

NOT FOR PROFIT GOVERNANCE



MOORE KINGSTON SMITH – A LEADING NOT FOR PROFIT GOVERNANCE SPECIALIST

Good governance is fundamental to the wellbeing and success of all not for profit (nfp) organisations, so it is important to ensure time is taken to ensure that governance arrangements are fit for purpose.

Following best practice will promote a culture where everything works towards fulfilling your organisation's vision.

Moore Kingston Smith could assist your nfp organisation in undertaking a governance review, using our award winning team and the in-depth knowledge of our sector experts.

Your potential, our expertise

Full governance reviews, training and bespoke governance engagements should all bring the benefits of increased efficiency, accountability, motivation and morale. Our teams are acutely aware that aspects of governance often involve exploring complex, sensitive and confidential matters, particularly if activities and decision-making processes have been undertaken in a certain way for many years and there are strong personal feelings and opinions. We recognise the importance of these factors at every stage of our work and ensure that we are balanced and understanding, as well as robust and objective, in our discussions and reporting.

We always respect and value the understanding and knowledge that trustees and staff have of their charities. We will complement this with a fresh independent perspective and, wherever possible, introduce relevant and workable best practice recommendations from our wide-ranging knowledge and longstanding experience of the sector. Our approach is tailored to each client and usually centred on the confidential sharing of mutually agreed deliverables and documents, in conjunction with structured discussions with key personnel. Where clients feel it would be helpful, we can also attend and observe meetings first-hand. This ensures that our output is accurate, relevant, practical and understandable.

In every governance assignment, we demonstrate:

- Efficiency
- Engagement
- Empathy
- Added value; and a
- Professional yet personable approach

What are the principles and values that underpin our governance reviews?

As a starting point we usually suggest that we explore the principles and concepts set out by the Charity Governance Code and consider how these are interwoven into the way that your charity operates. In line with the Code, we consider:

- Organisational purpose – clarity and understanding of the organisations aims
- Leadership – strategic leadership by the board in line with the organisation's aims and values
- Integrity – commitment of the trustees (or equivalent) to act in line with appropriate values, with awareness of public trust and confidence
- Risk and effective decision-making – commitment to decision-making processes which are informed, rigorous and timely, with appropriate consideration of risk and control
- Board effectiveness – working as an effective team with an appropriate balance of skills, experience and knowledge
- Diversity – embracing different perspectives, experiences and skills
- Openness and accountability – demonstrating transparency, to earn trust and "legitimacy"

These principles build on the premise that ensures the relevant legal and regulatory responsibilities are met. We also therefore refer to the six main principles outlined in the Charity Commission's '[The essential trustee: what you need to know, what you need to do \(CC3\)](#)'.

Through our discussions and documentation review, we will identify the good practice already taking place, while understanding where there may be pressure points, gaps or scope for further clarity or improvement.



We will consider whether there are any areas which could benefit from additional focus or clearer alignment to the principles of the Code. For example, this may be in relation to a re-emphasis of certain governance processes to ensure greater transparency, less duplication, increased operational efficiency or more streamlined and effective decision-making.

Where we have benchmarked against the Charity Governance Code, our reports are structured to enable our clients to update the findings against each principle, in order to provide a working document for trustees to monitor progress on an ongoing basis. We may also comment on terms of reference, role specifications and policies and, where helpful, will provide examples of updated best practice wording.

Where relevant for particular types of nfp organisations, we also look at other Codes where these provide helpful alternatives or supplementary ideas (the NHF governance code or OFS public interest governance principles, for example).

Trustee training

Governance reviews can include, or be supplemented by trustee and/or senior management team training. These sessions are bespoke to our clients and in accordance with the needs of the board. Recent examples include focusing on awareness of trustee roles and responsibilities, relationships between trustees and staff, concentrating on one specific governance area following a failure/key risk or a more general sector governance overview.

