

# Field Seymour Parkes LLP and James Cowper Kreston Webinar

## *Key issues for charities*

*23rd July 2020*

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**> Intro**

**> Agenda**

- 1. Current issues arising from COVID-19**
- 2. Financial resilience and reserve policies**
- 3. Ways to maximise income generation**
- 4. Fraud prevention**

**> Q&A**

# Current issues arising from Covid-19

- > **New Corporate Insolvency and Governance Act 2020**
  - > extended period to hold AGMs/permit virtual meetings/extension for companies house filings
  - > best practice tips
  - > temporary suspension of wrongful trading provisions & trustees duties
  - > trustees personal liability issues
- > **Continued need to report Serious Incidents to the Charity Commission**
- > Useful guidance:
  - > The essential trustee: what you need to know, what you need to do
  - > [www.gov.uk/guidance/safeguarding-duties-for-charity-trustees](http://www.gov.uk/guidance/safeguarding-duties-for-charity-trustees)
- > **Need to change your charitable objects?**

# Financial resilience and reserve policies

- > Resilience: broader picture/interconnected issues
- > **Useful guidance:**
- > Managing a charity's finances (CC12) <https://www.gov.uk/government/publications/managing-financial-difficulties-insolvency-in-charities-cc12>.
- > Charity governance, finance and resilience: 15 questions trustees should ask:  
<https://www.gov.uk/government/publications/charity-trustee-meetings-15-questions-you-should-ask>.
- > **Financial resilience strategies**
  - > knowing your charity's financials
  - > SWOT analysis
  - > Collaboration
  - > Fundraising strategy
  - > Asking hard questions/any trade-off considerations?
- > **Reserves**
  - > Difference between **'reserves'** V **'restricted funds'**
    - > Tips & recommendations from the Charity Commission

# Ways to maximise income generation

- > **Internal V external strategies**
- > **Internal:** knowing the Charity's financials & cash flow management
  - > Strategies to improve sources of income: *engage with funder/emergency fundraising, collaboration, use reserves and legal tip*
  - > Strategies to minimise cost
  - > Making best use of any investments & financial benefits
- > **External:** government assistance, furlough scheme, Business Interruption Loans/other assistance
- > Insights from clients & local charities

# Fraud prevention

- > Inherent vulnerability & importance of this issue
- > **Useful guidance:**
  - > <https://cfg.org.uk/userfiles/documents/CFG%20resources/CFG%20Publication/CounteringFraud2016.pdf>.
  - > <https://www.fraudadvisorypanel.org/wp-content/uploads/2018/03/Tackling-Charity-Fraud-Summary-Report-March2018.pdf>
  - > [Internal Financial Controls for Charities \(CC8\)](#)
  - > [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/841056/8\\_Guiding\\_Principles\\_for\\_Tackling\\_Fraud\\_Final\\_Oct19.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/841056/8_Guiding_Principles_for_Tackling_Fraud_Final_Oct19.pdf)
- > Legal considerations, expectations & tips from the Charity Commission.

# Q & A

# THANK YOU



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