HORN OF AFRICA WOMEN'S AND CHILDREN'S ASSOCIATION

England & Wales · Charity number 1075084

Details

Other names	HAWA
Status	Registered
Legal form	Other
Registered	1999-04-14
Register	View on the Charity Commission register

Contact

Address	8 The Concourse graham park London NW9 5XB
Phone	07932093917
Email	hawacharity96@gmail.com

Activities

Objects: 1. TO RELIEVE THE POVERTY AND DISTRESS OF WOMEN AND CHILDREN FROM THE HORN OF AFRICA WHO ARE LIVING IN THE BOROUGH OF BARNET AND NEIGHBORING BOROUGHS.2. TO PROMOTE AND ADVANCE THE EDUCATION OF WOMEN AND CHILDREN FROM THE HORN OF AFRICA WHO, BECAUSE OF THEIR SOCIAL AND POLITICAL BACKGROUND, HAVE FALLEN BEHIND OTHER COMMUNITIES. THE CHARITY AIMS TO PROVIDE EDUCATIONAL PROGRAMS , SUCH AS TEACHING THE SOMALI LANGUAGE, LITERATURE, RELIGIOUS AND CULTURAL STUDIES. TO PROVIDE SUPPLEMENTARY EDUCATION FOR THE CHILDREN.3. TO RELIEVE SICKNESS AND PRESERVE AND PROTECT THE HEALTH OF WOMEN FROM THE HORN OF AFRICA BY IDENTIFYING AND RESEARCHING THE NEEDS OF SUCH PERSONS AND TO PROVIDE ADVICE AND SUPPORT ACCORDINGLY , PARTICULARLY WITH REFERENCE TO WOMEN'S CIRCUMCISION , PREVENTION OF DISEASES AND BIRTH CONTROL AND PRODUCING INFORMATION ON PRIMARY HEALTH CARE IN THE U.K.4. TO RELIEVE ELDERLY AND DISABLED WOMEN AND DISABLED CHILDREN GENERALLY.

Activities: To Provide advice and guidance on health, employment education, Housing, Interpreting and Welfare issues.HAWA runs classes for children and women of refugees families who have a low income. The classes will help these disadvantaged children achieve their goals. Majority of our users reside in Colindale, Burnt Oak, Edgware, Mill Hill and Hendon.

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Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** GREATER LONDON
- Throughout London

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£70,304	£35,745	-	-
2024-03-31	£20,506	£11,416	-	-
2023-03-31	£39,947	£30,971	-	-
2022-03-31	£39,937	£23,596	-	-
2021-03-31	£31,996	£25,979	-	-

Trustees

Name	Role	Appointed
abshir mohamed	Chair	2018-01-05
AYAN AHMED		2019-05-06
Abdihakim Mohamed		2024-06-12
Aisha Mohamed		2024-11-24
OMAR MOHAMED ABDI		2019-05-06

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HORN OF AFRICA WOMEN'S AND CHILDREN'S ASSOCIATION

England & Wales - Charity number 1075084

Accounts

Registered Charity Number
1075084

HAWA

Report and Accounts

For The Year Ended

31 March 2025

CHARITY COMMISSION FOR ENGLAND AND WALES

Independent examiner's report on the accounts

Section A Independent Examiner's Report

Report to the trustees

Charity Name
Horn of Africa Women's and Children's Association

On accounts for the year ended	31st March 2025	**Charity no (if any)**	1075084

Set out on pages 4-8
(remember to include the page numbers of additional sheets)

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/03/2025.

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination ~~(other than that disclosed below *~~) which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

* *Please delete the words in the brackets if they do not apply.*

Signed:	Abdullahi	**Date:**	05/01/2026

Name: Abdullahi Osman

Relevant professional qualification(s) or body (if any): Association of Accounting Technicians

Address: Suite 35 – 36 The Design Works, Park Parade, London, NW10 4HT

Section B	Disclosure

Only complete if the examiner needs to highlight material matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.	

HAWA
Statement of Financial Activities
for the year ended 31 March 2025

	Notes	Unrestricted Funds 2025 £	Restricted Funds 2025 £	Total Funds 2025 £	2024 £
Incoming resources from generated funds					
Voluntary Income		70,304	-	**70,304**	20,506
Total incoming resources		70,304	**-**	**70,304**	20,506
Costs of charitable activities		35,745	-	**35,745**	11,416
Total resources expended		35,745	-	**35,745**	11,416
Net incoming resources before transfers between funds		34,558	-	**34,558**	9,090
Gross transfers between funds		-	-	-	-
Net incoming resources before Other recognised gains and losses		34,558	-	**34,558**	9,090
Guidance on technical and professional issues					
bfwd				**50,353**	41,263
Net Movement in funds		**34,558**	**-**	**84,911**	**50,353**

The net movement in funds referred to above is the net incoming resources as defined in the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commission for England & Wales and is reconciled to the total funds as shown in the Balance Sheet on page 8 as required by the said statement.

All activities derive from continuing operations.

The notes on pages 5 to 7 form an integral part of these accounts.

1. Accounting policies

Basis of preparation of the accounts

The financial statements have been prepared in accordance with all applicable accounting standards, as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, effective April 2005 (revised June 2008). The accounts have been drawn up in accordance with the provisions of the Charities (Accounts and Reports) Regulations 2008 and the Companies Acts and include the results of the charity's operations which are described in the Trustees' Report, all of which are continuing.

Advantage has been taken of Section 396(5) of The Companies Act 2006 to allow the format of the financial statements to be adapted to reflect the special nature of the company's operation and in order to comply with the requirements of the SORP.
The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement.

The financial statements are prepared, on a going concern basis, under the historical cost convention.

Incoming Resources

Incoming resources are accounted for on a receivable basis.
All incoming resources are included in the statement of financial activities when the charity is entitled to the income, and the amount can be quantified with reasonable accuracy. The following policies apply to particular categories of income:
Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of Financial Activities when receivable. Clothing and other items donated for resale through the charity's shop are included as incoming resources within activities for generating funds when sold.
Except as described under the 'Deferred Income' accounting policy all grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

In accordance with the Statement of Recommended Practice for Accounting and Reporting (revised June 2008) issued by the Charity Commissioners for England & Wales grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the charity or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

Recognition of liabilities

Liabilities are recognised on the accrual’s basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the Statement of Recommended Practice for Accounting and Reporting (revised June 2008) issued by the Charity Commissioners for England & Wales.

The policy for including items within the relevant activity categories of resources expended is, liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

In particular the policy for including items within costs of generating funds, charitable activities and governance costs is:

Costs of generating funds
Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.

Charitable activities
Donated services and facilities are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or

Taxation
As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the company and is therefore included in the relevant costs in the Statement of Financial Activities.

Funds structure policy

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

A fixed asset fund is maintained which represents the written down value of tangible fixed assets and is divided into a restricted fixed asset fund representing the written down value of those assets subject to restrictions, with the balance being in a designated fund representing the written down value of those assets free of restrictions. The detailed operation of these funds is described under the accounting policy ‘Capital grants.'

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above.

Any other proposed transfer between funds would be considered in the particular circumstances.

2. Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

Revenue Turnover from ordinary activities	70,304
and after charging: -	
Rentals under operating leases	7,000

Funds belonging to the charity have not been used for the purchase of insurance to protect the charity from loss arising from the neglect or defaults of its trustees, employees or agents, or to indemnify its trustees, employees or agents, against the consequences of any neglect or default on their part. The sum expended on such insurance was as indicated in the above schedule.

3. Statement that no expenses were paid to trustees or connected persons

No expenses were paid to trustees or persons connected with them.
Nothing paid of this category.

4. Detailed analyses of certain transactions required by the 2005 revision to the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales (effective April 2005)

Various items which are required by the 2005 revision to the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales (revised June 2008) to be disclosed in the notes to the accounts are set out in the Detailed Schedule to the Statement of Financial Activities and its appendices on pages (5 to 7) which should be read together with these notes.

5. Staff Costs and Emoluments

	2025
	£
Gross Salaries	2,846

Numbers of full-time employees or full-time equivalents	**2025**
Engaged on charitable activities	2

There were no fees or other remuneration paid to the trustees

There were no employees with emoluments in excess of £60,000 per annum

6. Trustees' Remuneration

No Trustee or connected party was paid any remuneration or benefit during the year.

HAWA
Balance Sheet
as at 31 March 2025

	Notes		2025 £
Fixed Assets			
Tangible assets			2,306
Total fixed assets			2,306
Current assets			
Cash at bank and in hand		102,588	
Creditors: -			
amounts due within one year		-	
Provisions for liabilities and charges			102,588
Total assets less current liabilities			104,894
Creditors: -			
amounts due after more than one year		-	-
Provisions for liabilities and charges			-
Net assets including pension asset/liability			**104,894**
Unrestricted income funds		84,911	
Designated revenue funds		-	
Unrestricted capital funds		19,983	
Total unrestricted funds			104,894
Restricted income funds			
Total charity funds			**104,894**

The directors are satisfied that for the year in question the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The director(s) acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies' regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

ABSHIR MOHAMED
Trustee
Approved by the Board on Abshir Mohamed (Jan 12, 2026 20:04:16 GMT)

The notes on pages 5 to 7 form an integral part of these accounts.

HORN OF AFRICA WOMEN'S AND CHILDREN'S ASSOCIATION

England & Wales - Charity number 1075084

Accounts

CHARITY COMMISSION
FOR ENGLAND AND WALES

Trustees' Annual Report for the period

From Period start date: April 2022 To Period end date: March 2023

Charity name: Horn of Africa Women and Children Association

Charity registration number: 1075084

Objectives and Activities

	SORP reference	
Summary of the purposes of the charity as set out in its governing document	Para 1.17	Our main purposes are to provide education and community service to disadvantages families and youth.
Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.	Para 1.17 and 1.19	Our activities include providing supplementary education, tuition, evening classes, after school homework support, and also counselling, information, advise or guidance (IAG), coaching and mentoring the local community members, outreach activities, recreational activities for families, spiritual guidance and mental health support.
Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit	Para 1.18	Confirmed.

