

NFP eNews

19 MARCH 2024

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

New guidance for charities facing decisions about donations

The Charity Commission has issued new guidance on accepting donations. The guidance is designed to help trustees have informed discussions when faced with a choice that has potentially significant consequences. The Charity Commission has outlined an approach to consider, including:

- The risks involved in refusing or returning the donation, and how likely and serious these are. These include negative financial impact, ability to deliver services and ability to attract donations in future.
- The risks involved in accepting or keeping the donation, and how likely and serious these are. These include the likelihood of reduced support or reputational harm, particularly among supporters or beneficiaries.
- Determine how any decision aligns with their charity's purposes.
- Determine what steps they can take to mitigate the risks. These include negotiating the terms of a conditional donation with the donor or developing a public explanation for a decision.

Read the full guidance [here](#).



Fundraising Regulator to pause collection of charity complaints data from 2025

After analysing data from last years complaints handling survey, the Fundraising Regulator have made the decision to pause collecting data from charities for part two of their *Annual Complaints Report* for two years. This pause will allow the Fundraising Regulator to focus on developing ideas for improvement suggested by respondents to the survey and ensuring the data published in future is of the greatest relevance and useful to a wide range of organisations.

Read the full article including potential changes and implications [here](#).

Latest changes to Charities Act 2022

Recent guidance from the Charities Commission highlights an ease for unincorporated charities to change their governing document.

The new power for unincorporated charities will mean that amending governing documents will now be simpler for these charities and follows the same process as other types of charities. Charities will still require the Charity Commission's authority before certain amendments, such as changes to a charity's purposes, can take effect.

The main changes relate to charities that have or are intending to merge.



Spring Budget 2024

Addressing the tax gap

Following the updates from this week's Spring Budget, the Chancellor continues to focus measures on closing the tax gap. The government is investing a further £140m, on top of the £163m previously announced, to improve HMRC's ability to manage tax debts. This investment is expected to bring in over £3bn of additional funds from those who owe debts to HMRC.

[Danielle Ford](#), Partner and Head of Tax Disputes & Resolutions, and [Riocard Hoye](#), Senior Manager, set out what the new tax changes include [here](#).

Implications for charities

After facing a decade of reduced funding for public services, the challenges posed by COVID-19, and the ongoing struggle with the cost of living crisis, the voluntary sector is striving to meet the increasing demand with limited resources.

The most notable changes that impact the not for profit sector include:

- The VAT registration threshold will increase from £85,000 to £90,000
- Museums and Galleries Exhibition Tax Relief is being made permanent - this was due to be removed after 31 March 2026
- Tax relief rates for MGETR/TTR/OTR will settle at 45% (touring productions/exhibitions and orchestral concerts) and 40% (non-touring productions/exhibitions) – these were due to settle at 20%/25%
- Investment in early career researchers in medical charities

Read the NCVO's full analysis of how the Spring budget will impact the voluntary sector [here](#).

FRC publishes revised Ethical Standard

The Financial Reporting Council (FRC) has [updated its Ethical Standard for Auditors](#) with the revised standard being effective from 15 December 2024. The changes are designed to align the UK with international ethical standards, simplify and clarify the existing standard and to introduce a new targeted restriction on fees from entities related by a single controlling party.

The FRC has cancelled its plans to extend prohibitions of tax services provided to the controlling shareholders of unlisted companies in favour of enhanced independence risk assessments. The FRC has also issued guidance for auditors on the application of the [Objective, Reasonable and Informed Third Party test](#).



Companies House rings in the changes

[Companies House has announced](#) that, following the passing of the Economic Crime and Corporate Transparency Act 2023, it intends to bring in the first set of changes to UK company law on 4 March 2024, with more to come later. Amongst the changes will be the need for all companies to supply a registered email address, as well as the prohibition of PO Box addresses for a registered office. Companies House greater powers will include the ability to, query and reject information that appears incorrect, remove inaccurate information, share information with other Government departments and law enforcement, and make annotations to confusing or misleading information.

New Code published

The FRC has published a revised [UK Corporate Governance Code](#) (Code) which will come into effect for accounting periods beginning on or after 1 January 2025, except for the provisions in respect of internal controls which will follow a year later. Apart from the changes to internal controls, the changes are minimal with the FRC believing effective governance must be targeted and proportionate. Boards will be required to explain in a declaration in their annual reports how internal controls have been implemented and the outcomes, although boards will be left to decide what should comprise its material internal controls. The underlying principle of comply or explain remains in the Code.



Guidance on Code application follows

Following the publication of the Code, the [FRC has issued guidance to support companies](#) applying it. The guidance includes links to the Code and other relevant material and is set out in similar sections to the Code itself. Whilst the guidance is not mandatory and does not form part of the Code, it is designed to illustrate good practice for directors and their advisors.

Mandatory payrolling of benefits

Following the announcement concerning the mandatory payrolling of benefits from April 2026, Class 1A NI will be reported and paid monthly (on the monthly benefit value) in real time through the payroll and not by 19 July following the end of the tax year. Where employers wish to operate the voluntary payrolling of benefits before 2026, they can only do so on the statutory basis. They must register to do so with HMRC before 5 April 2024 for the 2024/25 tax year.

For any advice and assistance please contact [Jo Hennessy](#), Senior Employment Tax Manager.



'Green Horizons' is the second in haysmacintyre's series of seminars titled 'Triple Bottom Line: People, Planet and Profit'.

Following the success of our inaugural Triple Bottom Line event 'Disrupter or Destroyer – what impact will AI have on Business and the Economy?', Natasha Frangos, Managing Partner, will delve into the subject of sustainability in the UK today and how it might look in future by discussing the role that government, business and the third sector can play in promoting action to adopt sustainable practices and address climate change.

Natasha will be chairing an esteemed panel of climate experts including:

- Baroness Parminter, Outgoing Chair of the House of Lords' Environment and Climate Change Committee
- Beena Sharma, Co-Founder and CEO of Carbon Capture Utilisation (CCU) International
- Pilita Clark, Associate Editor at the Financial Times
- Matthew Owen, Director of Cool Earth

Date: 20th March 2024

Time: 17:45 - 20:00

Location: haysmacintyre, 10 Queen St Pl, London, London, City of, EC4R 1AG, United Kingdom

Register [here](#).

NFP VAT and Tax Exchange

Our latest Corporate VAT and Tax Exchange webinar is taking place on 18 April 2024. Register for the event [here](#).

Upcoming events

[Triple Bottom Line: Green Horizons - navigating towards a sustainable future](#)

Wednesday 20 March

17:45 - 20:30

haysmacintyre's offices

[Trustee Training: Charity Law Update](#)

Tuesday 26 March

13:30 - 15:30

Online

[NFP VAT and Tax Exchange](#)

18 April 2024

10:00 - 11:00

Online

[Quarterly Charities Update](#)

Tuesday 4 June

15:30 - 17:00

Online

[Quarterly Charities Update](#)

Thursday 5 September

15:30 - 17:00

Online

[Quarterly Charities Update](#)

Thursday 5 December

15:30 - 17:00

Online

For further details on our not for profit upcoming events and to register, visit www.haysmacintyre.com/events.

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 [Vikram Sandhu](mailto:vikram.sandhu@haysmacintyre.com), Director, with any comments.

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