

BULLETIN No. 101: July 2011



This is a monthly bulletin going out to around 10,000 clients, contacts, friends, friends of friends so forth, to keep them in touch with what's going on in the world of charities. Tip: if like me you have a low attention span or this came to you by mistake, scroll down to the ...And Finally.

Daryl Martin

DARYL'S BLOG IN TOP 10

Daryl's Blog has been selected to feature on the 'World of Difference' website as one of the 10 best (independent) charity blogs out there. The World of Difference programme, which is run by the Vodafone Foundation, helps people to bring their skills and experience to the charities of their choice. It also encourages those taking part in the programme to engage in social media in order to boost their charity's cause. It's a great site, and there's a lot on there to inspire, amuse and inform readers. Here's a link to the article if you want to take a look: <http://worldofdifference.vodafone.co.uk/news/archives/4061>

INSURANCE PROJECTS

A recent item on networking produced a reminder from Martin Slatter, who regularly comes up with helpful thoughts; if you are embarking on any major change to your policies, you must notify your insurers. If you don't and a claim arises during the process, you could be in difficulty. Store this at the back of your mind you hard working admin guys, who have to think of everything.

CHARITY TRADING

I had questions recently relating to trading income, including room and hall hire and selling services. It's important to remember the limits that HMRC have set in respect of ancillary trading, i.e., the lower of £50,000 or 25% of turnover. If you exceed these limits, your tax status will be affected. E-mail me if you'd like me to review your trading activities. If you are getting close to the limit you need to consider a separate trading company, but it's worth reviewing the mix as often the accounts don't properly differentiate between primary and ancillary trading. This can be complicated so take advice if you need to.

CHARITY COMMISSION

The work of downsizing their operations is moving forward. A number of senior advisers are going. Their advice is only web-based apart from situations where they



INCORPORATION

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...e a statutory duty to advise. What's the downside? I'm getting a lot of stories ...re it's getting harder to make trustees accountable for their actions. I had a ...recently from someone who wanted to blow the whistle on some bad practises. ...uple of years ago my advice would have been quite different, with a strong ...elihood of a Section 18 enquiry being set up. No longer, this is a pity, as it leads ...eelings of helplessness when things are going wrong. In one case, the trustees ...sed to accept mediation (is this an admission of guilt?). It's important that ...ities ensure that there is an effective mechanism in place for dealing with ...plaints, solving disputes and grievances. We have trained mediators and ...blem solvers always at hand.

S...ays continue. Model constitutions have even been published and it was hoped ...the regulations would go before Parliament before the summer recess. Dream ...Anyway, the more I look at them the more the flaws show. That there will be ...register of charges might seem a small matter, but it will have significant ...ications for company charities which at present register charges with ...panies House. If you are considering incorporating or want to be kept in touch ...the progress of CIOs, drop me a line. Andrew Hind, the former CE of the ...rity Commission confessed that his failure to carry out due diligence when he ...ame a trustee of a charity that decided to sue Franklin Mint and ended up with ...normous potential personal liability when the Mint counter sued. The lesson is: ...er trust an optimistic lawyer, and don't operate as an unincorporated trust if ...e is any possibility of personal risk, or if you plan to go around suing people.

IMPROVED MILEAGE RATES

...t forget that the 40p per mile rate went up to 45p in the budget. If you carry a ...w employee/ volunteer as a passenger you can claim an additional 5p. If you ...paid less than these rates, you can claim relief for the difference against your ...ployment income.

WHERE DO CHARITIES TURN FOR ADVICE?

...id Locke, executive director of charity services at the Charity Commission, ...talking at the recent ACIE annual conference, talked about commercial ...ortunities for professional advisers in the charity sector. The Commission, faced ...a spending cut of 30%, will no longer offer advice. The onus will increasingly ...on a charity wanting to register to get it right; 'if they don't it will be rejected'. ...re a charity needs to obtain permission for something, perhaps selling land, if ...y don't make the case it'll be rejected. At present only 8% of charities turn to ...essional advisers such as us. This is going to increase, and we are putting ...e resources into this area of our activities. Give us a call if you need any help.

WHEN YOU DECLINE A DONATION?

