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Crisis Response Toolkit for Nonprofits

Disclaimer

This document has been derived from publicly available information and general best practices for nonprofit

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This document has been derived from publicly available information and general best practices for nonprofit management. It is intended as an informational resource to guide nonprofit leaders in understanding crisis response measures, including the wind-down process for Bermuda charities.

This guide does not replace the responsibility of nonprofits to seek direct instruction and guidance from the Bermuda Registrar of Charities, the Charity Commissioners, or other relevant regulatory authorities. Furthermore, it is strongly recommended that nonprofit leaders consult qualified legal and statutory counsel to ensure compliance with the Bermuda Charities Act 2014 and any other applicable laws and regulations. These materials do not constitute legal or other professional advice. You should consult your own professional adviser for legal or other advice.

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Introduction

By preparing in advance and responding with transparency and accountability, nonprofits can minimize organizational damage and demonstrate resilience and integrity during challenging times.

Purpose of this document: To provide an overview of approaches to navigate and recover from a crisis.

Scope of document: This document address financial, reputational, human resource, and public safety crises.

Key Actions: When determining next steps in managing a crisis, nonprofit leaders should consider how to prepare, respond, recover and reflect on the crisis as a means of strengthening long-term organizational resilience.

The following document provides insight on how such actions can be implemented. This toolkit will:

- Describe a general crisis management framework
- Explore types of nonprofit crises and corresponding responses
- Discuss importance of post-crisis recovery and,
- Provide options for what nonprofits can do when recovery efforts fail
- Discuss the steps necessary to wind down as a Bermuda registered charity.

General Crisis Management Framework

A general crisis management framework is essential for organizations to navigate the complexities of unexpected disruptions effectively. Crises, whether operational, reputational, or safety-related, can have significant and lasting impacts on an organization's mission, stakeholders, and overall stability. This framework ensures preparedness by establishing clear protocols and assigning responsibilities during the *Preparation* phase, allowing organizations to respond swiftly and effectively when a crisis occurs.

During the *Response* phase, a well-developed communication strategy and contingency planning help maintain operational continuity and build stakeholder trust. The *Recovery* phase focuses on assessing the damage, implementing corrective measures, and restoring reputation, while the *Reflection* phase ensures continuous improvement by capturing lessons learned and rebuilding organizational morale. By adopting this structured approach, organizations can mitigate risks, recover stronger, and enhance their resilience for future challenges (Federal Emergency Management Agency, 2020; Nonprofit Risk Management Center, 2019; Independent Sector, 2020).

How to develop a general crisis framework:

1. **Preparation**
    - Develop a crisis management plan with specific protocols.
    - Identify a crisis management team with defined roles.
2. **Response**
    - Establish a communication strategy for internal and external stakeholders.
    - Ensure operational continuity with contingency plans.
3. **Recovery**
    - Assess damage and implement corrective actions.
    - Engage in reputation rebuilding and stakeholder reassurance.
4. **Reflection**
    - Document lessons learned and update the crisis plan.
    - Rebuild organizational capacity and morale.

Types of Nonprofit Crises and Recovery Responses

Financial Crises

A nonprofit financial crisis occurs when an organization experiences a significant financial related disruption or finds itself in a financial situation that threatens its ability to fulfil its mission, serve its stakeholders, or maintain financial stability. A financial crisis can stem from internal issues such as leadership conflicts, governance failures, or mismanagement of funds, as well as external factors like economic downturns, unexpected loss of major donors, or negative public attention. The crisis may manifest in operational disruptions, reduced donor confidence, dwindling revenue streams, or reputational damage.