Additional information (optional)
You may choose to include further statements where relevant about:

	SORP reference	
Policy on grant making	Para 1.38	
Policy on social investment including program related investment	Para 1.38	
Contribution made by volunteers	Para 1.38	
Other		

Achievements and Performance

	SORP reference	
Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.	Para 1.20	We have actively registered over 105 children aged 5-16 years old in our weekend tuition and supplementary education classes. We have recruited 6 voluntary teachers, three of them hold degrees, incl. PGCEs, QTS, DET and QTLS. We have successfully gained Quality Mark from NRCSE, and we are recognised as Supplementary school by Young Barnet Foundation (YBF). We also host Friday Prayers Service for over 120 local residents. We host local MPs and councillors' meetings from Barnet for engagement, workshops and surgeries to address local issues, needs and concerns. We have provided IAG support, counselling, iftar and charitable activity to local residents including women, elderly and youth.

Additional information (optional)
You may choose to include further statements where relevant about:

Achievements against objectives set	Para 1.41	
Performance of fundraising activities against objectives set	Para 1.41	
Investment performance against objectives	Para 1.41	
Other		

Financial Review

Review of the charity's financial position at the end of the period	Para 1.21	Healthy and Active
Statement explaining the policy for holding reserves stating why they are held	Para 1.22	We hold some money to secure premises, as this area including our current premises is up for regeneration by Barnet Council in this year or the next year at the latest.
Amount of reserves held	Para 1.22	Around £75,000, divided into current expenses and operations costs, and some saving set aside to secure a local rented premises in the near future.
Reasons for holding zero reserves	Para 1.22	N/A
Details of fund materially in deficit	Para 1.24	N/A
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	N/A

Additional information (optional)
You may choose to include further statements where relevant about:

The charity's principal sources of funds (including any fundraising)	Para 1.47	
Investment policy and objectives including any social investment policy adopted	Para 1.46	
A description of the principal risks facing the charity	Para 1.46	
Other		

Structure, Governance and Management

Description of charity's trusts:		
Type of governing document (trust deed, royal charter)	Para 1.25	Standard registration
How is the charity constituted? (e.g unincorporated association, CIO)	Para 1.25	Unincorporated association
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	Selection through a wide range of options including election, selection, nomination, appointment and consultation with local members.

Additional information (optional)
You may choose to include further statements where relevant about:

Policies and procedures adopted for the induction and training of trustees	Para 1.51	
The charity's organisational structure and any wider network with which the charity works	Para 1.51	
Relationship with any related parties	Para 1.51	
Other		

Reference and Administrative details

Charity name	Horn of Africa Women's and Children's Association
Other name the charity uses	HAWA
Registered charity number	1075084
Charity's principal address	8 The Concourse, Grahame Park, London, NW9 5XB

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Abshir Mohamed	Trustee (Chair)		Yes
2	Omar Mohamed Abdi	Trustee		Yes
3	Ayan Ahmed	Trustee		
4	Abdalla Hassan Ahmed	Trustee		
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

Corporate trustees – names of the directors at the date the report was approved

Director name		

Name of trustees holding title to property belonging to the charity

Trustee name	Dates acted if not for whole year	

Funds held as custodian trustees on behalf of others

Description of the assets held in this capacity	N/A
Name and objects of the charity on whose behalf the assets are held and how this falls within the custodian charity's objects	N/A
Details of arrangements for safe custody and segregation of such assets from the charity's own assets	N/A

Additional information (optional)

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address

Name of chief executive or names of senior staff members (Optional information)

Exemptions from disclosure

Reason for non-disclosure of key personnel details

N/A

Other optional information

N/A

Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)	Abshir Mohamed	Omar Mohamed Abdi
Full name(s)	Abshir Mohamed	Omar Mohamed Abdi
Position (eg Secretary, Chair, etc)	Trustee (Chair)	Trustee
Date	14/04/2024	

Registered Charity Number
1075084

HAWA

Report and Accounts

For The Year Ended

31 March 2023

CHARITY COMMISSION FOR ENGLAND AND WALES

Independent examiner's report on the accounts

Section A Independent Examiner's Report

Report to the trustees/ members of	Charity Name Horn of Africa Women's and Children's Association		
On accounts for the year ended	31st March 2023	**Charity no (if any)**	1075084
Set out on pages	4-6 (remember to include the page numbers of additional sheets)		

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/03/2023.

Responsibilities and basis of report

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention (~~other than that disclosed below~~ *) in connection with the examination which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

** Please delete the words in the brackets if they do not apply.*

Signed:	MKO.	**Date:**	13th March 2024
Name:	Moses Kiwanuka		
Relevant professional qualification(s) or body (if any):	FCPA		
Address:	Unit 17 Laynes House 526-528 Watford Way London NW7 4RS		

Section B Disclosure

Only complete if the examiner needs to highlight matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

HAWA
Statement of Financial Activities
for the year ended 31 March 2023

	Notes	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	2022 £
Incoming resources from generated funds					
Voluntary Income		37,447	2,500	**39,947**	39,937
Total incoming resources		**37,447**	**2,500**	**39,947**	39,937
Costs of charitable activities		28,471	2,500	**30,971**	23,596
Total resources expended		28,471	2,500	**30,971**	23,596
Net incoming resources before transfers between funds		8,976	-	**8,976**	16,341
Gross transfers between funds		-	-		-
Net incoming resources before Other recognised gains and losses		8,976	-	**8,976**	16,341
Guidance on technical and professional issues					
bfwd				**32,287**	15,946
Net movement in funds		8,976	-	**41,263**	**32,287**

The net movement in funds referred to above is the net incoming resources as defined in the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commission for England & Wales and is reconciled to the total funds as shown in the Balance Sheet on page 7 as required by the said statement.

All activities derive from continuing operations

The notes on pages 7 to 19 form an integral part of these accounts.

HAWA
Notes to the Accounts
for the year ended 31 March 2023

1 **Accounting policies**

Basis of preparation of the accounts

The financial statements have been prepared in accordance with all applicable accounting standards, as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, effective April 2005 (revised June 2008). The accounts have been drawn up in accordance with the provisions of the Charities (Accounts and Reports) Regulations 2008 and the Companies Acts, and include the results of the charity's operations which are described in the Trustees' Report, all of which are continuing.

Advantage has been taken of Section 396(5) of The Companies Act 2006 to allow the format of the financial statements to be adapted to reflect the special nature of the company's operation and in order to comply with therequirements of the SORP.
The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement.

The financial statements are prepared,on a going concern basis, under the historical cost convention.

Incoming Resources

Incoming resources are accounted for on a receivable basis.
All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following policies apply to particular categories of income:
Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of Financial Activities when receivable. Clothing and other items donated for resale through the charity's shop are included as incoming resources within activities for generating funds when sold.
Except as described under the 'Deferred Income' accounting policy all grants, including grants for the purchase of fixed assets , are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

In accordance with the Statement of Recommended Practice for Accounting and Reporting (revised June 2008) issued by the Charity Commissioners for England & Wales grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the charity or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

Recognition of liabilities

Liabilities are recognised on the accruals basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the Statement of Recommended Practice for Accounting and Reporting (revised June 2008) issued by the Charity Commissioners for England & Wales .

The policy for including items within the relevant activity categories of resources expended is, liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

In particular the policy for including items within costs of generating funds, charitable activities and governance costs is

Costs of generating funds
Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.

Charitable activities
Donated services and facilities are only included in incoming resources (with an equivalent amount in resources

expended) where the benefit to the charity is reasonably quantifiable, measurable and material. Tha value placed on these resources is the estimated value to the charity of the service or

Taxation

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the company , and is therefore included in the relevant costs in the Statement of Financial Activities

Funds structure policy

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully the monitor the application of those funds in accordance with the restrictions placed upon them.

A fixed asset fund is maintained which represents the written down value of tangible fixed assets, and is divided into a restricted fixed asset fund representing the written down value of those assets subject to restrictions, with the balance being in a designated fund representing the written down value of those assets free of restrictions. The detailed operation of these funds is described under the accounting policy ' Capital grants'

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above.

Any other proposed transfer between funds would be considered on the particular circumstances.

2 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

Revenue Turnover from ordinary activities	39,947
and after charging:-	
Rentals under operating leases	7,000

Funds belonging to the charity have not been used for the purchase of insurance to protect the charity from loss arising from the neglect or defaults of its trustees,employees or agents, or to indemnify its trustees,employees or agents, against the consequences of any neglect or default on their part. The sum expended on such insurance was as indicated in the above schedule.

3 Statement that no expenses were paid to trustees or connected persons

No expenses were paid to trustees or persons connected with them.
Nothing paid of this category

4 Detailed analysis of certain transactions required by the 2005 revision to the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales (effective April 2005)

Various items which are required by the 2005 revision to the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales (revised June 2008) to be disclosed in the notes to the accounts are set out in the Detailed Schedule to the Statement of Financial Activities and its appendices on pages 7 to 19, which should be read together with these notes.

5 Staff Costs and Emoluments

	2023
	£

Gross Salaries	2,846

Numbers of full time employees or full time equivalents	**2023**
Engaged on charitable activities	2

There were no fees or other remuneration paid to the trustees
There were no employees with emoluments in excess of £60,000 per annum

6 Trustees' Remuneration

No Trustee or connected party was paid any renumeration or benefit during the year

HAWA
Company Number
Balance Sheet
as at 31 March 2023

	Notes		2023 £
Fixed assets			
Tangible assets			2,306
Total fixed assets			2,306
Current assets			
Cash at bank and in hand		58,940	
Creditors:-			
amounts due within one year	7	(725)	
Provisions for liabilities and charges			58,215
Total assets less current liabilities			60,521
Creditors:-			
amounts due after more than one year		-	-
Provisions for liabilities and charges			-
Net assets including pension asset / liability			60,521
Unrestricted income funds		41,263	
Designated revenue funds		-	
Unrestricted capital funds		19,258	
Total unrestricted funds			60,521
Restricted income funds			
Total charity funds			60,521

The directors are satisfied that for the year in question the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The director(s) acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

ABSHIR MOHAMED
Trustee
Approved by the Board on 13th March 2024

The notes on pages 7 to 19 form an integral part of these accounts.