Laws and regulations

Good governance in nfp organisations is fundamental to their success. It enables and supports compliance with the law and relevant regulations. Our governance reviews can also be scoped to consider your application of relevant laws and regulations, so we can identify and suggest the most efficient ways of remaining compliant and up to date therefore limiting any potential exposure for trustees. Should our reviews indicate non-compliance or exposure, our supporting teams of sector specialists can assist further to mitigate future liabilities and implement controls to prevent reoccurrence. Our teams include specialists in VAT compliance and planning, gift aid, corporation taxation, PAYE, HR and GDPR.

Strategy and benchmarking

Upholding good governance and a well-thought through strategy go hand in hand in the nfp sector. In the current high-profile environment and at a time when the sector; in particular charities are under daily scrutiny, clarity of strategy and robust processes of decision-making remain vitally important. Are you making the best decisions at all times? How are these decisions arrived at and documented?

We can help you to demonstrate best practice in strategy-setting and monitoring, and benchmark your performance and key metrics against peer group charities. Our services include bespoke strategy training, sector benchmarking, stakeholder workshops and risk management services.

Charity fraud prevention and cyber-crime

Charity fraud is estimated to cost the sector in excess of £2.5 billion annually, a number which has sharply increased over the past few years. Ever more sophisticated methods including cyber-crime, coupled with simple but effective internal fraud can strike even the most resilient of charities.

Our governance team can provide bespoke fraud prevention training. This involves proactively reviewing the most at-risk areas, as well as performing detailed investigations as a result of actual or suspected fraudulent activity through our forensic specialists.

Additionally, through our cyber-crime specialists we can undertake penetration testing of your IT environment or assist you in obtaining accreditation for either Cyber Essentials or Cyber Essentials Plus (a Government-backed, industry-supported scheme to help organisations protect themselves against the most common online threats).

General Data Protection Regulation

Our GDPR consultancy, ClearComm, provides essential services to the sector including key management GDPR training, provision of an easy to use online GDPR portal, Data Protection Officer services, and support with the development of your suite of GDPR policies and procedures. Our GDPR specialists often form part of our governance review engagements.

Fundraising and impact measurement

We are one of the only major accountancy firms to have fundraising and charity management consultancy specialists. They provide additional support to our clients in developing best practice in fundraising, and establishing new fundraising activities. In particular, our specialists help charities improve their fundraising relationships, ratios and activities. Areas include raising large gifts from high-net-worth individuals, developing sources of funds from trusts or companies, developing legacy fundraising and diversifying income streams in line with strategic objectives to provide more clarity and certainty for beneficiaries and other stakeholders.

Our teams have developed impact measurement products to help charities refine their existing impact reporting and consider new approaches. Our work is based on accepted international standards and consistent with the principles of social return on investment.

Award-winning group

Moore Kingston Smith has been working with the nfp sector for decades and has an award-winning dedicated team of highly experienced accountants and advisers committed to helping organisations thrive in a changing world.

With in-depth knowledge and understanding of the unique challenges faced by nfp organisations across the sector, we offer a full range of specialist services to take care of your needs at a local, national and international level - many of which are unique in the sector and all of which are tailored and bespoke to each engagement.

Our clients include high profile and local charities, educational institutions, registered providers of social housing, membership organisations and trade associations.

“The Moore Kingston Smith governance team got to grips with our unusual structure in no time at all (something we and numerous other trustee and council members before us had struggled with). They offered clear and insightful advice on potential future structures, while also undertaking a full review of our organisation against the Charity Governance Code in a timely manner, all for an extremely competitive price. We would have no hesitation in recommending the governance team at Moore Kingston Smith to other organisations considering their own governance conundrums”

High Profile Membership Charity

INTERNATIONAL PRESENCE THROUGH MOORE KINGSTON SMITH

As an independent member of the Moore Global Network, we offer our clients the strength and experience of more than 260 accountancy firms across 112 countries to support their international work amounting to more than \$3 billion annually.

Moore is a global association of leading professional services firms, serving clients' cross-border governance, strategy accounting, auditing and tax requirements.

CONTACT MOORE KINGSTON SMITH'S NOT FOR PROFIT TEAM

The governance solutions outlined in this brochure are a few examples of the headline services that we can offer. Please do get in touch if you would like to discuss governance in more detail.

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