Common types of nonprofit financial crises are:

- ***Revenue Shortfalls***
- ***Fraud or Embezzlement***

Navigating a Financial Crisis

Addressing a nonprofit crisis often requires swift and transparent communication, strategic decision-making, and collaboration among staff, board members, and stakeholders to mitigate immediate risks and develop a recovery plan that ensures long-term sustainability. Below are some steps to recovery, when a financial crisis is occurring:

- **Engage Donors Immediately**:
    a. Act quickly to reach out to your donor base, emphasizing the need to establish a financial cushion for your nonprofit.
- **Maintain a Strong Grip on Financial Management**:
    a. Regularly review and deeply analyze your financial position to identify risks and opportunities.
    b. Monitor cash flow tightly.
- **Strengthen Relationships with Major Donors**:
    a. Prioritize maintaining close connections with major donors, recognizing their critical support, especially during economic uncertainty, as smaller donors may face tighter constraints.
- **Leverage Digital Tools to Boost Donor Engagement**:

    a. Use your website and communications to share compelling metrics and heartfelt stories that highlight the urgency and impact of your mission.
- **Assess Program Effectiveness Regularly**:
    a. Routinely evaluate program costs against outcomes to ensure financial resources are being allocated effectively.
- **Stay Proactive with Grant Applications**:
    a. Continuously seek new grant opportunities, even when current funding seems adequate, to sustain and grow your programs.
- **Prepare Ready-to-Use Fundraising Resources**:
    a. Develop customizable fundraising templates to enable prompt, clear communication with donors during challenging times.
- **All hands on Deck**
    a. Leadership, both staff and Board, need to play an important roll in navigating a financial crisis. If the Board had been more of a policy Board, it will need to transition to a working Board.

Bermuda statutory obligationsz

Bermuda has a comprehensive legal and regulatory framework to combat money laundering (AML) and terrorist financing (ATF). To avoid the financial and legal impact caused by fraud or embezzlement nonprofit leaders must ensure a robust financial risk management plan and internal training is in place which includes an understanding the organization's statutory obligation.

The Bermuda Government's provides *Guidance on the Charities (Anti-Money Laundering, Anti-Terrorist Financing and Reporting) Regulations 2014*[1]*, which* advises charity trustees to use processes and procedures and take action to mitigate and manage risks.

Key components of Bermuda's AML/ATF legislation include:

Bermuda's Anti-Money Laundering Legislative Framework

a. *Proceeds of Crime Act 1997 (POCA):* This is Bermuda's principal legislation for AML, addressing the confiscation of criminal proceeds

[1] Retrieved November 2024 from: https://www.gov.bm/sites/default/files/Charity-AML-ATF-Guidance-Notes-Mar.18.pdf

and the prevention of money laundering. It includes provisions for identifying, reporting, and deterring money laundering activities.

b. *Anti-Terrorism (Financial and Other Measures) Act 2004 (ATF Act***)**: This legislation focuses on preventing the financing of terrorism and enforcing measures to counter terrorist-related financial activities.
c. *Proceeds of Crime (Anti-Money Laundering and Anti-Terrorist Financing Supervision and Enforcement) Act 2008 (Supervision Act):* This Act designates the Bermuda Monetary Authority (BMA) as the supervisory body for ensuring compliance by financial institutions and other designated entities with AML/ATF requirements. The Act emphasizes monitoring, enforcement, and regulatory compliance.

Bermuda Regulatory Framework

- **AML/ATF Regulations**: Institutions are required to establish robust customer identification procedures, conduct risk assessments, and maintain detailed records of transactions. This includes adhering to Know Your Customer (KYC) principles and monitoring for suspicious activities. For charities, this also applies to donors.
- **Guidance Notes**: The Bermuda Monetary Authority provides specific guidance tailored for different sectors, such as financial institutions, trust businesses, and legal professionals. These notes assist in aligning institutional practices with legislative requirements.

In crafting a plan of action to address a financial crisis, nonprofits Trustees/Directors should:

- **Use independent, well-informed judgment** in decision-making.
- **Act in the best interest of the organization,** prioritizing its mission and stakeholders.
- **Conduct thorough due diligence** to verify the quality and accuracy of any information informing their decisions.
- **Consider engaging external legal counsel**: Assess whether professional legal advice is necessary to address the matter effectively.