CHARITY COMMISSION FOR ENGLAND AND WALES

Independent examiner's report on the accounts

Section A Independent Examiner's Report

Report to the trustees/ members of	Charity Name Horn of Africa Women's and Children's Association		
On accounts for the year ended	31st March 2023	**Charity no (if any)**	1075084
Set out on pages	4-6 (remember to include the page numbers of additional sheets)		

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/03/2023.

Responsibilities and basis of report

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention (~~other than that disclosed below~~ *) in connection with the examination which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

** Please delete the words in the brackets if they do not apply.*

Signed:	MKO.	**Date:**	13th March 2024
Name:	Moses Kiwanuka		
Relevant professional qualification(s) or body (if any):	FCPA		
Address:	Unit 17 Laynes House 526-528 Watford Way London NW7 4RS		

Section B Disclosure

Only complete if the examiner needs to highlight matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

HORN OF AFRICA WOMEN'S AND CHILDREN'S ASSOCIATION

England & Wales - Charity number 1075084

Accounts

CHARITY COMMISSION
FOR ENGLAND AND WALES

Trustees' Annual Report for the period

From Period start date To Period end date

Charity name:

Charity registration number:

Objectives and Activities

	SORP reference	
Summary of the purposes of the charity as set out in its governing document	Para 1.17	
Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.	Para 1.17 and 1.19	
Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit	Para 1.18	

Additional information (optional)
You may choose to include further statements where relevant about:

	SORP reference	
Policy on grant making	Para 1.38	
Policy on social investment including program related investment	Para 1.38	
Contribution made by volunteers	Para 1.38	

Other		

Achievements and Performance

	SORP reference	
Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.	Para 1.20	

Additional information (optional)
You may choose to include further statements where relevant about:

Achievements against objectives set	Para 1.41	
Performance of fundraising activities against objectives set	Para 1.41	
Investment performance against objectives	Para 1.41	
Other		

Financial Review

Review of the charity's financial position at the end of the period	Para 1.21	
Statement explaining the policy for holding reserves stating why they are held	Para 1.22	
Amount of reserves held	Para 1.22	
Reasons for holding zero reserves	Para 1.22	
Details of fund materially in deficit	Para 1.24	
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	

Additional information (optional)
You may choose to include further statements where relevant about:

The charity's principal sources of funds (including any fundraising)	Para 1.47	
Investment policy and objectives including any social investment policy adopted	Para 1.46	
A description of the principal risks facing the charity	Para 1.46	
Other		

Structure, Governance and Management

Description of charity's trusts:		
Type of governing document (trust deed, royal charter)	Para 1.25	
How is the charity constituted? (e.g unincorporated association, CIO)	Para 1.25	
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	

Additional information (optional)
You may choose to include further statements where relevant about:

Policies and procedures adopted for the induction and training of trustees	Para 1.51	
The charity's organisational structure and any wider network with which the charity works	Para 1.51	
Relationship with any related parties	Para 1.51	
Other		

Reference and Administrative details

Charity name	
Other name the charity uses	
Registered charity number	

Charity’s principal address	

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1				
2				
3				
4				
5				
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7				
8				
9				
10				
11				
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17				
18				
19				
20				

Corporate trustees – names of the directors at the date the report was approved

Director name		

Name of trustees holding title to property belonging to the charity

Trustee name	Dates acted if not for whole year	

Funds held as custodian trustees on behalf of others

Description of the assets held in this capacity	
Name and objects of the charity on whose behalf the assets are held and how this falls within the custodian charity's objects	
Details of arrangements for safe custody and segregation of such assets from the charity's own assets	

Additional information (optional)

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address

Name of chief executive or names of senior staff members (Optional information)

Exemptions from disclosure

Reason for non-disclosure of key personnel details

Other optional information

Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)		
Full name(s)		
Position (eg Secretary, Chair, etc)		
Date		

Registered Charity Number
1075084

HAWA

Report and Accounts

For The Year Ended

31 March 2022

HAWA
Statement of Financial Activities
for the year ended 31 March 2022

	Notes	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total Funds 2022 £	2021 £
Incoming resources from generated funds					
Voluntary Income		39,937	-	**39,937**	24,896
Total incoming resources		**39,937**	**-**	**39,937**	24,896
Costs of charitable activities		23,596	-	**23,596**	25,979
Total resources expended		23,596	-	**23,596**	25,979
Net incoming resources/(net outgoing resources) before transfers between funds		16,341	-	**16,341**	(1,083)
Gross transfers between funds		-	-		-
Net incoming resources/(net outgoing resources) before Other recognised gains and losses		16,341	-	**16,341**	(1,083)
Guidance on technical and professional issues					
bfwd				**15,946**	17,029
Net movement in funds		16,341	-	**32,287**	**15,946**

The net movement in funds referred to above is the net incoming resources as defined in the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commission for England & Wales and is reconciled to the total funds as shown in the Balance Sheet on page 7 as required by the said statement.

All activities derive from continuing operations

The notes on pages 7 to 19 form an integral part of these accounts.

HAWA
Notes to the Accounts
for the year ended 31 March 2022

1 Accounting policies

Basis of preparation of the accounts

The financial statements have been prepared in accordance with all applicable accounting standards, as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales, effective April 2005 (revised June 2008). The accounts have been drawn up in accordance with the provisions of the Charities (Accounts and Reports) Regulations 2008 and the Companies Acts, and include the results of the charity's operations which are described in the Trustees' Report, all of which are continuing.

Advantage has been taken of Section 396(5) of The Companies Act 2006 to allow the format of the financial statements to be adapted to reflect the special nature of the company's operation and in order to comply with therequirements of the SORP.
The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement.

The financial statements are prepared,on a going concern basis, under the historical cost convention.

Incoming Resources

Incoming resources are accounted for on a receivable basis.
All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following policies apply to particular categories of income:
Voluntary income is received by way of grants, donations and gifts and is included in full in the statement of Financial Activities when receivable. Clothing and other items donated for resale through the charity's shop are included as incoming resources within activities for generating funds when sold.
Except as described under the 'Deferred Income' accounting policy all grants, including grants for the purchase of fixed assets , are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

In accordance with the Statement of Recommended Practice for Accounting and Reporting (revised June 2008) issued by the Charity Commissioners for England & Wales grants received in advance and specified by the donor as relating to specific accounting periods or alternatively which are subject to conditions which are still to be met, and which are outside the control of the charity or where it is uncertain whether the conditions can or will be met, are deferred on an accruals basis to the period to which they relate. Such deferrals are shown in the notes to the accounts and the sums involved are shown as creditors in the accounts.

Recognition of liabilities

Liabilities are recognised on the accruals basis in accordance with normal accounting principles, modified where necessary in accordance with the guidance given in the Statement of Recommended Practice for Accounting and Reporting (revised June 2008) issued by the Charity Commissioners for England & Wales .

The policy for including items within the relevant activity categories of resources expended is, liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to pay out resources.

In particular the policy for including items within costs of generating funds, charitable activities and governance costs is

Costs of generating funds
Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.

Charitable activities
Donated services and facilities are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. Tha value placed on these resources is the estimated value to the charity of the service or

Taxation

As a registered charity, the company is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only. Value Added Tax is not recoverable by the company , and is therefore included in the relevant costs in the Statement of Financial Activities

Funds structure policy

The charity maintains a general unrestricted fund which represents funds which are expendable at the discretion of the trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully the monitor the application of those funds in accordance with the restrictions placed upon them.

A fixed asset fund is maintained which represents the written down value of tangible fixed assets, and is divided into a restricted fixed asset fund representing the written down value of those assets subject to restrictions, with the balance being in a designated fund representing the written down value of those assets free of restrictions. The detailed operation of these funds is described under the accounting policy ' Capital grants'

There is no formal policy of transfer between funds or on the allocation of funds to designated funds, other than that described above.

Any other proposed transfer between funds would be considered on the particular circumstances.

2 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

Revenue Turnover from ordinary activities	39,937
and after charging:-	
Rentals under operating leases	5,250

Funds belonging to the charity have not been used for the purchase of insurance to protect the charity from loss arising from the neglect or defaults of its trustees,employees or agents, or to indemnify its trustees,employees or agents, against the consequences of any neglect or default on their part. The sum expended on such insurance was as indicated in the above schedule.

3 Statement that no expenses were paid to trustees or connected persons

No expenses were paid to trustees or persons connected with them.

Nothing paid of this category

4 Detailed analysis of certain transactions required by the 2005 revision to the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales (effective April 2005)

Various items which are required by the 2005 revision to the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales (revised June 2008) to be disclosed in the notes to the accounts are set out in the Detailed Schedule to the Statement of Financial Activities and its appendices on pages 7 to 19, which should be read together with these notes.

5 Staff Costs and Emoluments	**2022**
	£
Gross Salaries	2,846

Numbers of full time employees or full time equivalents	**2022**

Engaged on charitable activities	2

There were no fees or other remuneration paid to the trustees
There were no employees with emoluments in excess of £60,000 per annum

6 Trustees' Remuneration

No Trustee or connected party was paid any renumeration or benefit during the year

HAWA
Company Number
Balance Sheet
as at 31 March 2022

	Notes		2022 £
Fixed assets			
Tangible assets			2,306
Total fixed assets			2,306
Current assets			
Cash at bank and in hand		50,529	
Creditors:-			
Provisions for liabilities and charges			50,529
Total assets less current liabilities			52,835
Creditors:-			
amounts due after more than one year		(1,290)	-
Provisions for liabilities and charges			-
Net assets including pension asset / liability			51,545
Unrestricted income funds		32,287	
Designated revenue funds		-	
Unrestricted capital funds		19,258	
Total unrestricted funds			51,545
Restricted income funds			
Total charity funds			51,545

The directors are satisfied that for the year in question the charitable company was entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006 and that no member or members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Act.

