



CHARITY WORKSHOP

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WELCOME TO OUR LATEST CHARITY NEWSLETTER

So much has happened in the past few months and I don't believe for a moment that any of us thought we would be where we are now! We find ourselves in very uncertain times and our priority at Moore Kingston Smith is to support you through this very difficult time.

With so much information available from the government through so many channels, it can be overwhelming – and as changes come through on a daily basis, keeping up can be challenging. However, it's important to keep you up to date with expert commentary on all the available support and opportunities and the increased risk. We have been sending out regular news updates, hosting webinars and our Coronavirus Hub has a wealth of information across all sectors. I hope you have had a chance to read our updates.

It seemed appropriate that we focus this edition of our charity newsletter on the latest news concerning Coronavirus. We've looked at areas we believe your charity should be considering now and also looking at for the future.

We focus on the relationship between strategy and governance, an area that should always be at the forefront of a trustee's mind – how they work and connect together are very important. A good example of how this works in practice is showcased in our impact case study.

An area that is no stranger to headlines is cyber security and with more people working from home than ever before, charities have to ensure staff are still safe when online and be aware of the precautionary steps they should already be taking.

With articles from our specialist not for profit VAT, HR, Fundraising and Management, and Impact teams, I hope you find this edition of Charity Workshop useful in helping you successfully address the challenges caused by Coronavirus.

If you would like to discuss any of the articles in more detail, please get in touch.



Neil Finlayson
Head of Not for Profit
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STRATEGY AND GOVERNANCE – AN ESSENTIAL RELATIONSHIP

In these linked articles, James Saunders and Luke Holt examine how strategy and governance are connected for charities, and what trustees should be thinking about in a crisis like the Coronavirus pandemic.

STRATEGIC PLANNING IN A CRISIS

By James Saunders , Partner, Moore Kingston Smith

For charity trustees, the two principles of governance and strategy are atypically important. They are fundamental to the role of trusteeship, because of the public interest aspect of the organisations they oversee. Public interest demands that standards of governance in charities are demonstrably high, not just on a commercial or relative basis, but on an absolute basis. This in turn means that the pursuit and preservation of good governance must be baked into a charity's strategy.

Trustees have ultimate responsibility for both governance and strategy in a charity. While governance is often dispersed and delegated through an organisation in layers and/or divisions, strategy is more central and universal.

In a crisis, good governance is what keeps an organisation working well day-to-day. Management and staff are able to adapt to the new normal in part because of the governance structures that are already in place. These allow flexibility while also maintaining necessary standards.

Strategy however is a different animal. In its capacity as a roadmap, it generally has a longer-term focus. While

it has an overarching place in dealing with a crisis (i.e. stick to core principles, keep the overriding focus despite operational changes), it has a different, but still practical, role in managing an organisation through and out of a crisis. An organisation will reap benefits from reviewing its strategy during a crisis and adapting it to first deal with the crisis, then exit the crisis, and lastly (once survival has been ensured) being prepared for whatever is coming next and planning to thrive.

“In a crisis, be aware of the danger – but recognise the opportunity.”

John F. Kennedy

First review

It's probably not too much of a generalisation to say that very few organisations had 'international pandemic causing worldwide population lockdown' on their risk registers prior to 2020. Many organisations did have some sort of crisis management plan in place, but none of those would ever have had 'unprecedented government intervention to support the economy' as a mitigation for such a crisis. Even in comparison to the 2008 banking crisis, this Coronavirus pandemic is exceptional – not least because any future such pandemic should not be such a shock.

Based on this, the first review of an organisation's longer-term strategy should be at the fundamental level – does this crisis teach you anything about your core purposes?

- Are you doing something basic that the crisis has shown to be inappropriate or unrealistic in some way?
- Does the crisis, or your (in)ability to operate during it, have any impact on your aims or your goals?
- Are you pursuing the right objectives, and are you doing so in the right manner and on the right playing field – and importantly, will you still be able to do so successfully?
- Have the needs, expectations or behaviours of our key stakeholders changed in the aftermath of the crisis?

Trustees have ultimate responsibility for both governance and strategy in a charity.