- **Prepare for potential employment law implications**: Anticipate and evaluate possible outcomes related to employee rights, obligations, or liabilities.
- **Ensure the security of critical documents and data**: Safeguard organizational records, files, and sensitive information for accountability and transparency.
- **Recover organizational assets**: Take steps to reclaim any funds or property belonging to the nonprofit.
- **Determine the need to notify law enforcement**: Evaluate whether the situation necessitates reporting to legal or regulatory authorities.

Reputational Crises

Managing a public reputation crisis is a critical challenge for nonprofits, as their credibility and community trust are integral to their mission. A crisis can stem from negative media coverage, legal disputes, or public backlash, often threatening donor support, volunteer engagement, and stakeholder confidence. Addressing such crises effectively requires a proactive, transparent, and empathetic approach. By swiftly acknowledging the issue, communicating consistently with stakeholders, and implementing corrective actions, nonprofits can mitigate damage and begin rebuilding their reputation. This process not only helps resolve the immediate crisis but also strengthens the organization's resilience for future challenges. The below represents what nonprofits can do when faced with a public relations crisis based on the following

- Negative media coverage or public backlash.
- Legal challenges impacting credibility.

Preparation and Risk Assessment

When facing a public relations crisis nonprofit, leaders can:

- **Immediately Develop a PR Crisis Management Plan**: Outline specific protocols for various scenarios, designate spokespersons, and establish clear communication channels. Regularly train staff with simulations to ensure readiness.

- **Monitor Public Sentiment**: Visit digital applications and/or social media platforms to identify early signs of negative sentiment or misinformation[2].
- **Assess Potential Risks**: Regularly evaluate organizational vulnerabilities, including legal compliance and operational practices, to mitigate potential triggers for crises.

When responding to negative media or public backlash nonprofit leaders can:

- **Reflect before Responding:** While you want to respond quickly, do not respond while in a highly emotional statement. Always have more than one person review any response communication.
- **Acknowledge and Apologize**: Publicly recognize the issue, show empathy, and issue a sincere apology if applicable. Transparency builds trust during crises.
- **Communicate Effectively**:
  - Use multiple channels (e.g., press releases, social media, emails) to ensure stakeholders are informed promptly and consistently.
  - Counter misinformation by providing factual, clear, and concise updates.
- **Engage Stakeholders**: Host Q&A sessions or open forums to address concerns and demonstrate a commitment to resolution.

When managing legal challenges nonprofit leaders can:

- **Seek Legal Counsel**: Engage a lawyer promptly to navigate complex legal issues, particularly those that could impact organizational credibility. Legal advice ensures compliance with laws and regulations while addressing potential liabilities effectively (Broadsight Tracker, 2024; Fiveable, 2024)
- **Conduct Internal Audits**: Perform comprehensive internal reviews to identify and address compliance gaps. This includes verifying adherence to current regulatory requirements and updating policies and procedures to reflect any legal or operational changes (Broadsight Tracker, 2024; National Council of Nonprofits, 2023).

[2] For more details, see resources from **BlueWing** and **NetReputation**

- **Transparent Communication**: Maintain open and transparent communication with stakeholders, providing timely updates about the crisis and corrective actions. Proactive communication reduces speculation, preserves trust, and demonstrates accountability (Fiveable, 2024; Smith, 2023).

Human Resource Crisis

Managing a human resource crisis such as high staff turnover, leadership loss, workplace conflicts, or safety incidents, requires a structured and proactive approach from nonprofits leaders.