The director(s) acknowledge their responsibility for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

ABSHIR MOHAMED
Trustee
Approved by the Board on 28th February 2023

CHARITY COMMISSION FOR ENGLAND AND WALES

Independent examiner's report on the accounts

Section A Independent Examiner's Report

Report to the trustees/ members of

Charity Name
Horn of Africa Women's and Children's Association

On accounts for the year ended 31st March 2022

Charity no (if any) 1075084

Set out on pages 4-6
(remember to include the page numbers of additional sheets)

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/03/2022

Responsibilities and basis of report

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

[The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of [insert name of applicable listed body]]. *Delete* [ ] *if not applicable.*

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination (other than that disclosed below *) which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

** Please delete the words in the brackets if they do not apply.*

Signed: [signature] **Date:** 28th - 02 - 2023

Name: MOSES KIWANUKA

Relevant professional qualification(s) or body FCPA

HORN OF AFRICA WOMEN'S AND CHILDREN'S ASSOCIATION

England & Wales - Charity number 1075084

Accounts

Incorporated charity - Exempt from external scrutin **England & Wale**

In Scotland

In Scotland an independent examination applies to all accounts for unincor
income from £nil to £500,000 pa.

In England & Wales

For accounting periods ending on or after 1st April 2009 , this template applie
£500,000 pa and greater than £25,000 . For accounting periods ending on or after 1st April 2009 , this template appl
income is less £25,000 and where an examination does not otherwise apply.

However, there is also a requirement that an audit is required if total gross
The figure of £25,000 was £10,000 for accounting periods ending on or before 3

Note that the rules are different for unincorporated charities
The figures of £25,000 and £3.26 million and £250,000 were £10,000 and £
ending on or before 31st March 2009.
Note also that the Booklet CC63 has been reisssued as booklets CC31 and C
Note that in England & Wales, an independent examination where gross in
specified professional qualifications. In Scotland ALL examinations MUST be ca

Note that the rules are slightly different for incorporated charities

Note also that the booklet CC63 has been reisssued as booklets CC31 a
examination- see the links page -

For the 14 steps in the production process and identificat

Scroll down below

Licensing **ONLY USE IN ACCORDANCE WITH LICENCE PURCHASED**

Contact sorpaid to upgrade if required

Current thresholds Charities Act 2006 - click here for details of current thresholds

The systematic 14 step process to prepare charity accounts.

Accounts preparation process - Preliminary

Step no	*Required action*	*Comment*
1	Check that exemption from independent examination is the correct procedure by completing the initial step of the disclosure checklist	**ESSENTIA INITIAL PI TEMPLATI**

See also CC31 Checklist for compliance with CC31 directions issued by the Ch
Charities in Scotland - see OSCR guidance
Link to initial step of disclosure checklist

2

Check professional guidelines on engagement procedures for exempt work

ESSENTIA INITIAL PI TEMPLATI

See also

CC31 Checklist for compliance with CC31 directions issued by the Ch
Charities in Scotland - see OSCR guidance
CC32 Directions & Guidance to Examiners from 01/04/09
CC31 Guidance to Trustees from 01/04/09

3

Review the checklist from CC32 (see worksheet CC32 in this template) and plan the workload accordingly

ESSENTIA PROCEDU AND DURI ACCOUNT

See also

CC31 Checklist for compliance with CC31 directions issued by the Ch
Charities in Scotland - see OSCR guidance
CC32 Directions & Guidance to Examiners from 01/04/09
CC31 Guidance to Trustees from 01/04/09

4

Determine whether or not advantage is to be taken of disclosure exemptions for cases that are not statutory audits.**Plan the subsequent phases accordingly**

The main specific decisions to be taken will relate to whether the Appendices on Detail PL1 are needed, whether a Cash Flow Statement is required and whether the Trustees Report should take advantage of the exemptions.

ESSENTIA USING TE COURSE C

utilised w Cash Flow Accountin is good pr exemptio with this

See also

Click for full text of 2005 SORP (Revised June 2008)

5

(a) Enter the Trial Balance and check for internal consistencies

(b) Enter data in the pastel green data boxes on the Data worksheet

(c) Check the VT Properties are properly set (see the Manual from VT)

Do not en

(d) Carry out the procedures required at this stage under the CC32/OSCR guidance

Anything other than zeros in this line indicates an error of input

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6

Turn Autohide off and enter analysed items in DetailPL2

Then carry out the procedures required at this stage under the CC32/OSCR guidance

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If any of the above lines are not zero - Examine PL worksheet and DetailPL2 wor
Turning autohide on may help in locating errors.Turn autohide off and correct er

See also

Charities in Scotland - see OSCR guidance

CC32 Directions & Guidance to Examiners from 01/04/09

7

Turn Autohide off and enter analysed items in Appendices on Detail PL1. **The Appendices are only mandatory for audited accounts, so this step is only required if you wish to use the appendices**

Then carry out the procedures required at this stage under the CC32/OSCR guidance

Do not en

Anything other than zeros in these lines indicates an error of input

(20,126)	(10,589)	-	-	-	###	(16,788)

If any of the above lines are not zero - Examine Appendices worksheet for errors
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See also

In Scotland

Charities in Scotland - see OSCR guidance

CC32 Directions & Guidance to Examiners from 01/04/09

In Scotland an independent examination applies to all accounts for unincor
income from £nil to £500,000 pa.

8 Turn Autohide off and insert figures in notes where required **Do not en**

In England & Wales
For accounting periods ending on or after 1st April 2009 , this template applie
£500,000 pa and greater than £25,000 .

Then carry out the procedures required at this stage under the CC32/OSCR guidance

However, there is also a requirement that an audit is required if total gross
provided gross income also exceeds £250,000, and this template does not app

Anything other than £25,000 and £3.26 million indicates £250,000 where £10,000 and £
The figures of £25,000 and £3.26 million indicate £250,000 where £10,000 and £
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Note that in England & Wales, an independent examination where gross in
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Note that the rules are slightly different for incorporated charities

Note also that the Booklet CC63 has been reisssued as booklets CC31 a
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If any of the above lines are not zero - Examine BS worksheet and Notes worksh
Turning autohide on may help in locating errors.Turn autohide off and correct er

See also
Charities in Scotland - see OSCR guidance

CC32 Directions & Guidance to Examiners from 01/04/09

9

Turn Autohide off suppress the inappropriate accounting policies and notes in the trustees' report

Then carry out the procedures required at this stage under the CC32/OSCR guidance

See also
Charities in Scotland - see OSCR guidance

CC32 Directions & Guidance to Examiners from 01/04/09

10

Turn Autohide on and review work so far - Turn Autohide off and correct any errors

Insert any one off or bespoke notes or accounting policies

Then carry out the procedures required at this stage under the CC32/OSCR guidance

See also
Charities in Scotland - see OSCR guidance

CC32 Directions & Guidance to Examiners from 01/04/09

11

Turn Autohide off and complete the narrative of text notes or delete text to autohide text only notes

Then carry out the procedures required at this stage under the CC32/OSCR guidance

See also

Charities in Scotland - see OSCR guidance

CC32 Directions & Guidance to Examiners from 01/04/09

12

(a) Turn Autohide on and compare the accounts with the prior year - Check to see whether any notes etc are missing

(b) Turn Autohide off and correct any errors

Then carry out the procedures required at this stage under the CC32/OSCR guidance

See also

Charities in Scotland - see OSCR guidance

CC32 Directions & Guidance to Examiners from 01/04/09

13

(a) Turn Autohide off and complete the Trustees' Report.

(b) Insert page breaks throughout the accounts, and set the print areas using' Page Setup'

(c) Examine the accounts for blank lines and delete to make the formatting easy on the eye

(d) Do preview of accounts and extract page numbers for the data sheet and cover sheet etc

(e) Enter data in the pastel blue data boxes on the Data worksheet

(f) Enter page numbers on cover sheet

(g) Tailor the examiner's report. Ensure correct page numbers are ref

(h) Work through the disclosure checklist, and check Auditing Standards,SORP and Accounting Standards. *(Note that if the template has been worked through methodically, then most if not all of the disclosure requirements will have been identified in the course of accounts production, and the check list should constitute a double check on the final product)*

Then carry out the procedures required at this stage under the CC32/OSCR guidance

See also Charities in Scotland - see OSCR guidance

CC32 Directions & Guidance to Examiners from 01/04/09

14

Do full review of the draft accounts, correct any errors, and print off drafts

Then carry out the procedures required at this stage under the CC32/OSCR guidance

See also Charities in Scotland - see OSCR guidance

CC32 Directions & Guidance to Examiners from 01/04/09

Other charity related products from SORPAID --------

See our website for full particulars www.sorpaid.com
or contact us for details on 0871 288 2391 or email us at info@sorpaid.com

Courses We have a programme of courses on charity issues
We can organise bespoke courses for an individual firm or a group of firms tailored to their specific training requirements, on a very cost effective basis
Costs start from £300 per day plus travelling costs.

Working Paper files
Independent Examination is a very specialist area, and there is little professiona available. We publish a model working paper file in electronic form that meets a requirements of CC31 - Directions and Guidance and meets all the current profe and good practice standards. The 2011 version will be published shortly.

Consultancy
We offer a consultancy service to charities, other accountants, and trustees on a fee basis that is agreed at the outset

Telephone help line

For a fee of £100 per year, another firm of accountants can have telephone sup charity issues - terms and conditions apply.

