



Welcome to Watson Buckle's Charity Bulletin, bringing you the latest news on financial issues facing the not-for-profit sector.

In this edition: Deadline fast approaching for charities yet to file annual return • Charities told to keep supporters "active" ahead of GDPR • Charity Commission to advise on radicalisation, misuse of data, and safeguarding.

We hope you enjoy reading our Charity Bulletin and that you find it useful. We would welcome your feedback on the content, or ideas for topics that you'd like to see featured in future issues. Please get in touch with Susan on [01274 516700](tel:01274516700) or email [SusanS@watsonbuckle.co.uk](mailto:SusanS@watsonbuckle.co.uk).

## Deadline fast approaching for charities yet to file annual return

**Charities with financial years ending on 31 March 2017 have less than a month to go before the final deadline to file their annual return, the Charity Commission has warned.**

Annual returns must be with the Charity Commission by 31 January 2018.

The charity regulator said there are many charities yet to file a return and risk penalties.

"[Charities] run the risk of trying to file nearer to deadline day without the correct documentation or, crucially, the password they need to access the online service and then going into default," it said.

### Which charities need to file an annual return?

Those earning between £10,001 and £25,000 need to complete an annual return form, while those earning more than £25,000 must submit an annual return form with a set of annual accounts as well as an independent examiners' or audit report and a trustees' annual report (TAR).

Likewise, all Charitable Incorporated Organisations (CIOs) need to submit an annual return and annual accounts. If your CIO has an income of more than £25,000 you also need to submit an independent examiner's or audit report along with a TAR.

Charities earning less than £10,000 need to submit income and expenditure figures.

Charities must file a return no later than 10 months after the end of their financial year.

Do you need help or advice filing your 2017 annual return? Contact us today to find out how we can help you.



# Charities told to keep supporters “active” ahead of GDPR

## Charity fundraising through direct mail has declined by almost a third as the sector invests more in digital recruitment, a report has revealed.

Qbase, which published the research, also found that retention rates through direct mail were lower than other channels at 42 per cent.

And for the first time, lapsing supporters are outweighing new supporters at a rate of five to three.

Lapsing donors are defined as those who have donated between 12 and 24 months ago, while new supporters have made a donation in the last 12 months.

The report also found that digital recruitment proved the most effective channel for securing emails as a source of contact permission, while face-to-face recruitment and cold

mail accounted for around two in five email addresses collected.

Around half (47 per cent) of contacts on charity databases have never donated, it added.

Matt Porter, Qbase's business insight solutions consultant, said: "It's never been more important for the sector to focus on keeping supporters 'active', particularly given the fact that, on average, supporters are lapsing at a higher percentage than new ones coming onto the database.

"The report revealed a number of practical ways charities can communicate with their supporters in the changing, digitally focused landscape. It also highlighted the most effective channels available not only for recruitment, but also in securing positive lifetime value."

However, Mr Porter warned that charities

should be wary of investing too many resources into digital, as new data protection rules due to be introduced in May 2018 will change the way charities can collect data.

"With marketable permissions set to be impacted by GDPR, it's critical that charities are working now to collect supporter preferences.

"Postal methods remain a huge channel of opportunity to market to supporters. However, charities have increased investment across digital communication channels such as email and social media platforms in recent years and this channel is increasingly being used as a method of engaging with supporters."

Keep up to date with charity news and developments by following Watson Buckle on Twitter and Facebook. And for more information on any of the issues discussed in this bulletin, contact one of our experts today.

# Charity Commission to advise on radicalisation, misuse of data, and safeguarding

## The Charity Commission for England and Wales has outlined new plans to help safeguard the people who work for and with the not-for-profit sector.

In its new report, *Strategy for dealing with safeguarding issues*, the Commission says trustees should "take steps to ensure no one who comes into contact with their charity suffers distress or harm".

The report contains information on how trustees can provide a safer environment for staff and volunteers, as well as the people they support in its day to day activities.

The Commission says the strategy will do more than simply prevent physical abuse. In particular, it will look at how trustees can protect people from radicalisation and from the misuse of personal data.

Charities will also be asked to carry out due diligence on overseas partners and how funding is being used.

"Where a charity funds other organisations, such as overseas partners that work with children or adults at risk, its trustees should carry out appropriate due diligence so that they can be confident that their partner has in place appropriate safeguarding policies and procedures," the report says.

Michelle Russell, Director of Investigations, Monitoring and Enforcement at the Commission, said: "The public rightly expect all charities to be safe environments, so all trustees should make safeguarding a governance priority. Of course, what trustees do in practice will depend on the context of their charity's work, and trustees should take a proportionate approach. Charities working with vulnerable

groups such as children and adults at risk for example, will need to ensure their safeguarding policies and practices comply with relevant safeguarding legislation and regulations.

"But all trustees should think about the people that come into contact with their charity and consider the steps they can take to prevent them from coming to harm.

"Recent accusations of harassment in the work place, including against some charities, demonstrate how vital it is that trustees are alive to the need to protect and safeguard all those involved in or affected by their work."

Watson Buckle works with trustees across the country to support charities in a number of ways. For a free, no obligation chat about what we can do for your charity, contact us today.

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