When managing human resources crisis nonprofit leaders can:

- **Assess the Situation:** Conduct an immediate assessment to understand the scope of the issue. For high turnover or leadership loss, determine underlying causes through exit interviews or feedback. In conflicts or safety incidents, identify the parties and root causes involved to establish clarity.
- **Communicate Transparently:** Inform staff about the issue in a way that fosters trust and minimizes speculation. For example, when a leader departs, explain transition plans. In conflicts or safety incidents, assure employees that steps are being taken to address the issue fairly and effectively.
- **Stabilize Operations:** For leadership loss, appoint interim leaders or delegate responsibilities to maintain stability. Address staff morale and productivity concerns promptly, ensuring that service delivery or projects remain unaffected.
- **Investigate and Address the Root Causes:** For turnover, analyze data on workload, compensation, and organizational culture. In conflicts, mediate between the parties, using conflict resolution techniques such as neutral facilitation or employee training. For safety incidents, conduct a thorough investigation to prevent recurrence.
- **Enhance Policy Frameworks:** Review and update HR policies to address gaps that may contribute to these crises. This includes improving recruitment processes, clarifying conflict resolution mechanisms, and enhancing workplace safety protocols.
- **Invest in Staff Development:** Offer leadership development programs, conflict resolution training, and mental health resources. These efforts

help to rebuild trust, retain staff, and foster a more resilient organizational culture.

- **Leverage Technology and Analytics:** Use HR software to monitor trends in staff turnover, absenteeism, and workplace incidents. Analytics can help identify risk patterns and support data-driven decision-making for proactive crisis management.
- **Engage Stakeholders:** Collaborate with board members, employees, and external partners to manage the crisis effectively. For example, involve the board in leadership recruitment or staff in shaping conflict resolution strategies.
- **Monitor and Evaluate Outcomes:** Continuously monitor the implemented solutions to ensure they are effective. Conduct follow-ups with staff to measure improvements in morale, engagement, and retention.

Public Safety Crisis

Navigating a public safety crisis demands preparedness, adaptability, and clear communication to protect both stakeholders and the broader community. Nonprofit organizations are often at the forefront of responding to challenges such as natural disasters, pandemics, or safety risks, requiring them to balance immediate action with long-term recovery planning. These situations not only test the resilience of the organization but also its ability to prioritize the well-being of those it serves. By implementing strategic safety protocols, fostering partnerships, and maintaining transparency, nonprofits can effectively navigate crises while reinforcing trust and delivering critical support during times of widespread uncertainty.

Public safety crises include:

a. Natural disasters or pandemics.

b. Safety risks to stakeholders or the public.

When managing a public safety crisis nonprofit leaders can undertake:

Risk Assessment and Planning[3]

- **Identify Vulnerabilities:** Conduct a comprehensive risk assessment to determine potential crises, focusing on their impact on operations, staff, and beneficiaries (National Center for Disaster Preparedness, 2021).
- **Develop Hazard Mitigation Plans:** Create response plans that cover hazard mitigation and include responses for natural disasters and pandemics. This may be a part of your existing Health and Safety policies and procedures or could be standalone.

Emergency Preparedness

- **Build a Crisis Management Team:** Designate roles and responsibilities for crisis response, ensuring quick decision-making and resource allocation (Nonprofit Risk Management Center, 2019).
- **Training and Drills:** Regularly train staff and volunteers in emergency protocols, including evacuation and communication (National Center for Disaster Preparedness, 2021).
- **Partnerships:** Collaborate with public health agencies, local government, and other nonprofits to pool resources and expertise (Nonprofit Risk Management Center, 2019).

Communication Strategies

- **Crisis Communication Plan:** Develop clear communication protocols for internal and external audiences to ensure accurate and timely updates during crises (Independent Sector, 2020).
- **Leverage Digital Tools:** Utilize email, social media, and mobile alerts to disseminate information quickly and widely (National Center for Disaster Preparedness, 2021).