Audit If a charity is subject to audit and you are not a registered auditor, we can take to act as auditors, where you still do the underlying accountancy work, and we on terms to be agreed directly with the client. There is no geographical limit to

Other tools
There are a number of other tools and facilities that can be downloaded from ou

es ONLY - Not Scotland

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ity products from SORP4U

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charities with gross income from £nil to

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V11.01 Dec 2010

assets before deducting any liabilities exceed £3.26 million

1st March 2009

duction system based on VT accounts

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perator's manual, then use 14 step process below

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Cover	Front page
Contents	Contents p
Director	Trustees Re
Audit	Independe
Dependent	Statement
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BS	Balance Sh
CF	Cash Flow
Notes	Notes to th
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Appendix	Activity an
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Ensure the financial figures agree with the accounts

ONLY delete consecutive blank lines. If a line is hidden there may be hidden formulae. Ie deleting rows 1132, 1133 and 1134 as a block is OK

Deleting 1132 to 1134 when 1133 is hidden is **DANGEROUS**

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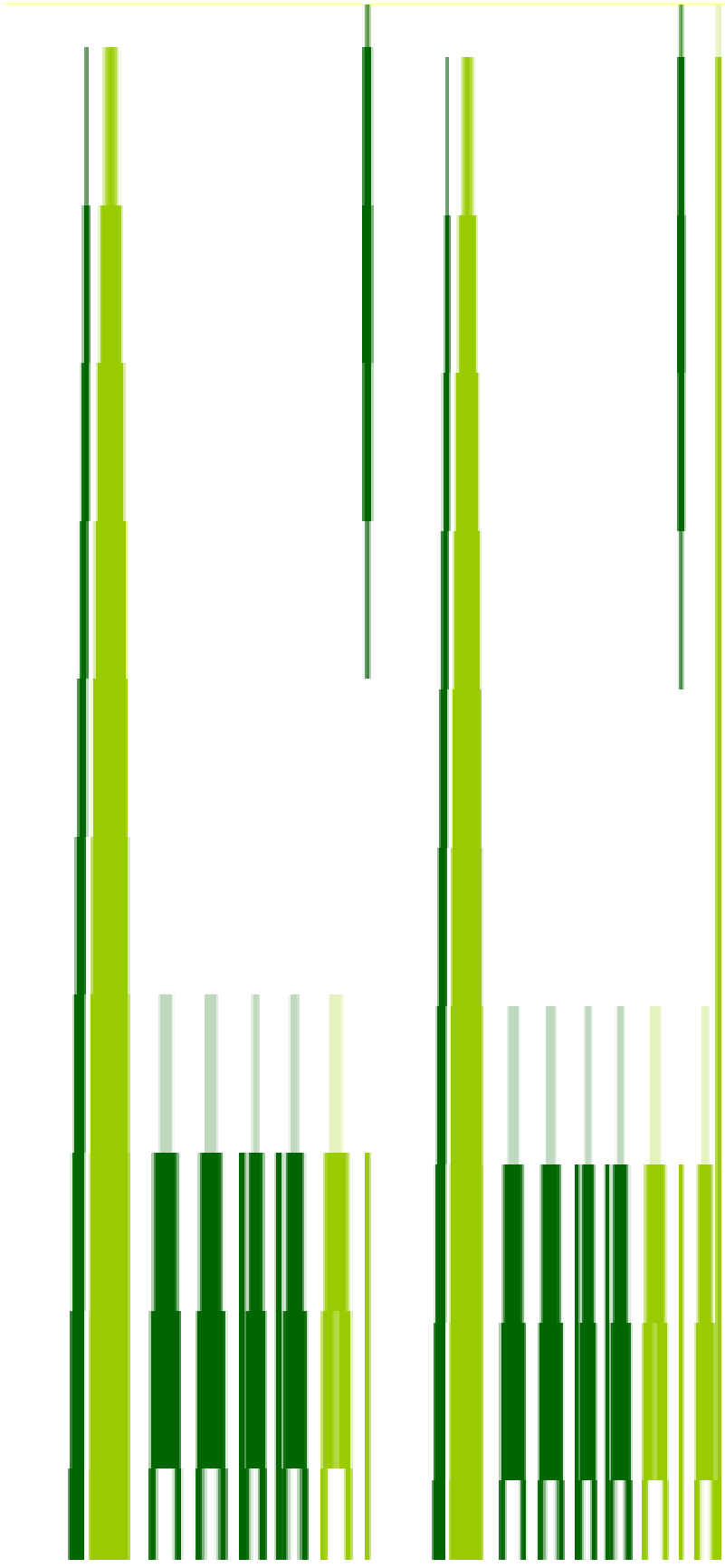
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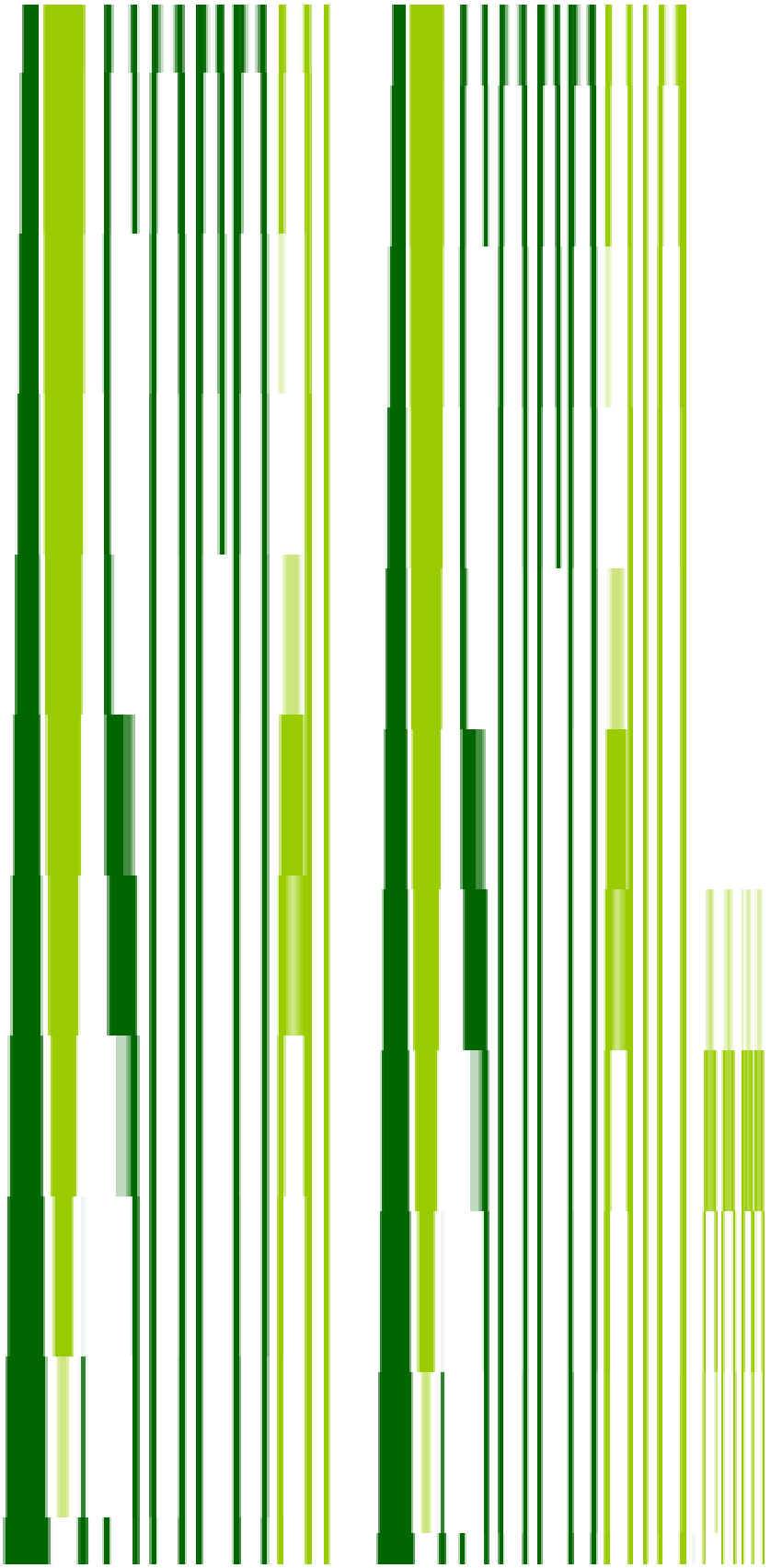
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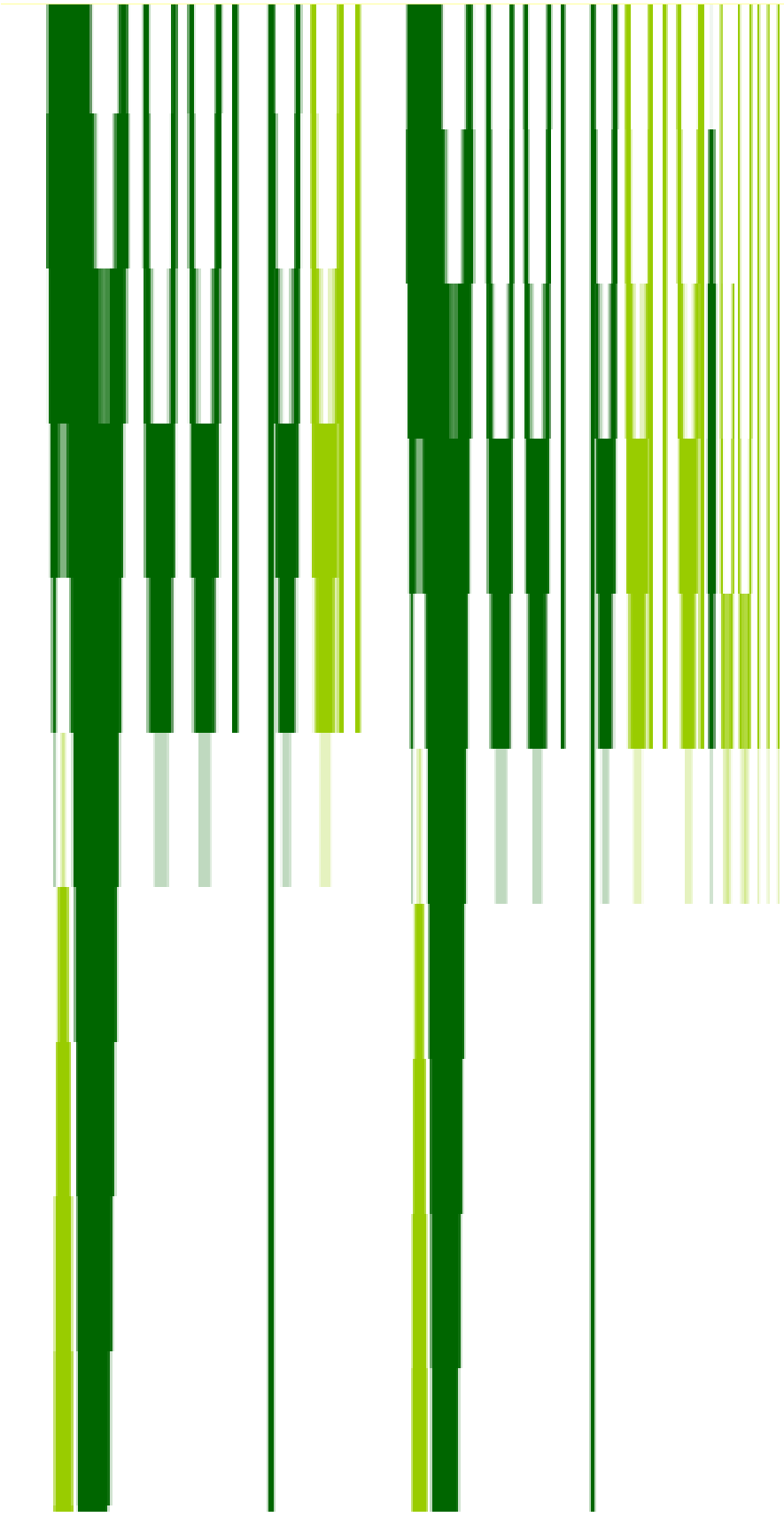
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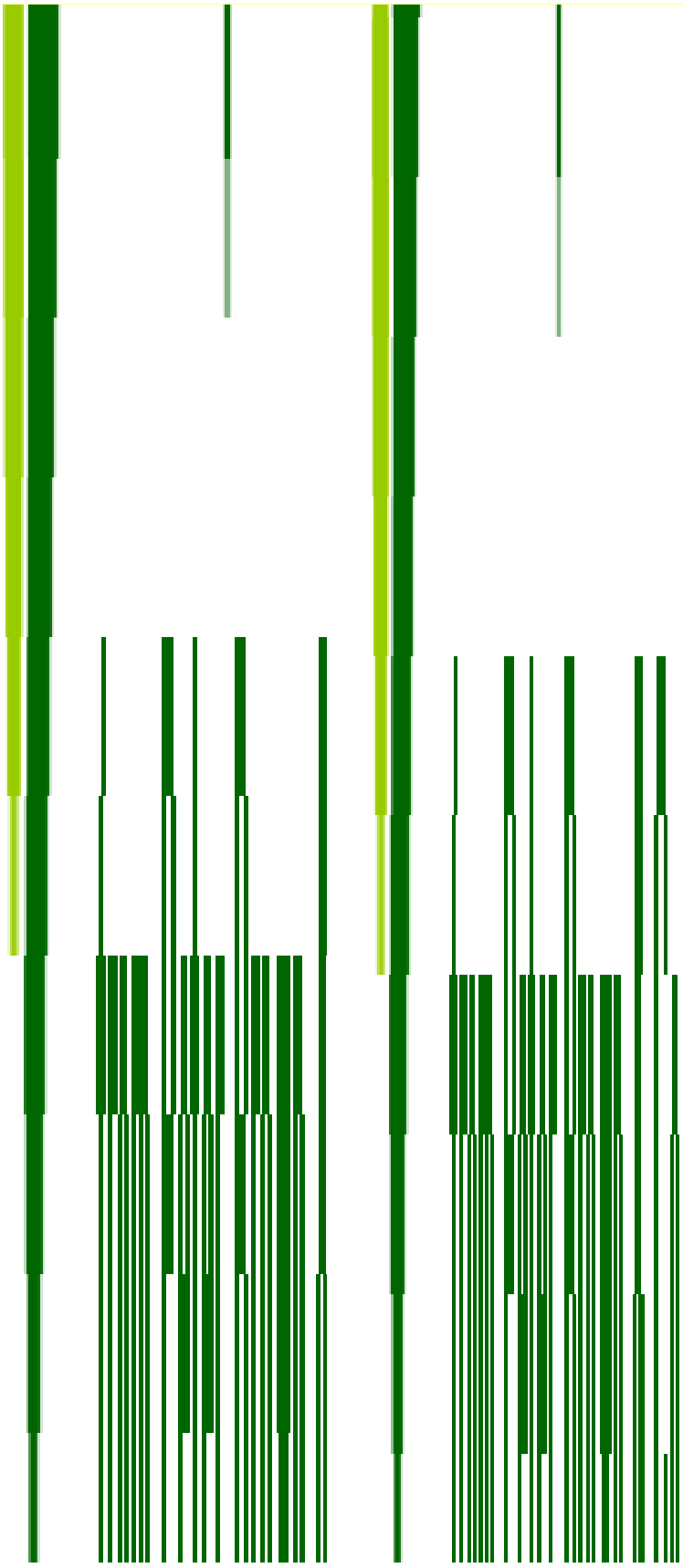
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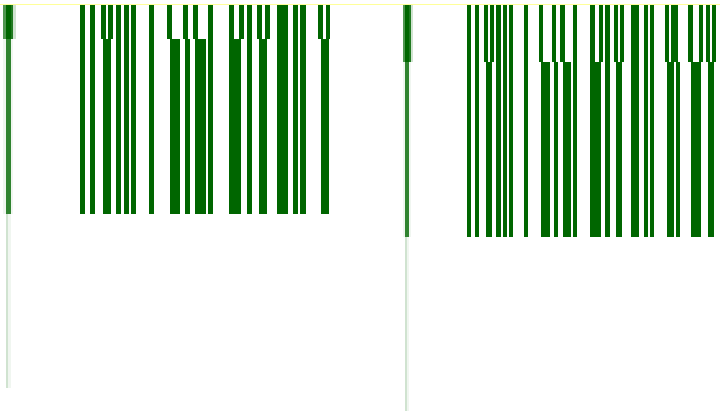
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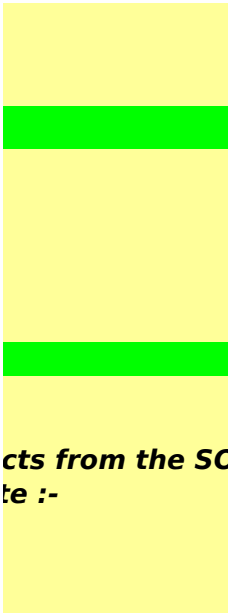
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CC31 Guidance to Trustees from 01/10/09