Next steps

Following the basic review of the core conceptual ethos of the organisation, it is time to get down to the constituent parts of strategy – that combination of what you want to do, how you need to do it, and how you want to go about doing it. This is more likely to be where some major changes might be considered – such upheaval as has been seen in these early months of 2020 is unlikely to allow people to go back to the way things were before.

Some of these factors will be internal operational matters which will impact on strategy, such as moving from location-based to accessibility-based operations. This is not completely new and many employers have been introducing agile or flexible working in the last couple of years. However, the lockdown has proven to some more 'traditional' workers that they no longer need to be at



a desk in a city centre between 9:00 and 17:30 to be at work.

However, many other factors will be external, and there are a number of effective tools which can help inform this stage review and assist the organisation with looking beyond its own borders. SWOT (strengths, weaknesses, opportunities and threats) and PESTLE (political, economic, social, technological, legal and environmental) analyses may well produce very different results in and immediately after a crisis compared with those carried out pre-crisis. The opinions and activities of external stakeholders are important factors to bring into considerations. As such, the ethos of an organisation may well see some significant changes at this stage.

Following on from that is the question of whether all the required factors are in place for this evolution or revolution – including such questions as:

- Will your people engage?
- Are your people, infrastructure and IT up to the task?
- Are you still confident that your key strategic drivers are relevant or alternatively that any changes are implementable?
- Are management information systems and control environments adequate to deal with your changes?
- Are your external stakeholders able and willing to accept your proposed changes?

Identifying opportunities

In all operations, the Coronavirus crisis has driven some positives. They may be difficult to identify and may not be universally felt or acknowledged. However, all organisations have key drivers which reflect their core purposes, and there will be opportunities for change and evolution of these in such areas as:

- Target areas of operation
- Supplier and beneficiary channels
- Income generation methods and sources, and their respective reliability and diversity
- Core long-term sustainability
- Innovation, thought leadership and brand strength.

Fundamentally, your value proposition (that is to say, how your charity benefits its stakeholders) can, and should, differentiate your organisation in a competitive field – and this may well have changed markedly in a post-crisis world.

Plan for exit and prosperity

Every crisis has an end. Managing the initial response and then operating during a crisis is predominately an executive or management function. Planning for what comes in the aftermath needs to have much more of a strategic consideration – for all of the reasons above and for many more. There will be top-level decisions required throughout a crisis, but the main strategic decisions will be around the period immediately after the crisis and then in the months and years afterwards. That is when the negative impacts of the crisis will need to be avoided and the opportunities for improvements, growth, development and drawing positivity will be most readily available.



GOVERNANCE CONSIDERATIONS

By Luke Holt, Partner, Moore Kingston Smith

At a time of significant additional guidance being issued to the sector, which is changing and developing almost daily, this does not change the best practice requirements of the seven key principles of the Charity Governance Code. However, it does bring governance considerations into further focus which charities may need to review. These include:

'New normal' in terms of operational and trustee meetings

While many charities have developed and moved with the recent times, making use of the expansion of online video conferencing facilities to hold remote meetings, the pandemic has thrust this requirement on many more charities and effectively for most, if not all meetings. Before the pandemic, the governing document of your charity needed to include specific narrative around virtual meetings in order to make decisions in this manner. However, the Charity Commission has taken the sensible approach to allow this for all in its recent Coronavirus guidance, which you can read [here](#). CC48 from the Charity Commission is also a helpful addendum.

The increased risk of fraud/undertaking due diligence

The pandemic is highlighting the breadth and variety of the charity sector. For every charity that is struggling to see where the next donation will come from, there is another that has experienced a significant increase in income or requests for support. It is a sorry but ever-

present story, that in times of austerity or significant change, we see an increase in fraud or potential fraud in the sector. Numerous cyber crime specialists are already warning of the increased risk, so ensuring that your charity is up to date on its fraud risk governance and that you do not seek to reduce/speed up due diligence processes designed to mitigate these risks, are important governance pillars.

The pandemic is highlighting the breadth and variety of the charity sector.

