

## NFP eNews 11 MAY 2021

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

### GIFT AID ON WAIVED REFUNDS AND LOAN REPAYMENTS

HMRC issued [updated guidance](#) last week regarding the application of Gift Aid on waived refunds and loan repayments.

Previously, in order for a waived debt to qualify for Gift Aid, the original funds needed to be repaid by the charity to the donor, with a subsequent qualifying payment by the donor then being made, the latter payment qualifying for Gift Aid.

Given the number of events cancelled as a result of COVID-19, HMRC has agreed to relax its stance on this repayment point and is now allowing a charity to claim Gift Aid on waived repayments, refunds and loans. In order for the waived amounts to qualify, the charity must hold a Gift Aid declaration for the donor, it must keep a record of the waiver made by the donor, and all other Gift Aid requirements (including benefits limits) must be met. Gift Aid will be claimed in the period of the waiver, rather than the date of original payment (where that is different).

These changes may have a wide application across the sector for deposits paid, tickets purchased and loaned amounts that are now being waived and may unlock valuable additional cash for charities.

Please contact [Louise Veragoo](#), or your usual haysmacintyre contact, for more details.

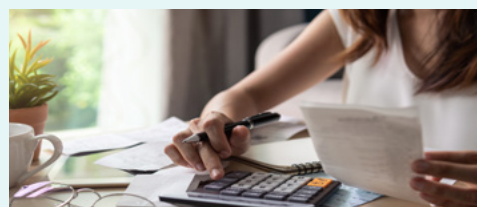


### TAX RELIEF ON WORKING FROM HOME

HMRC has [confirmed that the same relaxed rule](#) to provide tax relief for employees working from home will still apply for 2021/22, although a new claim will need to be made. Employers can pay £6 per week (tax-free) to employees who continue to work from home or, where the allowance is not paid by the employer, a claim to include an allowance equal to £6 per week can be made via the following [link](#). Please contact [Nick Bustin](#), or your usual haysmacintyre contact, for more details.

## SUPPORTING THE ARMED FORCES IN CIVILIAN STREET

A new [National Insurance contributions \(NICs\) relief for employers](#) who hire armed forces veterans came into effect on 6 April 2021. The relief provides a zero-rate of secondary Class 1 NICs on civilian employment after leaving the regular armed forces. Between April 2021 and March 2022, employers will need to pay the associated secondary Class 1 NICs as normal and then claim it back retrospectively from April 2022 onwards.



## HMRC UPDATES ITS IR35 GUIDANCE

HMRC has [updated its guidance](#) regarding the off payroll working rules (IR35) following their extension to medium and large-sized private sector entities from 6 April 2021. Please contact [Nick Bustin](#), or your usual haysmacintyre contact, for assistance with employment tax matters.

## INCREASES IN NMW AND NLW

The [National Minimum Wage \(NMW\) and National Living Wage \(NLW\) increases](#) took effect from 1 April 2021. The NLW increased by 2.2% to £8.91, the equivalent of more than £345 extra per year, with the NMW increasing by 2% to £8.36. In addition, more younger people are now eligible for the NLW with the age threshold being lowered from 25 to 23 years old.



## REGISTER FOR VAT INSTALMENTS OR FACE PENALTIES

HMRC has confirmed that [companies will be liable for a 5% penalty](#) or interest if they do not pay in full or make an arrangement to pay by instalments by 30 June 2021 for the VAT deferred in the first three months of the pandemic. The online VAT deferral notification service opened on 23 February 2021 and is available until 21 June 2021. The scheme allows up to 11 interest free payments on a monthly basis. The number of payments depends on when you join the scheme. Please contact [Phil Salmon](#) if you require VAT advice.

## CYBER-SECURITY TRAINING

The National Crime Security Centre (NCSC) has produced free cyber security training to raise awareness and help staff manage some of the key cyber threats facing schools, but it is relevant for staff of all charitable organisations. It can be accessed [here](#).

The training is available in two formats:

- a scripted presentation pack
- a self-learn video



## CHARITY COMMISSION: CONSULTATION DRAFT ON RESPONSIBLE INVESTMENT

The Charity Commission has launched a consultation seeking views on the clarity of draft revised guidance for charity trustees about adopting a responsible (or 'ethical') approach to investing their charity's funds. The Charity Commission has asked for feedback on six key questions which can be found [here](#) with the consultation closing on 20 May 2021.

We recently hosted a panel event on this guidance with Bates Wells and Sarasin & Partners - you can view the recording [here](#).

## CHARITY COMMISSION GUIDANCE ON CANCELLING MEETINGS AND FILING EXTENSIONS

The Charity Commission has updated its [Coronavirus \(COVID-19\) guidance for the charity sector](#) in relation to postponing or cancelling AGMs and other meetings, as follows:

"Trustees need to check if their charity's governing document allows them to hold [meetings online or by telephone](#). Where it does not, an alternative may be to amend it to allow meetings to be held in this way.

We recognise that for some charities virtual meetings are not a viable solution, nor are socially distanced face-to-face meetings. In such instances, trustees may consider they have no choice but to cancel or postpone their AGMs and other critical meetings.