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[3] Federal Emergency Management Agency. (2020). Hazard.mitigation.planning. Retrieved from https://www.fema.gov/hazard-mitigation-planning
Independent Sector. (2020). Crisis.management.for.nonprofits¿A.guide.to.navigating.tough.times. Retrieved from https://independentsector.org/resources/crisis-management/
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Resource Management

- **Secure Funding and Supplies:** Maintain an emergency fund and stockpile essential supplies like first aid kits, food, and water (Federal Emergency Management Agency, 2020).
- **Backup Systems:** Ensure critical data is securely backed up to support operational continuity during disruptions (Independent Sector, 2020).

Response and Recovery Options

- **Coordinate Relief Efforts:** Consider how you can assist clients with any affected immediate essential needs such as housing, food, healthcare, and financial aid. Engage with affected communities to tailor responses to their needs (National Center for Disaster Preparedness, 2021).
- **Evaluate and Adjust:** Conduct post-crisis evaluations to identify gaps and implement lessons learned to improve future resilience (Nonprofit Risk Management Center, 2019).

The Importance of Reflection in Post-Crisis Recovery

The recovery phase is a vital step in crisis management, enabling organizations to rebuild trust, restore stability, and strengthen relationships with stakeholders. A key starting point is conducting a thorough evaluation of the crisis response to identify lessons learned, assess communication and operational strategies, and update crisis management plans for improved preparedness. Implementing these insights ensures continuous improvement and reduces future risks (Coombs, 2020; Nonprofit Risk Management Center, 2019).

Equally important is rebuilding trust. Organizations can achieve this by sharing success stories and highlighting positive contributions to the community, demonstrating accountability and reinforcing their commitment to stakeholders. Transparent communication, including regular updates and expressions of gratitude, fosters confidence and nurtures long-term relationships (Smith, 2023; Jones & Taylor, 2022).

By prioritizing these actions—reflection, improvement, and transparency—organizations can transition effectively from crisis response to resilience,

emerging stronger and better equipped to fulfill their mission (Broadsight Tracker, 2024; Fiveable, 2024)

When Crisis Intervention Fails[4]:

Nonprofits facing significant challenges can consider alternatives to closure to ensure the continuation of their mission and service to their communities. While closing may seem like the only option during difficult times, strategies such as merging with similar organizations, entering a period of hibernation, adapting the nonprofit's purpose, or radically transforming operational approaches offer viable paths to sustainability. These options allow nonprofits to preserve their impact, reassess priorities, and navigate financial or organizational crises effectively. By exploring these alternatives, nonprofits can build resilience, maintain stakeholder trust, and emerge stronger in their pursuit of long-term goals. Below are three considerations for alternatives to closure.

1. Explore a Merger

- *Action:* Identify organizations with similar missions and values. Reach out to discuss merging operations to sustain impact and resources.
- *Considerations:* Ensure alignment in goals and governance. Collaboratively plan the transition to minimize disruption.
- *Outcome:* A stronger, unified entity that leverages shared resources and expertise.

2. Implement Hibernation

- *Action:* Temporarily pause operations while retaining legal status. Secure key assets and minimize overhead costs during the pause. Consult with and inform the Charities Commission of the need for your organization to respond to a crisis through hibernation.
- *Considerations:* Develop a reactivation plan with clear conditions for resuming operations.
- *Outcome:* Preserves the organization's potential for future revival when conditions improve.

[4] National Council for Voluntary Organisations (NCVO). (n.d.). Alternatives.to.closure¿Merger?hibernation? adapting.purpose?and.radical.operational.changes. Retrieved November 19, 2024, from https://www.ncvo.org.uk

3. Adapt the Purpose

- *Action:* Reevaluate the nonprofit's mission and adjust to address emerging needs or focus on more viable goals.
- *Considerations:* Engage stakeholders, complete a needs assessment and amend governing documents if necessary.
- *Outcome:* Renewed relevance and sustainability through a redefined mission.

