

NEWSLETTER SPRING 2015

SHARED PARENTAL LEAVE AND PAY

The rules on Shared Parental Leave (SPL) and Shared Parental Pay (ShPP) are changing in the new tax year



Shared parental leave and pay comes into effect

- for babies due on or after 5 April 2015
- for adoptions where the child is placed on or after 5 April 2015

Under the scheme, working couples will be able to share untaken maternity leave and pay, following the first 2 weeks recovery period that mothers have to take off after birth, so up to 50 weeks leave and 37 weeks of pay can be shared.

Employees can take SPL in up to 3 separate blocks. They can also share the leave with their partner if they're also eligible. Parents can choose how much of the SPL each of them will take.

SPL and ShPP must be taken between the baby's birth and first birthday (or within 1 year of adoption)

Employees and their employers must agree the arrangements in advance, and appropriate notice must be given.

Full details and guidance for employers can be found here:

<https://www.gov.uk/shared-parental-leave-and-pay-employer-guide/overview>





**Charity
or**



Community Interest Company (CIC)?

ALWAYS SEEK PROFESSIONAL ADVICE

What are the differences between community interest companies and charities?

- ⇒ Charities must be established **exclusively** for charitable purposes. Community interest companies (CICs) can be established for any lawful purpose, as long as their activities are carried on for the ***benefit of the community***
- ⇒ Charities have certain **tax advantages** and reliefs that CICs do not have
- ⇒ In return for those advantages, charities are subject to more onerous regulation than CICs
- ⇒ The CIC legal form was specifically designed to provide a purpose-built legal framework and a "brand" identity for social enterprises that want to adopt the limited company form
- ⇒ CICs are free to operate more "commercially" than charities (e.g. CICs limited by shares can pay dividends to individual shareholders, subject to a cap), but stakeholders in CICs will still have the assurance of community benefit provided by the asset lock and transparency about their activities ability through the community interest report

Summary of the Advantages of Charitable Status

- ◇ Indicates trustworthiness and regulated status
- ◇ Rate relief on your premises of up to 80%
- ◇ Relief from direct taxes such as Company Tax
- ◇ Tax benefits when gifts are made to charities
- ◇ Being able to raise funds from trusts
- ◇ Some advantages in the payment of VAT
- ◇ Official Guidance is available to charities

CIC Paperwork Requirements

The accounting requirements for CICs are no different from other companies.

- * A new bank account must be opened in the Company's name
- * An Annual Return must be submitted to Companies House
- * Annual accounts must be sent to Companies House
- * The Company Tax Return must be completed every year
- * Form CIC34 must be completed for Companies House

Accounts must be filed with Companies House, and cannot be completed online so need to be posted along with the appropriate fee.

More information on CICs can be viewed online and downloaded from:

The Department for Business Innovation and Skills

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/223858/13-786-community-interest-companies-frequently-asked-questions__1_.pdf

Still confused?

You can obtain free professional advice from Derbyshire ProHelp

Please get in touch with
Ann Hilton
ProHelp Manager



0115 924 7408

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Margaret's Page

It's coming up to the financial year end, and it's that time of the year when Finance Officers should be gathering together their paperwork ready to send off for audit or independent examination.

To save yourselves having to make two trips to the office, we've put together a handy checklist to make sure that all relevant paperwork is included for the examiner.



You will need to include the following documentation:

	a copy of the minutes of the AGM appointing DCAS as examiner
	a copy of the minutes of any meeting amending the constitution or rules
	a list of the current trustees/members of the management committee
	a copy of the charity's registration - <i>if applicable</i>
	a copy of the previous year's annual accounts - if not compiled by DCAS
	a cash book/spreadsheet of all transactions and petty cash book fully written up with all columns totalled and balanced for the year
	all vouchers/invoices/remittances covering receipts and payments for the entries in both the cash book/spreadsheet and petty cash books
	a list of all relevant direct debits and standing orders
	all Building Society account books and bank statements covering the year
	all relevant documentation regarding any investments or deposit accounts
	all relevant paying-in books
	all <u>named</u> salary records
	an inventory of any equipment which is the property of or in the control of the Organisation
	details of any monies owed to or by the Organisation (debtors/creditors)
	all correspondence relating to funding or donations
	the schedule of insurance cover and premiums

If you would like a digital copy of the checklist, please contact us here:

derby-community-accountancy.org.uk

