

NFP eNews 12 JANUARY 2023

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



2023 Charity Annual Return questions for England and Wales

The Charity Commission (the Commission) has published its [consultation response](#) regarding the questions to be included in the 2023 Annual Return.

There has not been an overhaul of the Annual Return since 2018, which has led to a redefining of information required by the Commission – in particular, to build regulatory decision-making processes around the right data to make greater use of analytics, intelligence and information sharing, and to proactively deal with emerging issues.

The changes to the Annual Return will apply to charities with financial years ending on or after 1 January 2023.

You can access the final list of questions [here](#).

Charity Commission: charity transparency data research report

The Charity Commission has published [a report](#) on the findings of independent research into what information people want to see about charities and how they want to access that information.

The Commission's annual survey explores issues that resonate with the public in terms of their trust and support of charities, and includes an extension to the scope of the research undertaken to include:

- How information about charities is provided
- How people seek it and engage with it
- How it is used in practice
- What impact it has on trust

The findings will be considered as part of the Commission's overall strategic and statutory objectives and will help their understanding of public expectations.

Read the report [here](#).



Managing financial difficulties in charities

The Charity Commission has published [new guidance](#) on managing financial difficulties in your charity arising from cost of living pressures. The starting point for trustee decisions must always consider what is in the best interests of the charity. In the context of financial resilience, the Commission's guidance titled 'Charity governance, finance and resilience: 15 questions trustees should ask' helps trustees consider what they should focus on. You can access this guidance [here](#).

There are likely to be a number of factors to account for, including striking a balance between reducing costs now, in order to be able to preserve funds to support beneficiaries in the future; and meeting the immediate needs of the charity's present beneficiaries, with the possibility that in the future the charity will have to reduce its services, or close entirely. It does not directly address wider issues that those in the charity may face – such as staff hardships – but guidance is available for trustees from other organisations to support with this.

Making flexible working the default

The Department of Business, Energy and Industrial Strategy (BEIS) has confirmed the Government's intention to introduce changes to the right to request flexible working. The [response](#) states that the Government will take forward the following measures:

- Make the right to request flexible working a day one right
- Introduce a new requirement for employers to consult with the employee when they intend to reject their flexible working request
- Allow two statutory requests in any 12-month period (rather than the current one request)
- Require a decision period of two months in respect of a statutory flexible working request (rather than the current three months)
- Remove the existing requirement that the employee must explain what effect, if any, the change applied for would have on the employer and how that effect might be dealt with

The response also commits to:

- Developing guidance to raise awareness and understanding of how to make and administer temporary requests for flexible working
- Launching a call for evidence to better understand how informal flexible working operates in practice

Read the response [here](#).



Safer giving campaign - looking for the fundraising badge

The Fundraising Regulator has been asking for people to "look for the (Fundraising) Badge" as part of their safer giving campaign for the public.

The regulator worked with nfpResearch to help measure the recognition of the brand. A few of the key takeaways include:

- 61% of respondents would be more likely to think positively of a charity showing the Fundraising Badge
- 73% would be more confident in supporting a charity displaying the Badge
- 51% were more likely to support a charity they had never heard of if it was displaying the Badge
- 28% have checked if a charity is registered with the Fundraising Regulator before making a donation

Regulator introduces statutory inquiry into mermaids

The Charity Commission has opened a statutory inquiry into Mermaids, after identifying concerns about its governance and management.

The objectives of Mermaids include relieving the mental and emotional stress of children and young people affected by gender identity issues, and the stress experienced by their families, as well as advancing public education about these issues.

The Commission opened a regulatory compliance case into the charity in September 2022 after safeguarding allegations were raised. It has now formalised its engagement by opening a statutory inquiry, due to newly identified issues about the charity's governance and management.

The Commission will investigate the regulatory issues to determine whether they indicate serious systemic failings in the charity's governance and management. The trustees have fully cooperated with the regulator's case, but their response has not provided the necessary reassurance or satisfied the Commission at this stage.



Financial Reporting Council plans to increase audit competition

The FRC has issued a policy paper that outlines its approach to competition in the audit market and the need for a market that delivers high quality audit and is resilient. The FRC wants competition to drive higher audit quality and resilience, not to drive down price at the expense of quality. It will also be focusing on the whole audit market. Comment on the paper is open until 28 February 2023.

And finally...

Some £590m was raised through JustGiving for 23,000 charities and good causes in the UK in 2022, the highest total recorded by the platform.

Last year's total is 7% higher than the £551m raised in 2021, with both figures including Gift Aid.

Pages created to support the people of Ukraine garnered the most donations, with over 21,000 pages set up and £52m raised. This was followed by those taking part in the London Marathon, who collectively helped raise over £40m – the most ever raised on the platform for the event. Meanwhile, over £10m was donated to the Mighty Hike, and the late Dame Deborah James raised almost £9m for the Bowelbabe Fund.

The top 10 most generous areas across the UK according to JustGiving are:

1. Bristol
2. Bedford
3. Luton
4. North Somerset
5. London
6. Preston
7. Nottingham
8. York
9. Peterborough
10. Gwynedd

You can read more [here](#).

UPCOMING EVENTS

[Trustee training: charity law update](#)

15 February 2023
13:30 - 17:00
Online

[Trustee training: introduction to charity finance and reporting](#)

7 March 2023
09:30 - 13:00
Online

[Quarterly charities update](#)

14 March 2023
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 [Vikram Sandhu](#), Director, with any comments.

haysmacintyre

haysmacintyre
10 Queen Street Place
London
EC4R 1AG
T 020 7969 5500
F 020 7969 5600
E marketing@haysmacintyre.com
www.haysmacintyre.com
@haysmacintyre



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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