Policy for quick or emergency decisions (new grant applications or access to the many Coronavirus support schemes)

The governance surrounding decisions in charitable organisations can, quite rightly, have several levels of approval. But in times of a pandemic, a quicker (but no less approved) process may be required or preferred. Your charitable organisation should consider if the current governance framework in place has a 'process for emergency decisions' which can be enacted, or whether this is something that could be discussed, developed and introduced in a short period of time.

Safeguarding and the right to feel safe

Safeguarding is expected to be a very major thread in the next edition of the Charity Governance Code and it was a significant area of questioning for the consultation that closed earlier in 2020. As many charitable organisations work tirelessly with their beneficiaries, even more so during the pandemic, ensuring they remain safe (on both sides) is as important now as it has always been.



Balancing the 'we want to help during the crisis' with ensuring you stay within your charity's objects

It is a natural and inherently human reaction to want to help during a global pandemic. However, ensuring your activities and outreach remain within your charitable objectives is vital. It is not an excuse for mission creep, ultra vires transactions or similar. Good governance will ensure that any extensions or expansions of your work will still consider how this provides impact to your beneficiaries and remains within your public benefit objectives.

James and Luke are partners in our not for profit sector. They both have considerable experience working with charities and are at the forefront of key issues and sector thinking.

CASE STUDY – KEEPING IMPACT IN YOUR SIGHTS AND CREATING CHANGE AROUND IT

By Mark Salway, Managing Director, Moore Kingston Smith Fundraising & Management

Here we discuss a simple process to help charities decide whether they should be aiming for change, evolution or revolution. We present an actual example of how we guided a charity through our simple five-step process which enabled them to reinvent themselves.

- Impact – focus on what matters
- Money – see how much things really cost (including overheads) and develop a financial model from this
- Fundraising – consider how to maximise your return on investment
- Quality – keep focused on quality, measuring and feedback from different parts of the organisation
- Governance and change – manage the change required and create it in a thoughtful focused way.

A recent client case study

A health organisation that we have been working with recently asked us to consider their business model. They work with older people who are isolated and bring together community pharmacies, local charities and hospitals to understand patients' needs.

They asked how they could improve and help more clients. This was directly before the global pandemic but they had realised for some time that although they were doing OK, they needed to change for the future and ultimately for the better.

We soon started talking about what matters most – impact or money? They confessed that they had become too skewed towards the money, driven by the fact that they were an old charity and inertia for change was high. "We have to survive", they said.

Then they did something amazing. They took a step back and started to think less about survival and evolving what they already had. They began thinking more about revolution, the size of the issue they were facing and asking beneficiaries what they really needed. Once we knew what they needed and what steps to take, we had dynamic conversations with their beneficiaries – older

people and their carers.

We also looked through academic research and married this up against their own work on impact. All this information helped us to create an indicative 'traffic light' model to show how much impact was created for each stakeholder and each service.

From that, we could clearly see that the most powerful change they could make was to ensure each older person had a mentor they could talk to. This was a community social worker to help guide their needs, not in a clinical way, but someone who really understood their day-to-day circumstances.

So, we made 'the main thing the main thing' and focused on impact first.

Next we looked at the money, and considered fundraising to pay for services or for infrastructure costs, and we decided how the balance looked. We worked with them to build a financial model and looked at some scenarios. We weighed up the money against the impact. Some services were just not viable. We made a note to stop these, which is always hard when it is what the charity has always done.

We urged them to be brave and move away from a scatter-gun approach to fundraising. We pointed them towards using some reserves to invest, change to deeper relationships with fewer donors and focus on legacies.

Then we looked at how practical it would be to implement change, how doable this was in their world, and who they could partner and collaborate with.

Finally, we looked at the resources they had and helped them think about change and how this feels culturally. They also needed to consider what overheads they needed and how they could maximise cost recovery in their bids from local health authorities, grants and trusts.

