

### **Charities Bill**

The Charities Bill received Royal Assent on 8 November 2006, meaning that the Bill has become the Charities Act 2006 and is now law.

Further information regarding the timetable for when each part of the Act comes into force will be announced shortly.

We have issued a briefing on the Act which sets out some of the key provisions along with a timetable for how the Charity Commission are going to be taking forward the process of reviewing Public Benefit.

Please contact us if you would like a copy of the briefing.

### **PAYE Inspection Visits - Schools**

No doubt the majority of employers are aware that HM Revenue and Customs visit from time to time to review the operation of PAYE and look for any opportunities to collect extra tax and national insurance in relation to any aspect of payroll, remuneration or benefits in kind generally.

For some months now, the independent education sector has been targeted and many schools are receiving notifications of impending inspection.

The taxman appears to be paying particular attention to pensions, especially free-standing AVCs for non-teaching staff, cars and car fuel, with the emphasis on pool cars.

Accommodation benefits for staff living on site are a perennial topic for inspection, and these need a careful eye for schools where the numbers of boarders are reducing and there is a possibility that pastoral duties may no longer justify residence within the campus.

Russell New offers a PAYE health check service. This includes a review of your payroll and other accounting records in order to identify and correct any anomalies that are uncovered.

HM Revenue and Customs has the power to go back for six years to seek tax, national insurance, interest and penalties should they find any errors when inspecting your organisation. In our experience, they are less likely to look at earlier years' records if they find that payroll, benefits, etc, are all being dealt with correctly in the current period, which is where they start their inspection. Putting your house in order therefore makes great sense! For further details, please contact Greg Provis or Sylvia Spencer on 01903-816699.

### **Trustee Training**

You may be aware that a new requirement of SORP 2005 is for charities to disclose the policy they have in place for training trustees in their role as those responsible for governance.

The training each trustee requires should depend on the skills, background and experience each one brings to the charity.

It does not mean each trustee needs to attend as many courses as physically possible, there are other ways they can be trained which can be far less expensive and more convenient to the charity and trustees. These include the following:

- In-house training by an employee of the charity - on something specific that has been happening within the charity
- Review of Charity Commission publications – maybe appoint one person to report back on these
- Join up with other charities to share the cost of some external training
- Subscribe to free newsletters which are useful in keeping up to date with hot topics

There is a risk that charities will just be training trustees for the sake of satisfying the requirement of SORP 2005 – but keep it specific and constructive and it should be relatively cheap and beneficial for all parties.

### **Changes to Maternity Pay**

The government has published new regulations which introduce changes to Statutory Maternity Pay (SMP) and Maternity Allowance (MA) payments. The regulations came into force on 1 October 2006 and apply to all women in the UK whose expected week of confinement (EWC) falls on or after 1 April 2007.

The aim of the regulations is to increase the time periods and flexibility for SMP and MA.

Further details can be found at:-

[www.hmrc.gov.uk/employers/tma-statpayments.shtml](http://www.hmrc.gov.uk/employers/tma-statpayments.shtml)

### **CRB On-line**

The Criminal Records Bureau has announced that it is developing an on-line tracking service. The service will allow charities that are Registered Bodies to track the progress of application from receipt through to issue.

Further information can be found at:-

[www.crb.gov.uk](http://www.crb.gov.uk)

### **Exhibitions – come and see us!**

We will be exhibiting at “Funding the Future” Central Hall Westminster on 23 November 2006 and at the ACEVO Annual Conference, Novotel Hammersmith on 30 November 2006. Please come and see us if you are attending

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