

Kent Charity Good Governance Forum 2019



Session summary

The forum, hosted by Brachers, CAF Bank and MHA MacIntyre Hudson, focused on supporting charities to understand and implement the Charity Governance Code, a set of core principles which should underpin a charity's processes and procedures, in a way that delivers effective solutions to their issues.

Using the code for operational improvement

- The code is there to be a tool box not another layer of rules and regulation. Use it to sense check what you are doing.
- Managing risk is not just about policies, it is thinking about what you do, how you do it and what could go wrong.

- Regularly revisit whether what you do is aligned with your charitable purpose.
- Good trustee training can be a great aid for recruitment and retention.
- Proper process and controls are like your suit of armour, they protect, you, but you have to walk into battle!

Legal duties of a charity trustee

- Charity trustees should make sure they are aware of their legal duties to avoid putting themselves or their charity at risk; more info can be found in the Charity Commission's guidance 'The Essential Trustee.'
- A paper trail is essential for compliance; keep a written record of all board meetings, policies and procedures.
- A governing document is a legal requirement for all charities and trustees *must* have a copy. You can find a useful template via the Charity Commission.
- Decision-making processes need to be informed, rigorous and timely, and effective delegation, control, risk-

assessment and management systems must be set up and monitored

- Trustees should have a clear understanding of what constitutes a serious or less-serious incident, and the reporting process that follows.

Good governance from a bank's perspective

- Understand your legal requirements and obligations – often it is not just a Bank being awkward.
- Adopt an open transparent approach with your Bank.
- Prepare to be asked questions and have the answers ready.
- Do you have the skill set to undertake borrowing or investing.
- Align your actions with your charity's mission and objectives.

Action: Does your Board and supporting governance documentation empower you to achieve your mission or inhibit it?

Maximising VAT recovery

- Good governance for VAT means managing risks and having good procedures in place.
- Be open and transparent with HMRC.
- Make sure you claim the reliefs from VAT that you are due.
- Maximise input tax recoveries.
- Regularly review your VAT position – don't assume nothing ever changes!

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