...is an interesting question right now, which is taxing the minds of people who ...far cleverer than I am. If the News of the World in winding up, wants to say ...e a donation to the Church of England, who have held investments in its ...ent company so faithfully over the years, does the Church have legal powers to ...ine such a gift? If the governing document is silent on this point it may not be ...to. Even if it does have powers to decline it may not be through the woods, ...ause sometimes to decline a gift, where there is no viable alternative, is to rob ...gift of its charitable status, which may be a breach of trust in itself. We'll cross ...bridge when we come to it. Meantime, if you are planning to decline a gift, ...e sure of your ground beforehand and take advice if necessary. Sometimes of



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...se we can break the law by accepting a donation and not reporting it if we
...ect money laundering or similar. Life is never simple.

LEGAL REPRESENTATION

I had a number of responses to my mention of franchise opportunities in my
...e bulletin. Our plans are beginning to go forward and we have started talking to
...ple in different parts of the UK. Let us know if this something that might
...rest you. One of my recent charity blogs points up some of the opportunities
...g thrown up by the public sector cutbacks.

TRUSTEE TRAINING

I made some attempts last year to get some trustee and independent examiner
...ing organised in various remote locations. In the meantime, I am getting
...ations to take a day or a half day to train trustees and managers/ leaders. It's
...h easier when someone else is doing the organising. Sometimes a charity will
...v in others in the area, this works and it also spreads the cost. If you are
...rested in doing this let me know. I can put a mention into this bulletin if
...ropriate.

VOLUNTEERS' RIGHTS

I often asked what rights volunteers have compared with staff on payroll. The
...ble answer is not very much at all. From time to time it's tested in the courts
... usually much the same result. Recently 3 Appeal Court judges ruled that a
...bled volunteer is not covered by employment law. Leave has been given to
...eal to the Supreme Court, so this one will run for a while yet. It might even go
...urope. It leaves open the question as to what rights volunteers should have.
...nterim report from Volunteering England cited many stories of injustice and
...ted the idea of a Volunteer Complaints Commissioner, although it stopped
...t of endorsing such a solution. Meantime, a document or letter can be helpful
...etting out rights and responsibilities, but it will be binding in honour only and
...e no force in law. Don't make it too prescriptive and try to avoid employment
...minology. I'd be happy to vet any and give you my view. The problem is that if
...begin to give equivalent rights to volunteers, you create a whole new set of
...blems and issues, and you risk losing the element of trust which makes
...nteering so important.

LOGS

...been a busy month. Subjects covered in my charity blog include: compassion
...g good for business, and opportunities in the charity sector. Fundraising blogs
...e covered: wills, donor retention rates, and charity shops. My personal blog has
...n looking at my own journey, including: lifting the lid on the silent retreat we
...ntly attended; I also blogged on the importance of touch, which seemed to
...nate. Next couple of weeks could be quiet as we are going on some sort of
...ic pilgrimage round the British Isles. To sign up go to www.iel.org.uk

OUR HELP NEEDED!

...took on 75 new clients in the last year. This is fantastic. But we lost 25:
...ngers, closures etc. We can take good care of another 100 clients this year. If
...ve given you good service could you tell a friend? If we didn't, please tell us.

AND FINALLY...

...ere's a lot of talk right now about how people change. I read this quote

[Contact us](#) us for a quotation



Company Secretary Service

A number of Charities have
...already signed up to this new
...service. [Contact us](#) for detail



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ewhere, 'People change when they are inspired, in pain or in love'. At a recent
ference, a keynote speaker said that people begin to change when their misery
l is higher than their fear level.

ou don't like change, you'll like irrelevance even less', Gen Eric Shineski, ret.
f of Staff US army. Repeated from last month in the light of the previous
ces!

e's nothing quite like the smile on the face of a man who has thought of
eone else he can put the blame onto. (This has surfaced a number of times
ntly in different shapes so it's not sourced)

that is good for making excuses is seldom good for anything else' (Benjamin
klin) Ouch, that one's too close for comfort!

pical quote from Steve Chalke: 'Churches should be the most honest
munities around. Honesty is a matter of authenticity. It is about making sure
what we say matches what we think, and is reflected in what we do'. Today
are surrounded by incredible disasters on every side. It's all about chickens
ing home to roost. In recent decades we have allowed public standards to slip.
ay we are ashamed of our politicians who have learned nothing, our bankers
are still milking us, now the police and the journalists there to hold them to
unt seemed to have formed unholy alliances. We in the voluntary sector must
high standards. Generally I find high standards of behaviour wherever I go. Be
nd of them and hold to them. Be authentic.



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