CC32 Directions & Guidance to Examiners from 01/10/09

Reports and enquiries by the commission into complaints and wrongdoing by charities

Professional guidance by ACCA -

ACCA factsheet 123 Audit risk and fraud -
supplementary guidance for auditors of charities
(only available in hard copy)

ACCA rules on examinations by persons without a practising certificate

Charity Commission guidance on public benefit

Notes	Notes to the accounts
DetailPL2	Detailed schedule to the SOFA
Appendix	Activity analyses per the SORP
Library	Standard texts and explanations
Disclosure	Disclosure checklist

History	Details of amendments to templates
CFworkings	Internal workings for cash flow
Workings	Internal workings for acs
CC32	Independent Examination directions 2008

The Auditing Practices Board

Auditing Standards (ISAs) UK and Ireland
PN8 Reports by auditors under company legislation in the UK
PN11 The audit of charities in the UK
PN22 The auditor's consideration of FRS17 retirement benefits - defined benefit schemes
Bulletin 2005/1 Audit risk and fraud - guidance for auditors of charities

HM Revenue & Customs notes and guidance

HM Revenue & Customs Charity webpages
HMRC Regulations on trading by charities
HMRC changes in exemptions from March 2006
Affordable Home Ownership – Charitable Status and Tax
Applications for Charitable Status
Gift Aid
Payroll Giving
Giving land, buildings, shares & securities to charity
Claims and returns
Audits by HMRC Charities
Charitable tax exemptions
Non-charitable expenditure
Qualifying investments and loans
Life Assurance and Capital Redemption Products
Fit and proper' test for trustees
Charities and VAT

Other Publications from
The Charity Commission and Charity legislation
Sundry publications and references

Click for full text of 2005 SORP (Revised June 2008)
Commentary on the 2005 SORP
Payment of charity trustees - a checklist
How to use the SORP
Purpose of the SORP
The informal consolidation of legislation published by the cabinet office
Purpose of Trustees Report
The scope and object of the SORP
The SORP and the law
Statement by the Charity Commission on the SORP

Detailed requirements of the Trustees' report
Table 1 in the SORP - legislative framework
The Charities (Accounts and Reports) Regulations 2008 (Effective from 1st April 2008)

Charities and Trustee Investment (Scotland) Act 2005
The Charities Accounts (Scotland) Regulations 2006

Charity Commission guidance on public benefit
The Charities Act 2006
The Charities Act 1993
The Companies Act 2006

Charity Commission guidance on public benefit

See also Guidance from HMRC Click here

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		Unrestric Funds	Restricted Funds
Incorporated charity - Exempt from external scrutiny			**Enter data**
Statement of Financial Activities			**Yellow cells**
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Voluntary Income		CC31 Checklist for compl	
The items marked 'X' will require analysis in detail on P&L2 to reconcile to the TB totals			
	X Revenue grants and donations	0	
	X Grants for acquisitions of fixed assets	0	0
	Legacies receivable		
	X Gifts in kind, donated services and facilities		
	Members' Subscriptions	0	
	Sponsorship income	(31,996)	0
Activities for generating funds			
The items marked 'X' will require analysis in detail on P&L2 to reconcile to the TB totals			
	Fundraising activities		
	Sponsorships and social lotteries		0
	Shop income from sale of donated and bought	0	
	Sales other than for the benfeit of beneficiaries		
	Temporary letting and licensing of charitable property		
	Inter company management charges for services to subsidiaries		
	Recharge of salaries to other organisations		
	X Other activities for generating funds		
Investment Income			
The items marked 'X' will require analysis in detail on P&L2 to reconcile to the TB totals			
	X Interest Receivable		
	X Investment Income(excluding interest rcd)		
	Gift aid from subsidiaries		
			Enter data
Remember that turnover in the context			**Yellow cells**
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See the detailed rules about turnover limits and exemptions,			
which are different concepts from normal limited company exemptions			
Charities (Accounts and Reports) regulations SI 2868 of 2000			
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		Schedule cross referer	
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Incoming resources from charitable activities			
The items marked 'X' will require analysis in detail on P&L2 to reconcile to the TB totals			
	Sale of goods and services made by beneficiaries		
	Letting of none investment property for charitable purposes		
	Contractual payments from public authorities		
	Grants for provision for provision of charitable goods and services to be		
	Other ancillary trading to benefit beneficiaries		
	X Other charitable activities		
Other Incoming Resources			
	Gain on disposal of programme related investments		
	Gain on disposal of intangible assets		
	Land and buildings P&L on disposal		