If you do consider such a decision is necessary, you should follow any rules in your charity's governing document that allow for postponement, adjournment or cancellation. If there are no such rules, but you decide that this is still the best course of action for your charity in the current circumstances, you should record the reasons for this decision to demonstrate good governance of your charity. This is particularly important if it is not possible to hold your AGM which may make it difficult for you to finalise your annual reports and accounts.

Wherever possible, we would ask you to get your annual reports to us on time. However, where the situation impacts on the completion of annual returns and accounts, charities with an imminent filing date can email us at: [filingextension@charitycommission.gov.uk](mailto:filingextension@charitycommission.gov.uk)."



## CHARITY FUNDRAISING: EASING OF CORONAVIRUS RESTRICTIONS IN ENGLAND

The Government has [announced](#) that public fundraising is permitted again in England as part of the next phase of the Government's roadmap out of lockdown.

The Fundraising Regulator and the Chartered Institute of Fundraising published two new pieces of guidance to support charitable organisations as they plan their return to in-person events and community fundraising activities, in line with the [Code of Fundraising Practice](#) and governmental guidance.

The new guidance covers [events and community fundraising activities](#) and [cash collections](#). The guidance highlights relevant Regulations and identifies additional considerations that fundraising organisations should think about as they plan community fundraising activities, including social distancing requirements, conducting risk assessments and capacity limits.

## WELCOME BACK FUND GUIDANCE PUBLISHED

The Ministry of Housing, Communities & Local Government (MHCLG) has [published](#) guidance on the Welcome Back Fund, which aims to “help local authorities and partners to deliver activities supported through the Welcome Back Fund.”

The funding will provide councils across England a share of £56 million from the European Regional Development Fund (ERDF) to support the safe return to high streets and help build back better from the pandemic.

The purpose of this guidance is to provide details of the activities that can be supported through the Fund and an overview of how it will be administered, as well as key ERDF contractual requirements.



## TOUGHER SANCTIONS FOR DIRECTORS AND AUDITORS

The Government has issued a [White Paper regarding restoring trust in audit and corporate governance](#). The wide-ranging proposals include extending the Audit Regulatory and Governance Authority's (ARGA's) remit to sanction public interest entity directors, including prohibition from acting as a director. The ARGA is the new regulator and will probably be operating from April 2023. There are also proposed changes to the code of ethics for auditors and accountants, replacing the existing codes overseen by professional institutes as well as a widened definition of a public interest entity.

## AND FINALLY... STRESSED? YOU ARE NOT ALONE

This being Mental Health Awareness Week, we note recent research from the Chartered Accountants Benevolent Association (CABA) has found that 39% of accountants are feeling more stressed as a result of multiple lockdowns and the uncertainty of the pandemic. Even before the first lockdown in 2020, CABA's research had found 40% of workers felt that they were close to breaking point. CABA has issued a [press release on spotting stress as well as operating a mental wellbeing support page](#).

Our dedicated [COVID-19](#) and [Brexit](#) pages also provide regular updates on a range of financial, tax and accounting measures being introduced with our related thoughts/insights on helping organisations during this time.

## UPCOMING EVENTS

## Demystifying mergers and acquisitions webinar for schools

Tuesday 25 May 2021, 16:00 - 17:30  
Online

This session will be tailored specifically to the schools sector and cover topics related to mergers and acquisitions with: Tracey Young, Partner and Head of Education; Tom Wilson, Partner; and Louise Veragoo, Not for Profit Tax Director.

## Quarterly Charities Update

Thursday 10 June 2021, 15:30 - 17:30  
Online

Our quarterly charity update webinar covers financial, compliance, governance and other topical issues for charity and not for profit organisations.

## PARN Finance SIG

Thursday 17 June 2021, 16:00 - 17:30  
Online

haysmacintyre is hosting the PARN Finance Special Interest Group (SIG), which encourages dialogue and disseminates knowledge and understanding about the types of finance issues faced by professional bodies.

## Arts and Culture Benchmarking Report Launch

Thursday 23 September 2021, 15:30 - 17:00  
Online

Please join us for the launch of our biennial arts benchmarking report. This event will cover some of the key findings from the report and insights into the Arts & Culture sector.

## Quarterly Charities Update

Thursday 7 October 2021, 15:30 - 17:30  
Online

Our quarterly charity update webinar covers financial, compliance, governance and other topical issues for charity and not for profit organisations.

## VAT and Tax Exchange

Thursday 14 October 2021, 16:00 - 17:30  
Online

haysmacintyre's VAT and Tax Exchange seminar series are delivered bi-annually providing an update on topical VAT and tax issues, with specific focus on off-payroll working arrangements relating to charities and not for profit organisations.

## INGO Benchmarking Report Launch and Seminar

Wednesday 27 October 2021, 13:00 - 18:00  
haysmacintyre

This seminar for International Non-Government Organisations (INGOs) will provide an update on the latest developments relevant to international charities and include the launch of our 2021 International Charity Financial Benchmarking Report.

For further details on our not for profit upcoming events and to register, visit [www.havsmacintyre.com/events](http://www.havsmacintyre.com/events).



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Shortlisted 2019 Tax Team of the Year



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CharityFinance

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