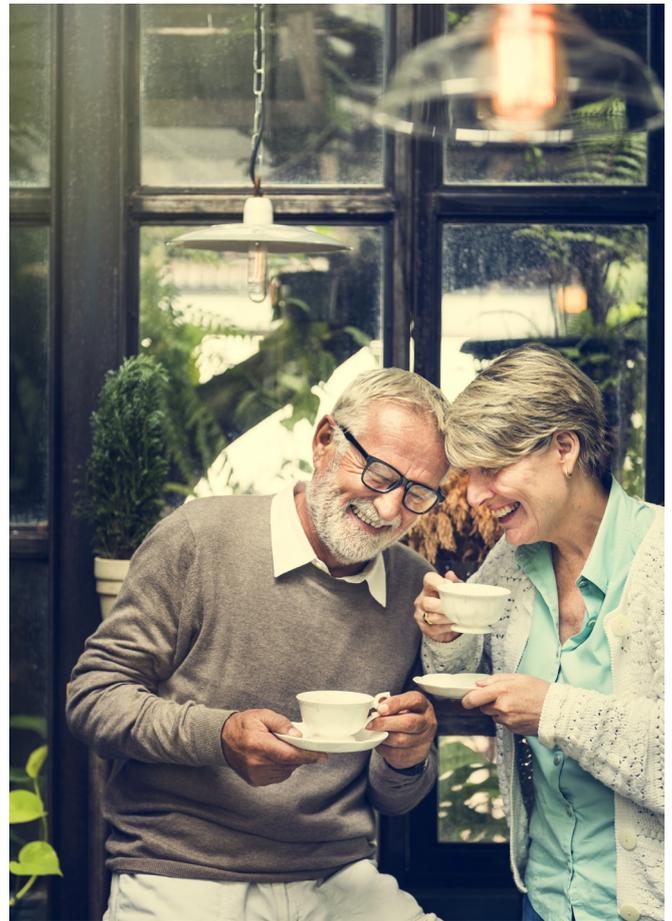
At the end of our work, we provided a blueprint for change focused on impact and making profound change for their beneficiaries. It also meant everyone understood the change we were trying to bring about in people's lives, so we could ask them and measure this. Change was achievable with effective infrastructure.

This all started from a bit of bravery and not accepting the status quo.

In the Coronavirus short and medium term, everything will be about survival for many charities. This means maximising income, while getting all the costs on the table and cutting where possible. It might require stopping non-essential work and pet projects. Managing relationships with staff will be more important than anything, as will listening carefully to stakeholders and clients and working closely with key funders. Charities will need to work more closely together with other organisations, the commercial sector and government, and share better.

This all started from a bit of bravery and not accepting the status quo.

In the long-term, it will be about getting business models right and focusing on the impact they create. Fundraising will need to sit firmly behind this message. Those charities who fundraise based on their survival



alone will not survive. It has to be about what impact they create.

We will come out of this current crisis stronger. We may also look very different as organisations. Now is the time for us to step up, refocus our efforts and look down the road to our combined futures.

Mark helps organisations effect social change through financial sustainability and impact measurement. His unique combination of accountancy, charity, commercial and social enterprise credentials adds considerable gravitas to the diverse projects involving the Fundraising & Management team.

EMERGENCY FUNDING – STRENGTHENING YOUR CASE BY EVIDENCING IMPACT

By Karl Leathem, Director of Impact, Moore Kingston Smith Fundraising & Management

Like most charities right now, you are probably facing an ever-growing need for your services against diminishing resources. Your immediate concerns are likely to be how to get through the coming weeks, how to survive as an organisation and, of course, how to meet the emergency needs of your beneficiaries on top of their usual needs.

To fulfil some of this extraordinary demand, funders are quickly producing streams of funding support for which, needless to say, there is stiff competition. You'll probably have read our '[grant fundraising in a crisis](#)' article that mentioned the importance of you having maximum

impact for your stakeholders. Articulating expected impact to funders can really make your application stand out from the crowd.

Create maximum social value for the stakeholders most in need

The secret lies in describing the changes your emergency work will bring about. In your funding bid, go beyond explaining what you intend to do and include the changes and effects your work will have on the members of the community you are targeting. Think outputs and resulting outcomes! Ensure that the outcomes you claim are backed up with some evidence.