	Leaseholds P&L on disposal		
	Plant & machinery P&L on disposal		
	Losses on disposals of heritage assets		
Costs of generating funds			
	Agent's costs for fundraising		
	Commissions payable		
	Fundraising publicity		
	Cost of fundraising activities		
	Support costs (1)		
	Support costs (2)		
	Support costs (3)		
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	Depreciation of assets used for fundraising		
Fundraising Trading - costs of goods sold and other costs			
The items marked '**X**' will require analysis in detail on P&L2 to reconcile to the TB totals			
X	Fundraising trading costs		
	Depreciation of assets used for trading		
	Amortisation of intangible assets		
Investment costs			
	Investment management fees		
Expenditure on charitable activities			
	Cost of goods for primary purpose trading		
	Cost of sale of goods or services made by beneficiaries		
	Cost of charitable letting of none investment property		
	Costs of income from public bodies for charitable trading		
	Costs of ancillary trading to benefit benficiaries		
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Support costs for charitable activities			
	Gross wages and salaries - charitable activities		
	Employers' NI - Charitable activities		
	Pension contributions charitable employees		
	Salaries recharged to other organisations		
	Employers' NI - Recharged salaries		
	Pensions contributions - recharged employees		
	Volunteers' Costs	7,380	0
	Resource Costs	904	0
	Child Care for volunteers		
	Temporary Staff - Charitable Activities		0
	Travel and Subsistence - Charitable Activities	450	0
	Marketing of services		
	Support costs (1)		
	Support costs (2)		
	Support costs (3)		
	Support costs (4)		
	Depreciation of fixed assets used for charity		
	Depreciation of heritage assets		

Grantmaking			
The items marked 'X' will require analysis in detail on P&L2 to reconcile to the TB totals			
	X Grants payable in furtherance of the charity's	0	
	X Support costs for grants paid		
Governance costs			
	Trustees' remuneration		
	Employers' NI - Trustees		
	Pension contributions - Trustees		
	Indemnity Insurance		
	Trustees' expenses		
Employee costs	Salaries - Administrative staff	3,557	
	Pension Contributions - administrative staff		
	Employers' NI - Administrative staff		
	Temporary staff and recruitment		
	Training and welfare		
	Payroll costs		
	Travel and subsistence		
	Motor expenses		
	Entertaining		
	Recruitment expenses		
	Employment spare (1)		
	Employment spare (2)		
Legal and Professional	Reporting Accountant fees		
	Independent Examiner's Fees	0	
	Auditors' remuneration	0	
	Other fees paid to the Examiners/auditors	0	
	Accountancy fees other than examiners/audit	230	
	Legal fees	0	
	Consultancy fees	0	
	Legal and professional spare (1)	0	
	Legal and professional spare (2)	0	
	Legal and professional spare (3)	0	
Premises Expenses	Rent payable	7,086	0
	Rates, water and service charges	0	0
	Room Hire	558	
	Light and heat	2,302	0
	Cleaning	524	
	Premises repairs and renewals	1,320	
	Alarm maintainance		
	Premises spare (1)		
	Premises spare (2)		
General Admin	Telephone and fax	50	0
	Postage	0	0
	Stationery and printing	335	0
	Courier Services		
	Information and publications		
	Subscriptions		
	Equipment expenses	1,143	
	Hire of equipment	0	
	Software		
	Health and safety costs	140	
	Advertising and PR		
	Bank charges	0	
	Admin costs spare (1)		
	Admin costs spare (2)		
	Insurance		
	Bad debts		
	Sundry expenses		

	Depreciation of governance assets		
Gains and losses on assets other than fixed assets			
	Actuarial gains on defined benefit schemes		
Gains are negative	Realised gains on disposal of investments		
Losses are positive	Unrealised gains on investment		
The above two rows should agree in total to the total of realised gains and revaluations on the balance sheet section of the TB			
	Interest payable		
Charities normally nil	Corporation Tax		
Charities normally nil	Deferred tax		
	Gift Aid Payments		
Charities normally nil	Dividends payable		
Retained (profit)/loss		-6,017	0

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BALANCE SHEET

Intangible FA			
Ensure bfwd agrees	Cost - b/fwd		
	Cost - additions		
	Cost - disposals		
Ensure bfwd agrees	Amortisation - b/fwd		
	Amortisation - provided in year		
	Amortisation - disposals		
Land & buildings - freehold			
Ensure bfwd agrees	Cost - b/fwd		
	Cost - additions		
	Cost - revaluation		
	Cost - disposals		
Ensure bfwd agrees	Depn - b/fwd		
	Depn - charge for the year		
	Depn - revaluation		
	Depn - disposals		
Plant & machinery			
Ensure bfwd agrees	Cost - b/fwd		
	Cost - additions		
	Cost - disposals		
Ensure bfwd agrees	Depn - b/fwd		
	Depn - provided in year		
	Depn - disposals		
Leasehold premises			
Ensure bfwd agrees	Cost - b/fwd		
	Cost - additions		
	Cost - disposals		
Ensure bfwd agrees	Depn - b/fwd		
	Depn - provided in year		
	Depn - disposals		
Heritage assets			
	Heritage assets - enter NBV and analyse in notes		

Extract programme related investment gains and enter in the profit and loss section under costs of generating funds and reduce the net realised gains below accordingly			
Property Investments			
Ensure bfwd agrees	B/fwd		
	Additions		
should agree to PL	Net realised (gains)/losses	**Losses are negative**	
section of the TB	Increase/(decrease) in value on revaluation	**Gains are positive**	
	Disposal proceeds		
Investments - listed			
Ensure bfwd agrees	B/fwd		
	Additions		
should agree to PL	Net realised (gains)/losses	**Losses are negative**	
section of the TB	Increase/(decrease) in value on revaluation	**Gains are positive**	
	Disposal proceeds		
Investments - unlisted			
Ensure bfwd agrees	B/fwd		
	Additions		
should agree to PL	Net realised (gains)/losses	**Losses are negative**	
section of the TB	Increase/(decrease) in value on revaluation	**Gains are positive**	
	Disposal proceeds		
	Cash held by investment advisors		
	Stocks		
Debtors and prepayments			
	Trade debtors		
	Loans Made		
	Other Debtors		
	Amounts due to associated or subsidiary undertakings		
	Taxation Recoverable		
	Prepaid expenses		
	Accrued income		
Current asset investments			
	Listed		
	Unlisted		
Cash and bank			
	Cash at bank and on hand		0
Creditors less than 1yr			
	Overdrafts		
	Bank loans		
	PAYE & NI		
	VAT		
Charities normally nil	Corporation Tax		
	Other Taxes		
	Funds held for third parties		
Charities normally nil	Dividends Payable		
	Finance lease and HP contracts		
	Trade creditors		
	Amounts due to associated or subsidiary undertakings		
	Accruals		
	Unpaid pension contributions		
	Unrestricted & Designated grants in advance & deferred income		
	Restricted grants in advance & Deferred income		
Creditors greater than 1yr			
	Bank loans		
	Finance lease and HP contracts		
	Trade creditors		
	Amounts due to associated or subsidiary undertakings		
	Accrued expenses		

	Unrestricted & Designated grants in advance & deferred income	
	Restricted grants in advance & Deferred income	
Provisions		
Ensure bfwd agrees	B/fwd	
	Charged to the p/l account	
	Change of rates in tax on bfwd bals	
	Movement on ACT	
	Defined benefit pension asset/liability	
	Pension reserve	
Accumulated funds/Revenue reserves		
Share capital		
Ensure bfwd agrees	B/fwd	
	Issued in year	
Endowment funds		
Ensure bfwd agrees	B/fwd	
	Movement in the year	
Unrestricted revenue funds		
Ensure bfwd agrees	B/fwd	
Do not enter current yea	Surplus/loss in year	
	Transfer to/from other funds	
Restricted revenue funds		
Ensure bfwd agrees	B/fwd	
Do not enter this year	Surplus/loss in year	entered automatically >
	Transfer to/from other funds	
Revaluation reserve		
Unrestricted revaluation resreve		
Ensure bfwd agrees	B/fwd	
	Gains on revaluation of fixed assets for charity's own use	
	Transfer to/from other funds	
Restricted revaluation reserve		
Ensure bfwd agrees	B/fwd	
	Gains on revaluation of fixed assets for charity's own use	
	Transfer to/from other funds	
Funds for fixed assets		
Restricted fixed asset Funds		
Ensure bfwd agrees	Bfwd	
	Movement in year	
	Transfer to/from other funds	
Designated fixed asset Funds		
Ensure bfwd agrees	Bfwd	
	Movement in year	
	Transfer to/from other funds	
Designated Revenue Funds		
Ensure bfwd agrees	B/fwd	
	Movement in year	
	Transfer to/from other funds	
Totals *(all should be zero)*		
Differences on profit Bfwd (see below)		
Proof of inter fund transfers (which should equal zero)		
	Unrestricted revenue funds	
	Restricted revenue funds	
	Unrestricted revaluation reserve	
	Restricted revaluation reserve	
	Designated fixed asset funds	
	Restricted fixed asset funds	

	Designated funds	
	Proof - *Totals should all be zero*	
Proof of depreciation charges (which should equal zero)		
Profit and Loss Account	**Including impairment**	
	Depreciation of assets used for fundraising	
	Depreciation of assets used for trading	
	Amortisation of intangible assets	
	Depreciation of fixed assets used for charity	
	Depreciation of governance assets	
	Depreciation of heritage assets	
		Total P&L
Balance sheet	**Including impairment**	
	Intangible fixed assets	
	Land and Buildings	
	Land and Buildings - depn on revalued assets	
	Plant and Machinery	
	Heritage assets adjustments	
	Leaseholds	
		Total BS
	Proof - *Totals should all be zero*	
Note heritage assets are shown at wdv in the balance sheet - hence the adjustment		
The adjustment should be checked to see it has been proper;y accounted for		
Proof of comparative profit bfwd		
	Per P&L account	
	Bfwd on unrestricted funds in balance sheet	
	Bfwd on restricted funds in balance sheet	
	Proof - *Totals should all be zero*	
Proof of fixed assets and depn bfwd		
		Bfwd From prior y
	Intangible FA	
	Cost	0
	Depn	0
	Land & buildings - freehold	
	Cost	0
	Depn	0
	Plant & machinery	
	Cost	0
	Depn	0
	Leasehold premises	
	Cost	0
	Depn	0
	Proof - *Totals should all be zero*	
Note heritage assets are shown at wdv in the balance sheet and will need specific check		
Proof of bfwd and cfwd funds		
		Bfwd From prior y
	Share capital	0
	Endowment funds	0
	Unrestricted revenue funds	0
	Restricted revenue funds	0
	Unrestricted revaluation resreve	0
	Restricted revaluation reserve	0
	Restricted fixed asset Funds	0

