

NFP eNews 7 NOVEMBER 2022

Welcome to haysmacintyre's regular 'e-news alert' for charities and not for profit organisations.

Autumn Statement announced

The Chancellor of the Exchequer has announced that he will make an Autumn Statement on 17 November which will include the Medium Term Fiscal Plan, previously planned for 31 October. The Statement will also see the release of the Office of Budget Responsibility's forecasts on the UK economy. haysmacintyre will be producing an in depth analysis of the Statement following its release.



Charities Act 2022: first changes take effect

On Monday 31 October the first set of changes introduced by the Charities Act 2022 came into force. The first set of provisions include:

- Extended powers to pay trustees for providing goods to the charity under certain circumstances
- A new statutory power for Royal Charter charities to change sections of their Royal Charter
- A reduction in the administrative complexities surrounding failed fundraising appeals

The next set of changes are planned for Spring 2023. The implementation of changes in relation to ex gratia payments, which are included within sections 15 & 16 of the Act, were expected to come into force this autumn however have been delayed until the government fully understand the implications for national museums and other charities. When Parliament debated the Charities Bill, enabling national museums to restitute items from their collections based on moral grounds was neither considered, nor agreed on, however is a potential consequence of the current proposed amendments.

Combating charity fraud

Charity Fraud Awareness Week took place last month from 17-21 October. This was the seventh year of the awareness week, which is run by the Charity Commission and Fraud Advisory Panel in partnership with charitable organisations, sector stakeholders, and law enforcers. Alongside various events, additional resources and insights have been added to [the website](#), including several webinars aimed at informing charity staff about cybercrime and common charity frauds.

The Charity Commission's recent survey into cyber security has identified that 12% of charities surveyed have experienced cybercrime in the previous 12 months. However, only 24% of charities who responded have a formal policy in place to manage the risk of cybercrime; and only 55% reported that cyber security was a fairly or very high priority in their organisation. The Commission noted that "the most common types of attacks experienced were phishing and impersonation (where others impersonate the organisation in emails or online)."



New 5-minute guide on political activity

The Charity Commission has published a [new 5-minute guide](#) on the rules for charities that want to support, or oppose, a change in government policy or the law. The guide covers what is meant by 'political activity', the rules on political activity and engaging with it, working with politicians and other campaigning. This is the latest in the Commission's [collection of 5-minute guides](#), which are aimed at refreshing your knowledge on key governance matters.

Fundraising Regulator publishes Annual Complaints Report

On 19 October the Fundraising Regulator published its Annual Complaints Report which covers the period 1 April 2021 to 31 March 2022. The report analyses the complaints received by the regulator and those reported to 56 of the UK's largest fundraising charities. On the whole, the number of complaints were found to have increased proportionately with charities' increased fundraising activities since the pandemic, however the overall number of complaints have decreased since 2019/20. The majority of the complaints received related to charity bags, digital fundraising, collections, and addressed mail. The full report can be read [here](#).

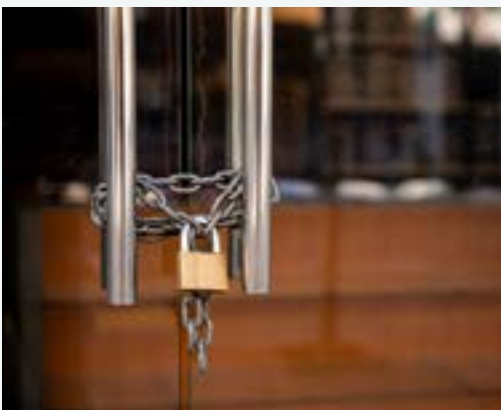


Fundraising Regulator: call for information on the Code of Fundraising Practice

The Fundraising Regulator has announced a public call for information on the Code of Fundraising Practice which closes on 25 November. The Regulator is interested in hearing how the code can be improved so that it can set a proportionate, future-proof framework that protects donors and the public while avoiding unnecessary constraints on fundraisers. It is particularly keen to hear from smaller fundraising charities. Further information can be found [here](#).

Lab researches materiality

Whilst materiality is a fundamental concept in accounting frameworks, it is also a practical tool used to focus reporting on key matters. The FRC Lab (Lab) has therefore [started a project](#) to understand how companies develop, assess and use materiality, as well as considering how enhancements to disclosure about materiality processes could assist investors. The Lab is inviting companies, investors and other parties to participate in the research which will typically involve a one hour individual virtual meeting to discuss views and experiences, and a multi-party round table meeting of one and a half hours.



Companies House in Cardiff closes doors to the public

Following the closure to the public of some of the regional offices of Companies House last August, [Companies House has announced](#) that visitors are no longer able to access the Companies House offices in Cardiff to file documents, without specific clearance. If you want to hand deliver documents to the Cardiff office, the post box by the entrance gatehouse must be used and receipts are no longer given for hand delivered documents.

HMRC guidance on loan waivers updated

HMRC's guidance on loan waivers has been updated to clarify the circumstances when waivers become a qualifying donation for Gift Aid. New text has been added to sections 3.13 and 3.45 of HMRC's [Gift Aid guidance](#). The revised guidance clarifies that where the arrangement being waived is a loan repayment, HMRC would expect there to be a legally enforceable document in place. The Charity Tax Group have published some [helpful guidance](#) on the update, and will be developing model documents to assist charities in due course.



And finally....

In his speech at the Charity Commission Annual Public Meeting in Cardiff on 12 October, Chair of the Charity Commission Orlando Fraser recognised the pressures facing the sector in the coming months, with surging costs occurring just as many charities see demand for their services increasing. Orlando urged trustees to demonstrate prudence and sound financial stewardship in the months ahead, and to "never forget that the funds you raise as trustees and senior leaders belong to the cause, or the people, your charity was set up to serve." The full speech can be read [here](#).

UPCOMING EVENTS

[International Charity Financial Benchmarking report launch](#)

28 November 2022

15:00 - 17:00

Online

[Not for Profit VAT and Tax Exchange](#)

29 November 2022

14:00 - 15:00

Online

[Quarterly Charities Update](#)

6 December 2022

15:30 - 17:30

Online

We welcome your feedback on this update and would be pleased to hear about any areas you would like to see covered in future editions. Please email [Jane Askew](#), Director and Head of Arts and Culture charities, with any comments.

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Shortlisted 2019 National Firm of the Year



Shortlisted 2019 Tax Team of the Year



Highly Commended Partner of the Year



Winner: Audit Team of the Year



Winner of the Bronze Award for 2018 and 2017



Top adviser to the top 5,000 charities, Charity Financials' league table 2021



Top ten by audit fees in the 2020 Charity Finance Audit Survey