For those of you just embarking on measuring your social value wondering how to provide at least some evidence of impact for funders, you could describe how you would apply the **Seven Principles** of impact measurement to an evaluation of your proposal. You could also supply a prediction of the social value your work will create.

Your considerations right now though need to be tempered by the fact that time is short, the need is immediate and you have to react quickly if you run services aimed at bringing help to those finding themselves in the worst circumstances.

Time is short, the need is immediate and you have to react quickly.

Predicting social value from new actions

At Moore Kingston Smith, we know from our conversations with charities evaluating their next steps that funding for the crisis of the next few months is paramount. How are key beneficiaries and other



stakeholders coping in a crisis? Is impact of services still a core consideration? For those of you taking the evaluation of your impact as a serious step in formulating strategic direction, it is as important as ever.

Here are a few immediate things that you can do to help predict social value that is likely to result from new actions when you are describing the impact your actions will create for a funder:

1. Check the resilience of assumptions that the outcomes you aim to create will result from the actions you propose.

Work with your colleagues to sense-check that you are confident that there is high likelihood that the change you anticipate will result from your intervention. Draw it out in graphic form so that all colleagues involved understand it. A strong logic chain will inform your actions and lead more quickly to the achievement of the goal, saving time, and financial and human resources.

2. Demonstrate you provide support to a range of stakeholders.

Often the impact you design for a specific beneficiary also provides benefit to wider stakeholders, for example, the loved ones of those you are setting out to support. In times when families are more likely to be self-isolating together, impact can be maximised if the needs of a wider group can be considered from the outset. Make sure you describe the wider impact possibilities for the funder.

3. Make your case to funders using direct stakeholder evidence from previous experience and/or pull in other evidence where available.

One of the weaknesses of some impact reporting is a lack of evidence for the social value claimed. Your credibility is enhanced with some evidence, which is often easily available through conversations with stakeholders themselves. If not, check if there is any research available that is based on similar interventions for people with similar characteristics to your beneficiary group. A quick internet search may reveal something you can use.

Avoid empty claims around impact by being more sure-footed in demonstrating supporting evidence. Make the case that change really will be achieved as a result of the funders' investment in you.

Here today and here tomorrow

Don't sweat the lack of monitoring systems or the kind of data you happen to hold right now that may not be impact-related. The development of a framework to gather impact data systematically is likely for another time.

Right now just think about the outcomes you want to achieve and articulate clearly the social value being created and for whom!

Karl heads the impact measurement team and is an advanced-level Accredited Practitioner of social value measurement. He enables not for profit organisations and charities to understand, articulate and manage improvement of their social impact.

REDUCING YOUR CYBER SECURITY RISK DURING THE CORONAVIRUS LOCKDOWN

By Maritz Cloete, Director, CS Risk Management

According to a report from the Charity Commission for England and Wales – **Preventing Charity Cybercrime: Insights+Action**, 58% of charities think that cyber crime is a major risk to the charity sector. Although there is an increasing awareness amongst charities of the risk of cyber crime, many small and medium-sized charities are less aware of the threat, despite probably being more at risk.

The report found that charities which go on to suffer cyber crime 'revise their IT security, their training programmes or their website security' as a result. However, shutting the stable door after the horse has bolted cannot reverse the financial and data losses, reputational damage and disruption to operations caused by a successful cyber crime.

Now, unscrupulous cyber criminals are using the Coronavirus to launch a wave of sophisticated online attacks.

Here we share four ways to thwart their shady intents and safeguard your hard-won funds.

Strengthen your frontline defences

One of your most vulnerable areas is your staff. Now, with their attention at least partially diverted away from their day jobs, vulnerabilities are higher than ever.

Cyber criminals have quickly identified new ways to exploit the current situation. Coronavirus-related phishing campaigns using email and mobile text messaging are rife. Notifications purporting to come from the World Health Organization and UK government are used to trick innocent victims into installing malware (software designed to cause damage to a computer), disclosing sensitive information or making fraudulent payments. Attackers are also exploiting the apps employees are using to work remotely to steal information and cause disruption in general.

