

NFP eNews 11 JANUARY 2024

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

Happy New Year to our readers

To kick off the first edition of our Charity and Not for Profit eNews, we would like to say a big thank you to all our readers for your support during 2023, and to wish you all a happy, healthy and prosperous New Year.



Closure of Genesis Philanthropy Group leads to almost £1.5m redistribution of public funds

On 15 December 2023, the Charity Commission (the Commission) confirmed the winding up of Genesis Philanthropy Group, with the remaining funds being paid in grants to charities with similar purposes, including to support those in need in Ukraine.

This followed [an investigation](#) by the Commission following three founding trustees who were designated as sanctioned individuals following the outbreak of war in Ukraine.

NCVO governance message

In preparation for the festive season, NCVO referenced some useful guidance and information regarding diversity and inclusion within the trustee board. To enhance the diversity of your trustees and ensure meaningful lived experiences are represented at the board table, the following resources can be of assistance:

- New Philanthropy Capitals new guide on [centering lived experience](#) in charities includes guidance on approaches to board recruitment.
- The Centre for Charity Effectiveness has tips on [enabling inclusion and participation of trustees with lived experience](#).
- Refugee Action's '[Experts by Experience](#)' guidance has advice on how to involve trustees with lived experience in your board.

You can also explore NCVO's help and guidance on [equality, diversity and inclusion at board level](#).



The continued importance of the fundraising levy

Following our recent communications with regards to the Fundraising Regulator's proposal to increase the fundraising levy, their Head of Finance, Nick Allaway, discusses why the levy is important for self-regulation and what this means for charities. You can read Nick's full article [here](#).

Charity Commission and Electoral Commission chairs share advice for charities engaging in public debate

As Sir Keir Starmer and Rishi Sunak travel the country in anticipation of a general election sooner rather than later, the Charity and Electoral Commission have reminded charities of their responsibilities whilst campaigning for their respective causes.

Charities can take part in political activity provided it supports their purpose and is in their best interests. However, political activity must not become the reason for a charity's existence. Charities must also remain independent and must not give their support to a political party. [Guidance for charities on campaigning and political activity](#) is available on the Charity Commission website, as well as a concise '[5-minute guide](#)' for those who need a quick refresh. New [social media guidance](#) provides additional support, as campaigning and political debate plays out across online platforms.

Charities also need to know about the new [Non-Party Campaigner Code](#) which came into effect from 1st December 2023.

As we approach the general election, it's important that boards understand:

- Which campaigning activity is regulated: Boards should also consider how campaigning related to what their charity does.
- What the campaigning spending limits are: Campaign spending over £10,000 a year will need to be registered with the Electoral Commission. This was recently reduced from £20,000 a year.
- What you can and can't say online: For example, promoting the outcome of an election or criticising an office holder.

Read the full post [here](#).



Charity sector figures recognised in New Year's Honours List 2024

A number of people across the charity sector have received recognition in the New Year Honours List 2024, across charity staff members, volunteers, trustees, patrons, and philanthropists. It is excellent to see such deserving honours being given to the charity sector and congratulations to all those awarded. Find out more [here](#).



HMRC's latest IR35 campaign

We have started to see an increased level of activity from HMRC and its latest campaign focusing on the charity and not for profit sectors. However, the transition of responsibility from worker to engager in relation to the intermediaries legislation (commonly known as IR35), did not go smoothly according to HMRC.

There were instances where engagers adopted a blanket approach and deducted PAYE and National Insurance (NI) without considering whether the legislation was applicable. Further challenges included, for example:

- Is the engager caught by the legislation?
- Who at the engager was going to have overall responsibility for legislation?
- What policies and procedures needed to be put in place to ensure the legislation was being applied?
- If you require further help and advise with the above, please reach out to [Nick Bustin](#), Employment Tax Director or [Dinesh Pancholi](#), Senior Manager for support.

Results bearing fruit from our investment in audit quality

If you read the financial press, you probably would have noticed a number of negative articles about audit quality. As the firm's Head of Audit I read these articles with mixed feelings as I can sympathise with my peers from other firms but I also want to shout about all the great work we're doing at haysmacintyre.

You may have seen in the press last month that the FRC published their report slamming the "unacceptable" audit quality at some firms. The FRC reviewed 13 audits across 11 firms and only five required no more than limited improvements. To translate that into normal English - only 38% of audits passed the test. As disclosed in our 2023 transparency report haysmacintyre was one of those 11 firms that had an FRC inspection last year and we were proud to receive positive feedback on the audit they reviewed and very pleased to shout that we were one of those five passes. Our great client service as well as our high audit quality has enabled us to increase the number of listed company clients that we act for. The latest AIM Advisers Rankings Guide is now live and we are delighted to announce that we're now a top 10 auditor to AIM listed clients.

Whilst we're proud of the above, the large majority of our audit work is for private companies or not for profit entities. Those audits are regulated by the Institute of Chartered Accountants in England and Wales (ICAEW) and their inspectors are just completing their latest review of seven of our audits in line with their established two-year review cycle. Those reviews also demonstrate our high audit quality, and we look forward to sharing those positive results in due course.

We have invested a significant amount of time and money in improving audit quality over the past few years and these positive file reviews are a great recognition of the collective effort of the whole team at Haysmacintyre. It was great to sign off 2023 on a positive note and I look forward to continuing that investment and effort in 2024 to further improve the quality of our work and the quality of our service to our clients.

Upcoming events

Trustee Training: Introduction to Charity Finance and Reporting

Tuesday 20 February

13:30 - 17:00

Online

Trustee Training: Charity Trustees Roles and Responsibilities

Thursday 07 March

9:30 - 13:00

Online

Quarterly Charities Update

Tuesday 12 March

15:30 - 17:00

Online

Trustee Training: Charity Law Update

Tuesday 26 March

13:30 - 15:30

Online

NFP VAT and Tax Exchange

January 2024

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), Director, with any comments.

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Winner: Large Firm
of the Year 2024



An eprivaecient
top accountancy firm 2024



Top 15 auditor to quoted companies
in Adviser Ranking Listing