4. Radically Change Operations

- *Action:* Shift to innovative models, such as digital delivery, reduced staffing, or strategic partnerships, to lower costs and remain operational.
- *Considerations:* Conduct needs assessment and feasibility assessmentand secure buy-in from leadership.
- *Outcome:* More resilient operations capable of navigating challenges effectively.

When A Wind Down is Necessary:

Why a Bermuda Charity Might Need to Wind Down

A Bermuda charity may need to wind down for various reasons, such as:

- **Financial Constraints**: Inability to meet operating expenses or maintain adequate funding.
- **Mission Fulfillment**: Achievement of the charity's original goals, leaving no further purpose.
- **Organizational Challenges**: Persistent governance, operational, or leadership issues.
- **External Factors**: Legislative changes, shifts in societal needs, or redundancy of the mission due to other organizations' work.

Decisions and Resolutions by the Board

1. **Assessment of Viability**: The board should first determine whether winding down is the only feasible option. This might involve reviewing

financial reports, operational effectiveness, and alternative options like restructuring, merging, or hibernation.

2. **Board Resolution**: If the board decides to proceed, it must formally pass a resolution to wind down the charity. This decision should comply with the charity's governing documents and the **Bermuda Charities Act 2014**.
3. **Notification to Stakeholders**: Inform key stakeholders, including donors, beneficiaries, employees, and regulators, about the decision and its rationale.

Steps for Winding Down a Bermuda Charity

1. Develop a Wind-Down Strategy Document

The strategy document should include:

- **Inventory of Assets and Liabilities**: List all property, cash, and outstanding debts.
- **Timeline**: Establish a clear timeline for the process, including notification periods, asset distribution, and final deregistration.
- **Human Resources Management**: Address staff contracts, severance, and other obligations.
- **Communications Plan**: Ensure transparent communication with stakeholders to maintain trust.

2. Obtain Regulatory Approval

Under the **Bermuda Charities Act 2014**, charities must:

- Have a wind down clause within their company bye-laws/constitution.
- Notify the **Charity Commissioners** in writing about the decision to wind down.
- Obtain approval for the proposed plan for the distribution of remaining assets.

3. Settle Debts and Obligations

- **Pay Liabilities**: Settle all outstanding debts and contractual obligations.
- **Cancel Contracts**: Terminate leases, service agreements, or other ongoing commitments.

4. Distribute Remaining Assets

- **Compliance with Governing Documents**: Distribute remaining assets according to the charity's constitution or trust deed.
- **Asset Transfer Approval**: Gain regulatory approval for asset transfer to another registered charity with similar purposes, as required by Bermuda law.

5. File Final Reports

- **Submit Final Financial Statements**: Prepare and file final accounts, audited if necessary.
- **Complete Annual Returns**: Ensure all required filings with the Bermuda Registrar of Charities are completed.

6. Deregister the Charity

- Submit a formal application for deregistration to the Registrar of Charities, including evidence that all assets have been properly disbursed and obligations met.

7. Closure Communication

- Send formal letters to stakeholders, funders, and beneficiaries announcing the successful wind-down and closure.

Key Considerations

- **Transparency and Accountability**: Maintain open communication and accurate records throughout the process.
- **Legal and Financial Compliance**: Ensure all actions comply with Bermuda's laws and the charity's governing documents.
- **Stakeholder Support**: Provide clear, empathetic messaging to minimize reputational risk and maintain goodwill.