Coronavirus-related phishing campaigns using email and mobile text messaging are rife.

Despite the current challenges, your staff are not defenceless. You can help them protect your charity by taking the following five steps:

1. Warn them about new phishing scams.
2. Remind them to remain alert, especially when receiving unexpected messages by email, instant messaging apps, text and conference call apps.
3. Discourage them from clicking on links in messages or opening attachments without first verifying that they are legitimate and safe.
4. Remind them how to report any concerns or suspicious activity.
5. Ask them to complete the National Cyber Security Centre's (NCSC) free **online training** aimed at SMEs and charities.



Don't forget to also think about how trustees and volunteers can play their part in safeguarding your charity.

Strengthen your remote working technology

Your technology can help your workers stay secure but only if you ensure that remote laptops are kept up to date with the latest security patches and anti-malware software. You also need to turn up web and email filters and ensure that any remote access technologies remain tightly secured. Now is a good time to consider using a third party to perform regular external vulnerability scans to make sure attackers cannot find an easy way in to your IT infrastructure.

Safeguard your online meetings

Recent press and social media coverage has brought the security of popular online meeting apps under scrutiny. One very popular app in particular has come under fire in the media for its vulnerability to 'video bombing' where an attacker can randomly guess a nine-digit meeting ID to gatecrash or listen in to meetings.

The kneejerk reaction to the allegations that one meeting app is 'insecure' could be to immediately change over to an alternative provider's app. However, the risk of this approach is that you will be introducing further technological change into your organisation which is already in a stressed situation.

Take a breath and give yourself enough time to really understand the security issues and the specific risks posed to your organisation. In many cases, these risks are not new and are either acceptable or can be mitigated

through configuration or secure working practices. You should:

- make sure that users know how to set up meetings with attendance controls, such as meeting passwords or PIN codes, to prevent 'video bombers'
- remind meeting facilitators to verify the authenticity of all attendees. Give them guidance on how to check attendee lists and explain what they should do if they identify any unauthorised attendees
- ask users to be alert when clicking on links or downloading attachments within these apps. They should apply the same common-sense thinking as they do when handling emails

You might still find that changing to a different supplier is the right thing to do. However take the time to balance the security risk with the business change risk before you make that final decision.

Managing the return to work

Many of your staff may have been sent home with laptops to work remotely. Some of them may have been furloughed, and their laptops will be mothballed at home for an extended period of time, meaning that they will miss vital security patches and anti-virus updates.

Make sure that you have a return-to-work plan for furloughed workers that includes:

- bringing the IT estate up to scratch with anti-malware software, operating system updates and application security patches in a controlled and timely manner

- communicating with users to ensure they exercise additional caution when using email and the web until they get the all-clear from IT

Don't forget, furloughed workers may be tempted to use their laptops while at home. If you haven't already, you need to communicate what is and isn't acceptable use of company property, including laptops, tablets and mobiles, during this period. You can still communicate with employees but it needs to be clear how!

In summary

As Ciaran Martin, Chief Executive Officer of the NCSC, part of Government Communications Headquarters (GCHQ), declared when launching its **Small Charity Guide** in 2018, "Like businesses, charities are increasingly reliant on IT and technology and are falling victim to a range of malicious cyber activity. [...] Losing access to this technology, having funds stolen or suffering a data breach through a cyber attack can be devastating, to your reputation and financially."

This statement may be two years old, but Coronavirus has ensured that it's just as relevant now, if not more so. We are all looking forward to being reunited with our fellow workers. Let's make it happen without incident!

Maritz is a highly experienced information and cyber security consultant with more than 15 years' experience in delivering information and cyber security consultancy across a wide range of industries, including implementing standards such as ISO27001.

Maritz is a full member of the Chartered Institute of Information Security and a Certified Information Systems Security Professional.



EMPLOYMENT ALLOWANCE – WHAT'S CHANGED FOR CHARITIES

By Joanne How, Tax Director, Moore Kingston Smith

The Employment Allowance (EA) has provided many businesses and charities with a reduction in their employer National Insurance contributions (NIC) bill since its inception in 2014/15. The rules have broadly remained the same until now.

