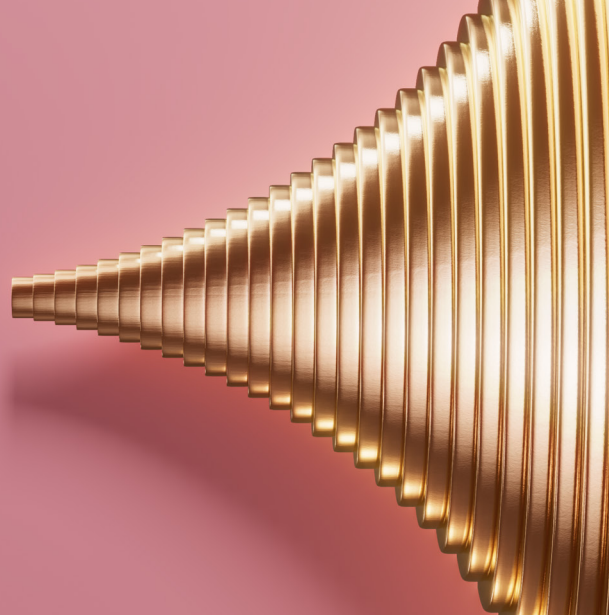


12 August 2025

## Social Purpose eNews



### Charity Accounting Framework – SORP Update

The consultation on the new **Charities Statement of Recommended Practice** (SORP) has closed, with over 140 responses received. The final version is expected in October 2025 which will apply to financial years starting from January 2026. Charities are advised to prepare for changes in lease accounting and revenue recognition introduced by the Financial Reporting Council.

### Insights into public trust and sector trends

**Two new reports** released by the Charity Commission shed light on public trust in charities and the evolving sector landscape. They found that public confidence in charitable spending has increased, with approximately 60% of people reported to have high trust. The research also offers insight that underpins public trust regarding levels of public demand for charitable services, and reviewing charitable giving habits over time. The Commission encourages charities to use this data to inform strategy and communications.

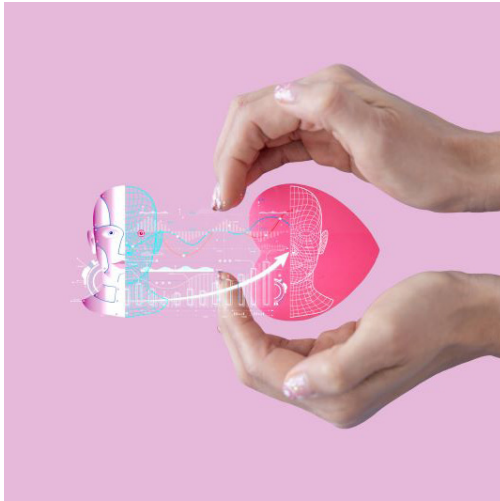


### Trustee experience and diversity

New research from the **Charity Commission and Pro Bono Economics** reveals that 80% of trustees are highly positive about their role, with many recommending it to others. Young trustees see it as a career booster, while older trustees value the chance to give back. Encouragingly, gender parity is improving. The research shows that 43% of trustees are now women, up from 36% in 2017. However, the research concluded that boards still need more skills in areas like law, finance, anti-fraud, and marketing.

### Updated guidance on recruiting trustees

Research shows that only 6% of trustees found their roles through advertisements, whereas most charities rely on personal networks, which limits diversity. The Charity Commission has refreshed its guidance to help charities broaden their reach, offering practical advice on advertising and attracting new talent. Widen your search and strengthen your board by following the **Charity Commission's latest guidance** to reach beyond personal networks and attract diverse new trustees [here](#).



## AI adoption within the Charity Sector

The **Charity Digital Skills Report 2025** reveals that 76% of UK charities now use AI tools, up from 61% last year. The number of charities developing formal AI policies has also tripled—from 16% to 48%. Despite this growth, the report also notes the challenges charities face in relation to this:

- ◆ 69% cite squeezed finances as the top barrier.
- ◆ 64% struggle to fund infrastructure and tools.
- ◆ 63% lack capacity and headspace to focus on digital. Only 44% have a digital strategy, down from 50% last year.
- ◆ Over a third of CEOs lack AI confidence and skills.
- ◆ 40% of boards are also under-skilled in AI.
- ◆ 35% of staff admit poor use of AI tools in daily work.

## Preparing for the 'soft opt-in' law change

The Fundraising Regulator, supported by the Information Commissioner's Office (ICO), is urging charities to prepare for **upcoming changes to direct marketing laws** under the Data (Use and Access) Act. These changes will allow charities to send electronic communications (e.g., emails) without prior consent if specific conditions are met.

The Fundraising Regulator advises charities to:

- ◆ Review current email marketing practices.
- ◆ Ensure systems can accurately record marketing preferences.
- ◆ Conduct a legitimate interests assessment.
- ◆ Train staff, volunteers, and contractors on the new rules.

Review your marketing strategies now to ensure you remain compliant.



## Succession planning for charities

A **recent report by Cranfield Trust** warns that small charities are facing a potential crisis due to a widespread lack of succession planning. Their five-year review found that only around 35% of charities initially expressed confidence in their ability to plan for leadership transitions, and even after support, fewer than half improved significantly. With many leaders nearing burnout and most organisations operating on tight budgets, the trust highlights the urgent need for charities to invest time in developing future leaders and strengthening organisational resilience.

# Upcoming events programme

## *Quarterly Charities Update*

9 September 2025

Online

## *AGBIS: Finance for non-financial Governors*

17 September 2025

HaysMac Offices

## *CFG Technical Conference*

24 September 2025

Online

## *APB Conference*

30 September 2025

High Leigh Conference Centre

## *Trustee Training: Roles and responsibilities*

8 October 2025

Online

## *Charity Finance Summit 2025*

16 October 2025

133 Houndsditch, London

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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Winner: Large Firm  
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in Adviser Ranking Listing