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Appendices

Crisis Management Checklist Form

Type of Crisis	Actions Needed	Person Responsible	Timeline
Financial Crisis			
Loss of major funding	Identify alternative funding sources; initiate emergency fundraising appeal	Finance Director/Development Officer	Within 2-4 weeks
Budget shortfall	Conduct immediate financial audit; identify non-essential expenses for reduction	CFO	Within 1-2 weeks
Cash flow issues	Secure short-term bridge loan; negotiate extended payment terms with vendors	Executive Director	Within 1 week
Human Resource Crisis			
Leadership vacancy	Appoint interim leader; initiate search for permanent replacement	Board Chair	Within 1 month
Employee misconduct	Conduct confidential investigation; communicate with staff as needed	HR Manager	Within 2-3 weeks
Widespread resignations	Review staffing needs; implement retention strategies	Executive Team	Ongoing
Public Relations Crisis			
Negative media coverage	Develop official statement; respond swiftly and transparently	Communications Director	Within 24 hours
Social media backlash	Monitor platforms; engage positively where appropriate	Social Media Manager	Immediately and ongoing
Damage to reputation	Launch PR campaign; rebuild trust through community engagement	Marketing Team	Within 1-2 months
Natural Disaster			
Facility damage	Assess damage; contact insurance; secure temporary operational space	Facilities Manager	Within 48 hours
Disruption to services	Communicate with stakeholders; adjust delivery models (e.g., virtual services)	Program Manager	Within 1 week
Safety concerns	Implement evacuation plans; coordinate with local emergency services	Safety Coordinator	Immediately
Legal Crisis			
Lawsuit filed	Notify legal counsel; gather relevant documentation	Legal Advisor/Executive Director	Within 24 hours
Regulatory compliance gap	Conduct internal compliance review; address deficiencies	Compliance Officer	Within 1-2 months
Breach of contract	Assess terms of agreement; negotiate resolution	Legal Team	Within 2 weeks

Wind-Down Plan Template

1. Executive Summary

- Brief overview of the charity, its mission, and the rationale for winding down.
- Key decisions by the Board of Directors.
- Summary timeline of the wind-down process.

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2. Organizational Overview

- Name of the Charity:
- Registration Number:
- Address:
- Date of Incorporation:
- Key Stakeholders (e.g., donors, beneficiaries, employees):

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3. Governance and Compliance

Board Resolution

- Date of board meeting approving the wind-down:
- Details of the resolution passed:
    - Compliance with governing documents (e.g., constitution, trust deed).

Notification to the Registrar of Charities

- Date of notification submission:
- Approval from Charity Commissioners (attach documentation):

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4. Financial Assessment

Asset Inventory

- Cash in bank:
- Investments:
- Real estate or other physical assets:
- Outstanding grants or donations pledged:

Liability Inventory

- Debts or loans:
- Employee entitlements (severance, final salaries):
- Vendor or supplier obligations:

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5. Asset and Liability Management

Settling Liabilities

- Actions to clear outstanding debts (timeline, responsible parties):

Distribution of Assets

- List of recipient charities for asset transfer:
- Approval of asset distribution by Charity Commissioners:

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6. Stakeholder Communication Plan

Key Messages

- Rationale for winding down.
- Assurance of transparent and responsible closure.
- Plan for transitioning services or distributing assets.

Communication Methods

- Formal letters to stakeholders.
- Public announcements (if necessary).
- Individual meetings with donors, employees, and beneficiaries.

7. Operational Closure

Termination of Activities

- Date for cessation of programs and services:
- Transition plan for beneficiaries (if applicable):

Contract Closures

- List of contracts to be terminated (e.g., leases, service agreements):

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8. Reporting and Filing

Final Financial Statements

- Preparation of audited accounts (if required):

Submission to Registrar

- Submission of deregistration application:
- Final reports and supporting documentation:

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9. Timeline and Milestones

Task	Responsible Party	Deadline	Status
Board approval of wind-down	Board Chair	[Date]	[Pending/Complete]
Notify Registrar	Executive Director	[Date]	[Pending/Complete]
Settle liabilities	Finance Officer	[Date]	[Pending/Complete]
Distribute assets	Legal Counsel	[Date]	[Pending/Complete]
Deregister charity	Executive Director	[Date]	[Pending/Complete]

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10. Appendices

- Copy of Board Resolution.
- Asset inventory list.
- Communication samples (letters, press releases).
- Final financial statements.
- Regulatory approval documentation.