With effect from April 2020, the following changes have been implemented:

- Employers will only be entitled to claim EA if they had an employer NICs bill of less than £100,000 in the previous tax year
- There will be no automatic qualification for EA based on previous year's eligibility, you must claim it each tax year
- The amount of the EA has increased to £4,000
- Employers must be able accommodate the £4,000 EA within state aid limits.

Under EU regulations, EA is considered a form of state aid, so any employer in receipt of state aid for other reasons must take this into account before claiming EA.

Note that the £100,000 employer NICs bill includes all NICs paid under multiple PAYE schemes where a charity

has more than one scheme, and also where a charity is connected to other charities etc.

How to claim

To claim through your payroll software put 'yes' in the 'Employment Allowance indicator' field next time you send an Employment Payment Summary (EPS) to HMRC.

If your payroll software does not have an EPS field, you can use HMRC's Basic PAYE Tools instead.

If you make or sell goods or services, even if you do not make a profit, select all of the de minimis state aid business sectors that apply to you. Otherwise choose 'state aid rules do not apply'.

Joanne heads the employment and expatriate tax team in the corporate & business tax department. CTA-qualified, she has worked in tax for 30 years, including substantial Big Four experience. She advises on all aspects of UK employment taxes and assists clients with cross-border issues.

AVOIDING VAT ISSUES WHEN CONSIDERING TRADING OPPORTUNITIES

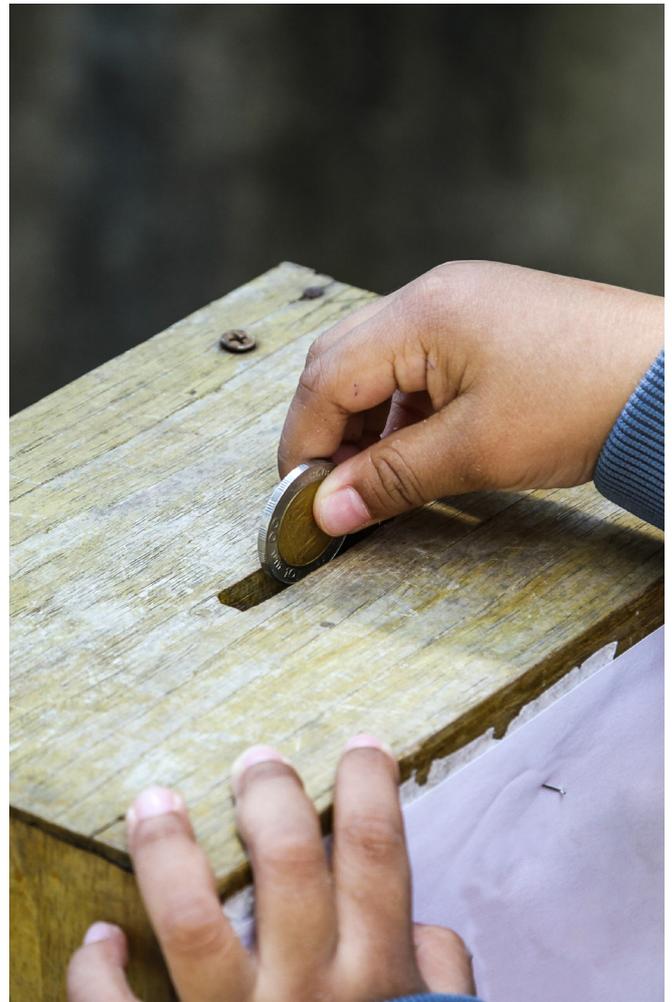
By Debbie Jennings, VAT Director, Moore Kingston Smith

Many charities carry out their primary purpose activities without the need to implement a trading subsidiary structure or a mandatory requirement to be VAT registered. However, circumstances can always change, and fundraising opportunities can appear at short notice. This opens up the prospect of addressing such structures and the tax regime in order to comply with the regulations, and minimise the tax liabilities. With effective planning from the outset, charities can embrace a full range of funding opportunities and ensure successful partnering with a full range of supporters.

