

14 April 2025

## Social Purpose eNews



### Charities SORP 2026

The consultation for the new SORP has now been launched, which includes the anticipated changes of revenue recognition and lease accounting, along with several other proposed disclosure amendments. A structural change has been introduced with the Exposure Draft proposing three tiers/sizes of charities, requiring additional disclosures for larger charities, including areas such as sustainability. See [here](#) for the link to the draft alongside a survey inviting comments on the changes.

We will be hosting a Charities SORP webinar covering the key changes – please secure your spot by registering [here!](#)

### Updates from the Spring Statement

Following the Chancellor's statement on 26 March, we have reviewed the main impacts on the Social Purpose sector with the following being noted:

- ◆ There are no changes to the plans for the NI increase for charities affecting employers' rates, thus increasing costs.
- ◆ With the expected changes to the welfare system in the future, there could be potential demands to increase for healthcare charities.
- ◆ Reducing overseas aid from 0.5% to 0.3% of gross national income in 2027 means charities receiving UK government funding may need to explore other income sources in an already challenging environment.
- ◆ Considering the reduction in growth for the year and global changes, organisations with significant investment portfolios may want to review their holdings and allocations based on their respective risks and growth expectations.

You can read our full Spring Statement Deep Dive summary [here](#).



### Nose dive for Red Nose Day fundraising

Red Nose Day records £34m on-the-night total. [The fundraising event](#), and first without founder Lenny Henry, was successful relative to previous years but noted a £4.6m decrease from the prior year's total of £38.6m. While still showing an improvement over 2023 through the extraordinary efforts from the general public, it is a significant decrease from the high point in 2015 where £78m was raised on the night. Comic Relief has raised over £1.6 billion since its launch in 1985.

### Charity Commission warns about fraudulent letters in its name

Fraudulent activity remains a persistent issue within the charity sector. Action Fraud has reported several incidents involving messages asking for position changes, fund transfers, or document requests. The Charity Commission has outlined several ways to identify whether correspondence is genuine or fraudulent, along with scenarios where they may contact you. To protect your charity, always verify such requests and consult the [Charity Commission's guidance](#) online when receiving documentation of this nature.



### Exemption to National Insurance rise for small charities rejected by MPs

With the new employers' National Insurance rates impacting costs, a proposal was made for an amendment to exempt various sectors from these changes. Following a vote, MPs rejected the amendments tabled in the House of Lords, with the Charity Finance Group (CFG) calling for practical solutions for charities struggling due to the increase. Richard Sagar, Head of Policy at CFG commented "Many small charities deliver essential support for people across the country, and many of them will now be faced with a difficult decision regarding cuts to these services, which will in turn impact greatly on those who need them". Read the full article [here](#).

### And finally... Charity Commission to prepare first event sector risk assessment

The [Charity Commission has announced](#) that the year 2025/26 will mark the first publication of a sector-wide risk assessment by the regulator. This assessment aims to "support trustees and charity leaders in understanding the risk landscape at sector level and aid decision-making". Three key risks facing the sector which have been highlighted include financial resilience, abuse of charitable status for private benefit, and oversight gaps for charities delivering services.

You can read our full Spring Statement Deep Dive summary [here](#).

# Upcoming events programme

## Trustee Exchange

29 April 2025

09:00-17:00

BMA House

## VAT: A round up of where we are

29 April 2025

15:30-16:30

Online

## Charities SORP Update

8 May 2025

15:30-17:00

Online

## ISBA Annual Conference

19-21 May 2025

Manchester Central Convention Centre

## Quarterly Charities Update

11 June 2025

15:30-17:30

Online

## Quarterly Charities Update

9 September 2025

15:30-17:30

Online

Should you have any questions please do not hesitate to contact Steve Harper at [sharper@haysmac.com](mailto:sharper@haysmac.com)



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