independently reviews and approves the grant

Before releasing any funds, the DAF:

- Verifies the charity is registered and eligible
- Checks the grant complies with UK charity law
- Conducts due diligence and regulatory checks
- Ensures the donation will be used for genuine charitable purposes

Shamaazi only allows charities who have gone through these steps to appear on our website, so you can give with confidence.

5. The DAF releases your donation to the charity

Throughout the entire process, an independent, regulated organisation has overseen and approved every step.

Once your chosen charity has been verified and approved within the DAF's due-diligence framework, your donation is granted to that charity in line with your recommendation.

Grants are processed on a scheduled basis, with timing dependent on regulatory checks, charity location and operational factors, and may vary accordingly. Grants may be withheld or delayed where required by law or regulation, or where necessary to complete due diligence, manage risk, or ensure funds are used appropriately in line with the DAF's charitable obligations

The DAF operates under UK charity law and trustee oversight. In the rare event that a grant cannot be made due to legal or regulatory restrictions, the DAF will take appropriate steps in line with its charitable obligations and we will communicate transparently with you.

Throughout the process, an independent, regulated charity oversees the receipt, review and distribution of funds.

Who has control over your donations?

The DAF provider does. Not Shamaazi.

This is one of the most important things to understand: once you donate, the DAF has full legal and charitable authority over those funds. DAFs are legally required to consider donor recommendations carefully and to act in accordance with charity law and their trustees' fiduciary duties. They will ordinarily seek to align grants with donor recommendations, but retain independent discretion in accordance with their charitable obligations.

That means:

- The DAF decides whether to approve each grant
- In rare cases, they may be required to pause or decline a grant to meet legal or regulatory obligations. In the unlikely event that this happens, we will always communicate this with you.
- They conduct their own checks — we do not control their decision-making; these decisions are made independently by the DAF, although we work closely with our partners to facilitate donor recommendations
- They remain accountable to the Charity Commission, not to us

We make a recommendation based on your choice. They make the final decision based on their charitable judgement and legal obligations.

This means there's always an independent, qualified organisation making sure everything is done properly.

DAFs, Gift Aid and tax receipts

DAFs also take care of all tax-related processes:

Gift Aid (UK taxpayers)

The DAF claims the 25% Gift Aid uplift directly from HMRC and passes it on to your chosen charity.

Tax receipts

If you request a tax receipt from us, you'll receive an official donation receipt from the DAF for your records. This is valid for tax purposes and meets HMRC requirements.

International donors

Where donations are made through a locally registered DAF entity (such as in the UK, US, Canada or Australia), the relevant DAF will issue documentation in accordance with applicable local tax requirements. Tax treatment outside these jurisdictions may vary, and donors should seek independent tax advice where appropriate.

Because the DAF is a registered charity with the legal authority to handle these processes, everything is done correctly and transparently.

Shamaazi vs DAFs: the key differences

DAFs

The role of a DAF is to protect your donation:

- **Receive and safeguard funds** – your money is held securely until it's granted
- **Conduct Know Your Customer (KYC) and anti-money laundering (AML) checks** – to prevent financial crime
- **Verify recipient charities** – confirming they're registered, legitimate and eligible
- **Review grant purposes** – ensuring donations will be used for genuine charitable work
- **Claim and distribute Gift Aid** – maximising your donation's value
- **Maintain full audit trails** – for transparency and regulatory reporting
- **Report to the Charity Commission** – meeting legal obligations and oversight requirements

Shamaazi can't do this work, so we work with DAF partners to do it on behalf of all donors using our platform.

Shamaazi

With the DAF ensuring your donations are handled safely, legally and transparently, we focus on building the best possible giving experience for you and our charity partners.

Our job is to:

- Act as the fundraising platform that connects you with causes
- Build innovative technology that makes discovering and supporting causes easy
- Help you find charities doing work you care about
- Request grants from the DAF, aligned with our donors' intentions
- Create transparency so you understand where your money goes

Our job is not to:

- Receive or hold charitable funds—the DAF does that
- Approve grants—the DAF has final say
- Handle tax or regulatory compliance—the DAF is responsible for that
- Override charitable decisions—those belong to the DAF

This separation is intentional and is designed to protect our donors.

Our Donor Advised Fund (DAF) partners

United Kingdom:

The Forever Trust - Registered Charitable Organisation No. 1212783

United States:

The Forever Trust USA - 32-0779611

Canada:

The Forever Trust Canada - Registered charity number: 723420352RR0001

Australia:

Myriad Australia – Registered Charitable Organisation ABN 20 640 318 636

Give with confidence

It might feel unusual at first to learn there's another organisation involved in your donation. But this structure exists to protect you.

Here's what it gives you:

- ✓ **Your donation is received by a regulated charity**, not a tech platform
- ✓ **An independent organisation approves every grant**, ensuring funds only go to legitimate charities
- ✓ **Strict regulatory and compliance checks** protect against fraud and misuse
- ✓ **Gift Aid and tax processes are handled by experts** authorised to do this work
- ✓ **Multiple layers of oversight** ensure your generosity is treated with care
- ✓ **Complete transparency** about who holds funds and who makes decisions

This model of technology platforms partnering with regulated charitable organisations (such as DAFs) is increasingly common because it lets innovative platforms like ours exist while ensuring donors' money is handled with the highest standards of governance and accountability.