

Housing News



July 2011

Bribery Act

The final guidance on adequate procedures defence to the new corporate offence under the above Act has been published by the Ministry of Justice.

The Act came into force on 1 July 2011. We advise that:

- to ensure compliance with the new Act, every Housing Association should undertake a corruption risk assessment to ensure compliance
- any corruption risk assessment should

include a review of relationships with business partners to ensure opportunities for corrupt behaviour are minimised

- countering the threat of corruption should be an integral part of every Housing Association's risk management strategy.

For further information, please go to: http://www.grant-thornton.co.uk/thinking_blogs/publications/whats_new_for_2011_-_a_guide.aspx

Update on FRSPBE

The consultation on Financial Reporting Standard for Medium-Sized Entities standard (FRSME) looks at the future of the UK GAAP accounting system for medium sized entities.

The consultation recently closed with 290 responses and more than 100 of these were from the social housing sector. This was an impressive and necessary reaction given the implications of the proposals for the sector (such as no option to revalue property and the inability to capitalise interest).

The FRSME standard did not consider public benefit entities within its impact assessment so, the consultation on the Financial Reporting Standard for Public Benefit standard (FRSPBE) is the only real opportunity to highlight the true effect that some of the proposed changes may have on your organisation. The consultation on the FRSPBE, which for housing associations will supplement the FRSME, opened in March and runs to 31 July.

On a first reading, the consultation draft has few areas for comment, but when the FRSPBE and FRSME are combined, there are implications for the sector. For example, there is concern about recognition of social housing grants in year one which can be usefully commented upon.

With all public benefit entities being asked to deliver more from less, an assessment looking not just at balance sheets and presentational issues but which understands the potential impact of proposed changes to the accounting and reporting regime is vital. The sector should make sure it responds to the consultation paper so that we develop a financial reporting framework which recognises the nature of the housing sector, the interests of the various stakeholders and which does not inhibit the delivery of more and better affordable housing.

Helena loses appeal in tax case

Helena Partnerships Limited, a Registered Provider, was involved in a VAT-sheltered Large Scale Voluntary Transfer.

At the time of the stock transfer, Helena was non-charitable and was subject to corporation tax on its surpluses. Helena subsequently adopted charitable rules and was accepted as a charity by HM Revenue and Customs with effect from the date the charitable rules were adopted. Helen tried to argue that it should be treated as a charity from the date of the stock transfer, 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.



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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 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

8.30pm Registration and coffee

9.00pm Seminar commences

10.30pm Drinks and canapés

Birmingham

Wednesday 12 October 2011

9.30am Registration and coffee

10.00am Seminar commences

1.00pm Lunch



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