

BULLETIN No. 105: November 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

take, scroll down to the ...And Finally.

Daryl Martin

USUAL OF CHARITABLE STATUS

A small number of groups have had their applications declined with the CC saying they aren't charitable. If this happens to you it doesn't mean the CC has it in for you. They are there to apply the law and make sure the wrong people don't take advantage of tax breaks and other benefits available to charities. Often, with some tuning and a clearer presentation it can be shown that the organisation is charitable. The CC isn't there to do that. If your application to register is straightforward then you can DIY, but if there are any complications it's better to get professional advice. Of course you can always appeal, but do you want the attendant aggravation when you should be getting on with things.

CHARITY DONOR FATIGUE

Apparently only 32% of us donated to the current Horn of Africa famine appeal, against 43% who gave to those affected by the floods in Pakistan and 49% who gave to the Haiti earthquake appeals last year. Well, all of these figures seem awfully high to me. It might be possible that we are getting hardened to these requests for help, particularly when we are getting increasingly anxious about events closer to home. Let's have an explosion of generosity and show that we can. (Bankers please especially note)

CHARITY INVESTMENT MATTERS

If you don't have to, I'm getting my head round new guidelines issued by the Charity Commission (CC14). It's a great improvement on earlier guidelines, and makes it clear that charities can make social investments, rather than simply optimising returns and reducing risk. It's still important that trustees consider the risks, take advice when appropriate, and have a sound rationale to support their decision. Particularly important to get advice if you are thinking of investing in a trading company related to your charity.



INCORPORATION

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BRIBE ACT 2010

is now in force. It's always been illegal to give or receive a bribe, but this Act considerably strengthens the law. The CC has issued lengthy guidelines in their 'Protecting Charities from Harm' notes. You don't need to sweat your way through as long as you have a clear policy of not giving or receiving any financial or other inducements. I came across a chair a couple of months ago who had taken a substantial bribe, so I know it goes on. (He's now an ex-chair.) Remember too that it's now illegal to fail to prevent a bribe taking place, and this applies to facilitation payments, unless the defence of duress can be applied (but don't bank on it). Bribery is deeply embedded into some cultures; if anyone has any helpful feedback, please let me know. And please don't let this be an excuse for not giving Christmas boxes and tips etc. where it's the right thing to do.

LOW COST MONTHLY BOOKKEEPING SERVICE

If you are thinking of using this service, we are planning to revise our fees from 1st January. Anyone signing up before December 31st will get 12 months at the current fee. [E-mail Viv](#) for a brochure.

PAID TRUSTEES

A resting debate underway over this subject; Trustees' can be paid for non-executive duties, this has always been the case, provided that there is provision in governing documents. Lord Hodgson, President of NCVO, says payment of trustees is inevitable, especially with the new lighter touch Charity Commission bringing more pressure on trustees. 'We have situations' he says, 'where a CEO's pay is £150,000 and trustees are thinking, 'I supervise him for nothing''. There are arguments on both sides of course; VAT issues, donor issues, what about other trustees, and so forth. Also, a lot of hot air; let's have an open honest realistic debate. Looking at the arguments on both sides we're going to need someone of common sense and wisdom to get us through it into a measured conclusion.

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To update readers, the CC is progressing slowly on bringing them in. As is the case in Scotland is ahead of the game. They are now registering CIOs and converting unincorporated charities. Charitable companies will be able to convert (in Scotland) on 1st January 2012. I've made a note to start to give this some of your attention.

UMBRELLA BODIES

The Charity Commission, in the face of massive budget cuts, is encouraging all charities to belong to an 'Umbrella Body' to provide the support and guidance which they will no longer be able to provide. Since I mentioned this in my October report we have been in touch with the CC to talk about our plans to set up such a body. Their response is encouraging and we hope to be in a position to release detailed information next month on what we are offering. Apart from the helpline and advice and support which we offer on a daily basis, we plan to offer significant benefits to all our clients and hopefully many more charities.

TOPICS

Subjects covered in the last month include: 'In Praise of Pedants' and 'Communicate with Excellence' (my humble tribute to James Thurber), and don't forget my booklet, 'Fundraising Without Fuss'; some common sense thoughts on the subject. Next project, looking at publishing for Kindle; that's if I ever get to



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s with it.

WHERE DO CHARITIES TURN FOR ADVICE?

As the Charity Commission is scaling down its advice service, don't forget we have a team in place with good experience and understanding to be able to help you. I'm currently working with several charities on such diverse areas as Gift Aid, Charity Commission enquiries, immigration issues, board disunity issues, setting up CICs and so forth. Never a dull moment. (I have to watch what I write when I'm working with a client there's often a great need for confidentiality. The stories I tell in my trustee sessions are all essentially true but anonymised to protect client identity)

FRANCHISES

We have begun discussions with people interested in starting a business looking for charities in their area, using the expertise we've put together over the years. If you are interested, our information pack is still available. [Contact Kay](#), she'll happily post one out to you.

AND FINALLY...

I had some bad experiences this year and have decided to stay well clear of people who take themselves too seriously, so please be warned. I'm not alone in these views:

Frederic Maitland put it beautifully: As we journey through life, discarding the baggage along the way, we should keep an iron grip, to the very end on the capacity for silliness. It preserves the soul from desiccation.

A person without humour is like a wagon without springs; jolted by every pebble in the road. (Henry Ward Beecher)

Richard Cobb the historian was always prone to silliness, which he called his essential frivolity. He liked it in his friends and distrusted gravity in anyone. (From a review of My Dear Hugh: Letters from Richard Cobb to Hugh Trevor-Roper) It's fitting to let Winnie the Pooh have the last words: It's more fun to talk with someone who doesn't use long words, but short easy words like, 'what about lunch'.

If the person you are talking to doesn't appear to be listening, be patient. It may well be that he has a small piece of fluff in his ear.

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



Gift Aid:

[Email Janice](#) if you need help with your gift aid claims or if you need envelopes for cash donations.



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