

DERBY COMMUNITY ACCOUNTANCY SERVICE

DCAS SERVICES

- Independent Examinations -
- Payroll Services -
- Advice -
- Training & Support -

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NEWSLETTER SPRING 2017

CHANGES TO INCOME TAX BANDS AND RATES FROM APRIL 2017

	Tax year 2016-17		Tax year 2017-18	
	Income tax bands of taxable income (£ per year)	Income tax rates	Income tax bands of taxable income (£ per year)	Income tax rates
Basic rate	£0-32,000	20%	£0-33,500	20%
Higher rate	£32,001-150,000	40%	£33,500-150,000	40%
Additional rate	Over £150,000	45%	Over £150,000	45%

NATIONAL INSURANCE CONTRIBUTION THRESHOLDS

	2016-2017	2017-2018
Weekly Lower Earnings Limit	£112	£113
Weekly Primary Threshold	£155	£157
Weekly Secondary Threshold	£156	£157
Weekly Upper Earnings Limit	£827	£866

RATES FOR NATIONAL LIVING WAGE AND NATIONAL MINIMUM WAGE

Year	25 and over	21 to 24	18 to 20	Under 18	Apprentice
From October 2016	£7.20	£6.95	£5.55	£4.00	£3.40
From April 2017	£7.50	£7.05	£5.60	£4.05	£3.50

Statutory Payments

The weekly rates for **Statutory Adoption**, **Maternity**, **Paternity** and **Shared Parental Pay** increase to **£140.98**

Recovery Rates remain unchanged

The weekly rate for **Statutory Sick Pay** increases to **£89.35**



CHARITY COMMISSION FOR ENGLAND AND WALES

What is the Charity Commission?

The Charity Commission is part of the Civil Service and is a non-Ministerial Government Department.

The Charity Commission's role is to register and regulate charities in England and Wales, to ensure that the public can support charities with confidence.

Who works in the Charity Commission?

The Charity Commission has 4 offices in Liverpool, London, Newport and Taunton, and employs over 300 people.

What are their Responsibilities?

Within England and Wales, they are responsible for:

- registering eligible organisations in England and Wales which are established for only charitable purposes
- taking enforcement action when there is malpractice or misconduct
- ensuring charities meet their legal requirements, including providing information on their activities each year
- making appropriate information about each registered charity widely available
- providing online services and guidance to help charities run as effectively as possible

What are their Priorities?

Their priorities are to develop:

- public confidence in the charity sector
- the sector's compliance and accountability
- the self-reliance of individual charities

Online Services and Guidance Publications

'How to' guides on

Managing your charity

Charity money, tax and accounts

Fundraising

Setting up a charity

Staff and volunteers

Trustee role and board

Your charity's work



The Charity Commission also has a Blog at <https://charitycommission.blog.gov.uk/>

Performance Management and Staff Appraisal

Managing the performance of employees involves making sure that employee performances contributes to both team goals and those of the charity as a whole. The aim is to continuously improve the performance of individuals and that of the organisation.

Key points

- * Good performance management helps everyone in the charity to know their role, the part it plays in achieving its goals, the skills and competencies they need to fulfil their role and the standards of performance required
- * Where a performance management system is working well employees are more likely to engage with the goals of the charity
- * Managing performance is central to the relationship between managers and employees.
- * The way performance is managed should be fair to all staff

An engaged employee is someone who:

- takes pride in their job and shows loyalty towards their line manager, team or organisation
- goes the extra mile - particularly in areas like customer service, or where employees need to be creative, responsive or adaptable.

Personal development is an integral part of performance management. Development plans and performance plans are normally included together in one document which is then reviewed during the year as employees work towards their objectives. Most organisations also operate an annual cycle where objectives are set at the beginning of the year and formally reviewed and assessed at the end.

Reviewing performance is a continuous process; nevertheless for administrative ease most organisations also operate an annual cycle where objectives are set at the beginning of the year and formally reviewed and assessed at the end.

Reviewing performance typically has three elements:

- ♦ Regular informal meetings where line managers discuss current work and development. They offer feedback to recognise achievement and to encourage progress and identify any possible problems.
- ♦ Formal interim reviews where employees sit down with their line managers to discuss progress against their performance plan. This is an opportunity for the line manager to celebrate achievements and offer constructive feedback where more needs to be done. There should be at least one interim review and many organisations prefer to hold them quarterly.
- ♦ The annual appraisal review where the work of the year is discussed and feedback is given. There is also usually a formal rating of performance for the year at this stage.

The Appraisal Interview

At the interview the line manager will explain that the purpose of the interview is to review the employee's performance against their performance plan and discuss how well they have achieved their objectives, along with any concerns or needs that the employee might have. The annual appraisal interview is not the place for the line manager to raise serious issues of under-performance for the first time.

Following the review of performance, they would discuss plans for the coming year including future objectives and development needs.



Help & advice for employers and employees

<http://www.acas.org.uk/media/pdf/m/0/How-to-manage-performance-advisory-booklet.pdf>

Why do Organisations Need to Have an Independent Examination or Audit?

NO VOLUNTARY ORGANISATION OR CHARITY IS SAFE WITHOUT ONE!

It is essential that the financial records of every organisation be audited/examined by an independent auditor/examiner. This independent certification of the accounts is evidence to the Trustees, Management Committee, Members and Funders that the finances of the organisation are in order and that the annual accounts agree with the underlying records.

The certified accounts should then be presented and approved at the Annual General Meeting of the organisation. This ensures transparency for all those involved in the financial control.

Audit or independent examination?

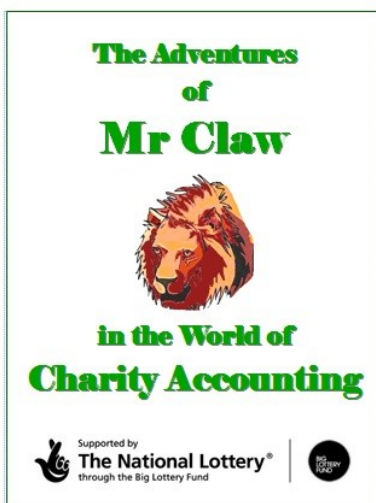
Except for NHS charities, only those charities with gross income of more than £25,000 in their financial year are required to have their accounts independently examined or audited - below that threshold, an external scrutiny of accounts is only needed if it is required by the charity's governing document.

Precisely what type of scrutiny is needed depends on the income and assets of the charity. Broadly speaking, **an independent examination** is needed if gross income is between £25,000 and £1 million and **an audit** is needed where the gross income exceeds £1 million. An audit will also be needed if total assets (before liabilities) exceed £3.26 million, and the charity's gross income is more than £250,000.

Do you have new Trustees?

Are they finding the Finances and Balance Sheets a mystery?

Then what you need is a copy of our book -



Available now from our office at the bargain price of £2.50 plus postage and packing

DCAS would like to thank Foundation Derbyshire for their continuing support for our organisation's work by funding the production of our newsletter



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**Foundation
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