



Trustee Academy #2: be understanding

Description

Trustees' Learning and Development Programme

Finding a better way together through lifelong learning



Photo by [Bruce Comber](#) on [Unsplash](#)

Introduction

Welcome to the second edition of the MMHS Trustees' learning and development programme.

Governance is interpreted in diverse ways. In some organisations the word itself is not used, but the principles remain the same. Good governance enables the organisation to achieve its goals.

In the decades of my working life, I've experienced governance even though I may not have recognised it at the time – in a family business, a manufacturing company, in the Methodist Church and now at MMHS. Much is different across these contexts, but also there are principles that are vital and common to every organisation.

I'll share one such enduring principle. In my first year as a Methodist minister, working with a small group of rural churches, I was approached by a Canadian businessman who attended one of the churches that had a divided congregation.

'Alan,' he said with some passion, 'what we need is leadership!' With that he thrust into my hand a copy of Stephen Covey's book, [The Seven Habits Of Highly Effective People](#). I was less than impressed with the title, but persevered with reading it.

Since that time, 26 years ago, one habit/principle has stood out above the rest – seek first to understand and then to be understood.

I'm constantly aware that in the life of MMHS there is a wide variety of perspectives – both inside and outside of the organisation. The L&D programme is our tool to help us ensure this principle is embedded in the organisation. On a personal note, we have a fridge magnet that says, 'My husband needs glasses – he still doesn't see things my way!'

Thank you for taking part in our L&D programme. Enjoy this offering for December.

Alan



Legal And Governance

As we work through board papers for a typical meeting, it's easy to overlook how geographically widespread is the Society's property portfolio.

This month we can read [*Guidance and Good Practice for Charity Trustees in Scotland*](#) – because MMHS is also registered as a charity in Scotland.

There are subtle differences in the role and duties of trustees under Scottish law. These are set out in a comprehensive piece of legislation, the [*Charities and Trustee Investment \(Scotland\) Act 2005*](#). The [*Companies Act 2006*](#) applies to a charity registered in Scotland every bit as much as a charity registered in England and Wales, as Company Law is a matter reserved to the UK Government. One quote from the guidance resonates with this month's theme for personal development:

All of the group of charity trustees have charity trustee duties – no matter how small your charity is. A duty is something that you must do. The group shares the responsibility equally. No individual charity trustee – for example the chair or treasurer – has more

*responsibility than the other charity trustees do. We call this **collective responsibility**.*

Skillbook

Group Decision Making



Collective Decision-Making

This month we are also looking at collective decision making. Here are some hints and tips with practical exercises to work through in the attached Skillbook on [*Group Decision Making*](#). Just click on the book cover to read the material.

CHARITIES SORP (FRS 102)

(second edition - October 2019)

Accounting and Reporting by Charities:
Statement of Recommended Practice
applicable to charities preparing their
accounts in accordance with the Financial
Reporting Standard applicable in the UK
and Republic of Ireland

(FRS 102)

(effective 1 January 2019)



CHARITY COMMISSION
FOR ENGLAND AND WALES



Secretariat to the Charities SORP



Finance

We continue to look at the [Charities SORP](#). Module 10 on page 82 is about the charity's balance sheet.

Charity balance sheets are opportunities for charities to show good governance and transparency. They are summaries of all the assets and debts at a particular moment. The opening paragraphs of the module read:

All charities preparing accruals accounts must prepare a balance sheet at the end of each reporting period which gives a true and fair view of their financial position. The balance sheet provides a snapshot statement of a charity's assets and liabilities and how these are represented by the different classes of funds held by a charity. The objective of the balance sheet is to show the resources available to the charity and whether these are available for all purposes of the charity – or have to be used for specific purposes because of legal restrictions placed on their use.

Category

1. Bulletins

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