

Charity News



June 2011



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Update on FRSPBE

The consultation paper on the financial reporting standard for public benefit entities is now available for comment (consultation closes 31 July). The standard supplements the proposed financial reporting standard for medium-sized entities providing additional guidance on those types of activity that are different from traditional profit making entities.

We will shortly be issuing the feedback from a series of round table discussions on these proposals identifying the most significant areas of impact and commenting on how organisations anticipate implementing the requirements.

Supply of staff

A recent decision issued by the first tier Tribunal may result in VAT savings for organisations not able to fully recover their VAT.

As many of you will be aware there was a concession in place that limited the charging of VAT to the commission element only, but this was removed by HMRC with effect from 1 April 2009.

Reed employment Ltd has recently challenged HMRC on the application of VAT to the full value of their supplies of staff rather than applying it only to the commission element. HMRC has confirmed that it does not intend to appeal the decision and it is hoped they will issue a Business Brief shortly.

Given that VAT has only been charged on the full amount since 2009 the likelihood of retrospective claims being capped at this stage is small, therefore, we recommend that in the first instance clients speak to their suppliers to put them on notice that they are aware of the case and ask how they are proposing to correct the potential overcharging of VAT and how they propose to invoice going forward. The suppliers may wish to seek confirmation from HMRC that they should issue credit notes for the overcharged VAT. Please speak to your usual contact if you would like to discuss this opportunity further or if you require our assistance in liaising with your suppliers.

When is charity not charitable?

Helena Partnerships Limited, a Registered Provider of social housing, was originally established as a non-charitable organisation, but later adopted charitable rules and was accepted as a charity by HM Revenue and Customs with effect from the date the charitable rules were adopted.

Helena tried to argue that it should be treated as a charity from the date its activities commenced, on the basis that its activities have remained unchanged since that time. Their argument failed because Helena's original objectives were not solely charitable – Helena could have undertaken non-charitable activities if it wished to do so.

Grant Thornton is ranked as a top three adviser to the charity, education and housing sectors and we pride ourselves on providing specialist knowledge to those sectors. We would like to invite you to attend a series of seminars focusing on some of the current issues affecting organisations within these sectors. Each of these sessions will address a different issue and you are welcome to attend as many sessions as you wish.



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Seminar programme

Tax/VAT/employee issues update

Our tax seminar will provide an update on developments in direct taxes, VAT and an update on employee issues as they affect the sector, as well as providing timely reminders on topical issues.

London

Wednesday 8 June 2011

Wednesday 16 November 2011

3.30pm Registration and coffee
4.00pm Seminar commences
5.30pm Drinks and canapés

Risk management in a challenging environment

As risk management has moved to centre stage how do you truly embed risk thinking in your organisation, and how important is your corporate culture in this? Our specialists will explore current good practice, and help you spot the warning signs.

London

Thursday 8 September 2011

3.30pm Registration and coffee
4.00pm Seminar commences
5.30pm Drinks and canapés

Birmingham

Wednesday 28 September 2011

2.30pm Registration and coffee
3.00pm Seminar commences
4.30pm Drinks and networking

An update on IFRS

As the migration of UK GAAP to IFRS continues to develop, this session will provide an update on the latest position for the not for profit sector, highlighting key developments, areas of concern and practical issues which need addressing. Specialists from our not for profit and IFRS conversion teams will lead the session with plenty of opportunity for debate.

London

Wednesday 5 October 2011

3.30pm Registration and coffee
4.00pm Seminar commences
5.30pm Drinks and canapés

Birmingham

Wednesday 12 October 2011

9.30am Registration and coffee
10.00am Seminar commences
1.00pm Lunch

Charity topical update

This session will concentrate on key charity sector issues and developments over the past year.

Cardiff

Wednesday 15 June 2011

8.00am Registration and coffee
8.30am Seminar commences
9.30am Close

Bristol

Thursday 23 June 2011

7.45am Registration and coffee
8.30am Seminar commences
9.30am Close

London

Wednesday 7 December 2011

3.30pm Registration and coffee
4.00pm Seminar commences
5.30pm Drinks and canapés

Birmingham

Thursday 8 December 2011

2.30pm Registration and coffee
3.00pm Seminar commences
4.30pm Drinks and networking



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