



Charities & COVID-19

Short term financial resilience

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Introduction

Agenda

What support is available to charities

Strategies for financial resilience

Financial reporting

Signposting resources



What support is available?



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What support is available?

- Job Retention Scheme
- Business Interruption Loan Scheme
- Deferred tax & rate holidays
- £750m direct financial support
 - £360m direct from government depts
 - £370m for small/medium charities through Lottery



HM Treasury



HM Revenue
& Customs

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What the regulator has said

- Charitable objects
- Using reserves & restricted funds
- AGMs & other meetings
- Document decision
- Serious incident reports
- Safeguarding
- Working with non-charities



<https://www.gov.uk/guidance/coronavirus-covid-19-guidance-for-the-charity-sector>



Available support from the sector



Short term financial resilience



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Cash is king

- Regular cash flow forecasting
- Early warning signs
- 'What if' questions
- Different scenarios
- Factor in the available support
- Stress test – how much breathing space?
- All cash flow or restricted/unrestricted?



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Financial resilience – decision making



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Decision making

- Budgeting amidst uncertainty
- Reserves policies
- Investments – to sell or to hold?
- Loan finance
- Nimble governance
- Collaborative working



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Financial reporting & audits

- Filing extensions
- Trustees' annual report
 - Achievements & future plans
 - Risk statement
 - Reserves policy
 - Investment performance
- Post balance sheet events
- Going concern



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Other resources



<https://www.sayervincent.co.uk/covid-19/>



<https://www.icaew.com/coronavirus>



<https://www.cfg.org.uk/Covid19Resource>



<https://www.ncvo.org.uk/practical-support/information/>



<https://www.acf.org.uk/news/acfs-response-to-coronavirus>



<https://www.institute-of-fundraising.org.uk/guidance/coronavirus/>



<https://www.charitytaxgroup.org.uk/news-post/2020/coronavirus-information-hub-charity-tax-finance-professionals/>

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