The current Coronavirus pandemic has seen a huge increase in financial support for many organisations. One such organisation with whom we are working on a pro bono basis is NHS Charities Together. Like many charities, it has found itself with an opportunity to work with business organisations and enter a potentially unfamiliar commercial world.

The current Coronavirus pandemic has seen a huge increase in financial support for many organisations.

Where a business wants to support a charity, and enter into a sponsorship arrangement, this falls outside of the charity's primary purpose activities. Therefore, the funding arrangements would need to be routed through a trading subsidiary, normally referred to as a Commercial Participator (CP) contract. Furthermore, providing sponsorship and other specific benefits to businesses in return for funding is normally a taxable supply for VAT purposes. Therefore, the trading subsidiary would need to be registered for VAT - subject



to the turnover limits for registration. In this instance CP contracts should make it clear that the payment made to the charity is exclusive of VAT.

However, sometimes a business wanting to enter into a sponsorship arrangement with a charity may not want to pay VAT in addition, so the arrangements could legitimately be structured differently. This could be by way of entering into two arrangements: firstly, a CP contract for the sponsorship, entered into by the trading subsidiary, and secondly, a separate donation made to the charity, which would quite clearly be an 'arm's length gift'. The trading subsidiary would be able to undertake the commercial activities separately from the charity, and would look to gift its surplus to the charity parent in order to create an efficient corporate tax outcome.

Debbie has over 25 years' experience in VAT consultancy across a range of sectors. She has particular expertise in advising the not for profit sector and is a member of the Chartered Institute of Tax.

NEWS IN BRIEF

CHARITY SORP CORONAVIRUS UPDATE

Alongside a wide range of supporting documentation issued by the Charity Commission and sector bodies, the SORP Working Party (the body responsible for amending and updating the FRS 102 Charity SORP), has issued helpful additional guidance outlining their expectations of the areas for consideration at this time.

You can read the full insight on our website and our commentary on the main considerations [here](#).

NOT FOR PROFIT VAT UPDATE FOR CORONAVIRUS

There has been some recent news and developments regarding VAT that apply to the not for profit sector. Our update include the below:

- Coronavirus VAT changes
- Coronavirus – reasonable excuse and more time to appeal
- Making Tax Digital – extension of soft landing period
- VAT and online publications – zero-rating brought forward
- Royal Opera House Upper Tribunal case – update on VAT recovery of production costs

Read the full insight [here](#).



HOW CHARITIES CAN COPE WHEN UNRESTRICTED RESERVES ARE FALLING

A major challenge the Coronavirus has brought for charities is that fundraising, as well as trading income, has taken a major hit. In many cases, service delivery has needed to stop, also bringing a slow-down in income. Some charities are seeing opportunity and growth but many are turning to their unrestricted reserves to see them through.

Read the full insight [here](#).

CHANCELLOR'S PHASED EXIT FROM FURLOUGH ANNOUNCED

The rules covering the final three months of the Coronavirus job retention scheme have finally been announced. Read the key details [here](#).

CORONAVIRUS HUB

Our Coronavirus Hub provides you with all the latest updates from the government and our own insights which provide areas of key considerations we think you will find useful. We will post regular briefings here in response to the changing situation and for the most up-to-date advice, please don't hesitate to contact us.

For further details, please [visit our hub](#).

NOT FOR PROFIT 2020 WEBINAR PROGRAMME

Our webinar programme covers a wide range of topics to help you through this very uncertain time.

For further information on all our webinars, please visit www.mks.co.uk/events

11 June 2020	Agile Fundraising – adapting cases for support for Coronavirus and the new normal to follow
18 June 2020	Does your charity have an impact-led strategy? Or are you focused too much on the money?
25 June 2020	How to build financial sustainability in the coming environment
2 July 2020	Impactful fundraising – raising more money by understanding your impact
September 2020 (date tbc)	Building financial sustainability and re-Imaging organisations course

If you are interested in any of the articles published in this newsletter, please contact Neil Finlayson directly at nfinlayson@mks.co.uk, quoting Charity Workshop June 2020.



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