	Designated fixed asset Funds	0
	Designated Revenue Funds	0
	Proof - *Totals should all be zero*	

Proof of internal consistency of accounting entries

For details see above

Difference on fund transfers

Difference on PL ac and BS depreciation

Profit bfwd on TB

Fixed assets and depn cfwd and bfwd

Bfwd and cfwd funds

England & Wales ONLY - Not Scotland

Total	Comparative
£	£

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Check the Links page

for a wealth of external resources

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Links	Links to external resources page
TB	Trial Balance entry
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Contents	Contents page of acs
Director	Trustees Report
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Disclosure	Disclosure checklist
History	Details of amendments to templat
CFworking	Internal workings for cash flow
Workings	Internal workings for acs
CC31	Independent Examination directior

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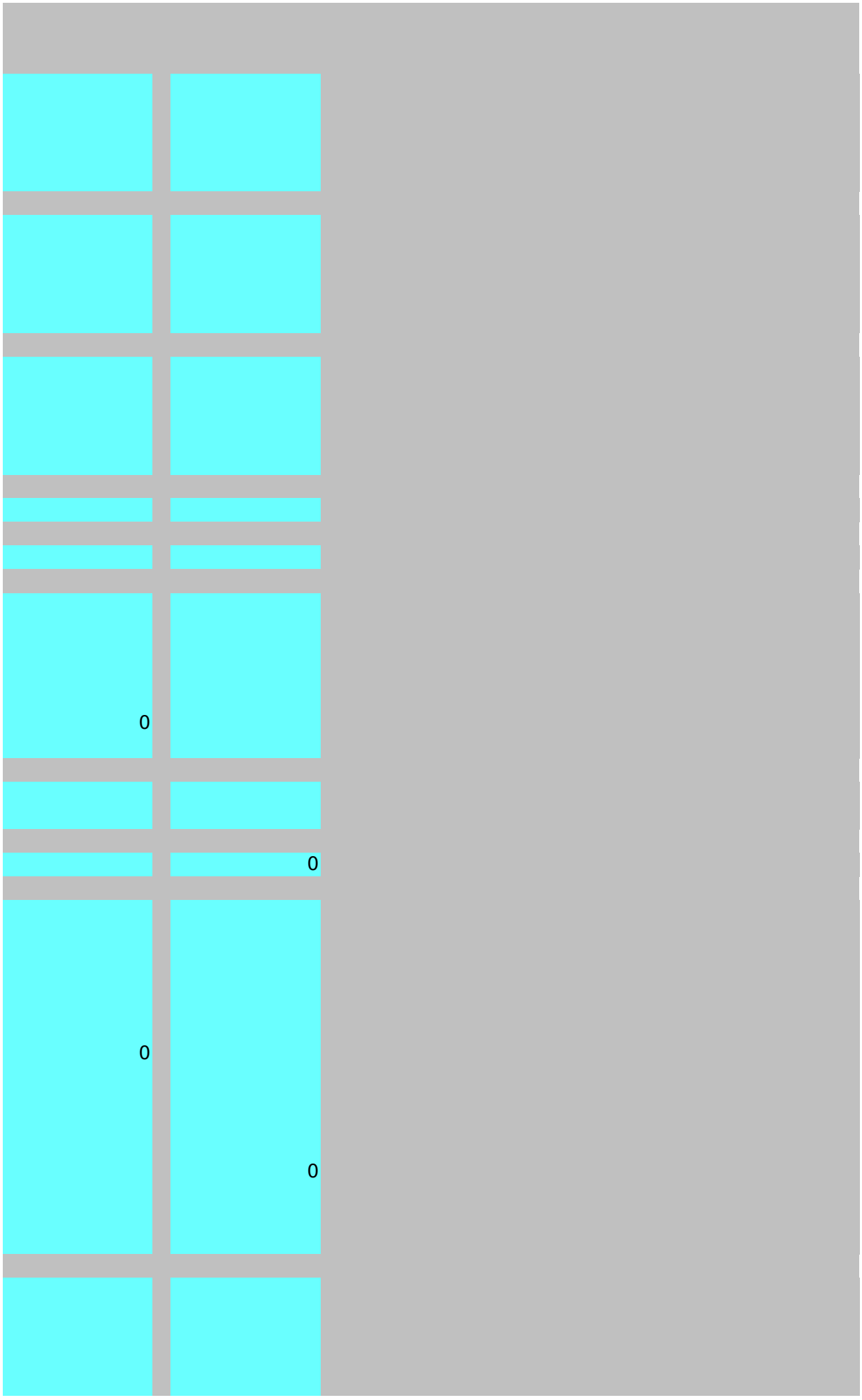
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-	n/a

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Enter data in the blue spaces Enter numbers as + unless indicated

Incorporated charity - Exempt from external scrutiny

Enter data in blue cells

Yellow cells should not be altered - contain formulae

Client	**HAWA**	**Year/Period ?**
Client Code/Ref		
Type of appointment	independent	

Basic permanent data

Units (eg £ or £000)	£	*include a trailing spac*
Charity registered number		
Company Registered Number	9694355	
Date of incorporation	01/25/2010	
Registered Office	Unit 6, Market Lane, Edgware, Middlese	
Telephone		

Additional data required for optional cash flow statement only

	£
New loans raised	
New finance leases and HP contracts	
Redemption of finance leases and HP con. on sale of assets	

Approval date of the accounts by the board	04/28/2013
Date of signing on the audit/accountants report	04/28/2013
Name of director/secretary signing directors report	YUSUF ALI
Name of director signing balance sheet	ABSHIR MOHAMED
Name of auditors/accountants	Pride & Co
Type of firm (eg Chartered Accountants)	Certified Public Accountants
Address of accountants	
Line 1	322 Premier House
Line 2	112 Station Road
Line 3	Edgware
Line 4	Middlesex
Line 5	HA8 7BJ

Accounts presentation data

HAWA

Data not obtained from trial balance **AutoHide is on** See disclaimer & ter

Enter data in the blue spaces Enter numbers as + unless indicated

Incorporated charity - Exempt from external scrutiny

Page details - enter the page numbers as appropriate The notes on pages

ms **England & Wales ONLY - Not Scotland**

or are used by cross reference

From	1 April 2020
To	31 March 2021

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Check the Links page
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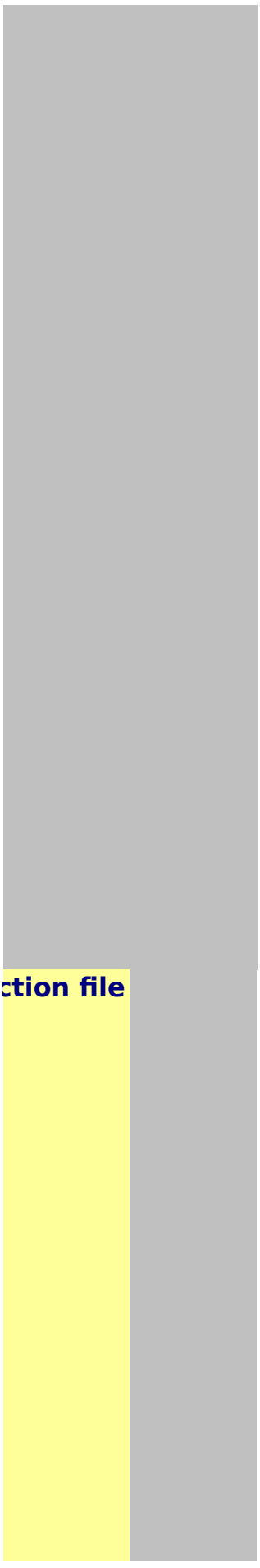
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CC31	Independent Examination directions 2008

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7 to 19 form an integral part of these accounts.


ction file

Registered Charity Numbe
107508

HAWA

Report and Accounts

For The Year Ended

31 March 2021

HAWA
Report and accounts
Contents

	Page
Charity and Company information	**1**
Trustee's Report	**1**
Accountants' report	**5**
Statement of Financial Activities	**6**
Income and Expenditure account	**7**
Statement of total recognised gains and losses	**8**
Movements in Accumulated Funds	**9**
Balance sheet	**10**
Notes to the accounts	**11**

HAWA

The report of the trustees for the year ended 31 March 2021

Introduction

The trustees present their annual report and accounts for the year ended 31st July 201
The board of trustees are satisfied with the performance of the charity during the
position at 31st July 2017 and consider that the charity is in a strong position t
activities during the coming year, and that the charity's assets are adequate to fulfil its

Name, registered office and constitution of the charity

The full name of the charity is SERAD (Skills education research and development) Ltd

Date of incorporation	03/30/2010
Company Registration Number	9694355
The Registered Office is	Unit 6, Market Lane, Edgware, Middlesex, HA8 0
Charity Registration Number	0
The telephone number is	0207 998 0308

A summary of the objects of the charity as set out in its governing document.
A summary of the objects of the charity as set out in its governing doc
THIS WILL AUTOHIDE AUTOMATICALLY

THE FOLLOWING SECTION IS MANDATORY AND MUST NOT BE OMITTED SORP
To provide education assistance including teaching and learning for those children an
need more help in the after school and weekends. And to give them any advice they
their education in order to succeed in their future.
To rise awareness about the importance of Ethnic minority's education and cultural
introducing local authorities, schools and communities to traditional ethnic minor
education, integration and cultures and language.
To provide and assist in the provision of facilities in the interests of social welfare for
ethnic minority community who need such facilities by reason of their youth age.

Public benefit that is provided by the charity
Relief of those in need by reason of youth, age or other through providing educati
projects as a means of advancing in life and helping young people develop their skil
and capabilities to enable them participate in society as independent, mature and
individuals and to advance education and relieve unemployment.

Summary of main activities of the charity in relation to its objects
[illegible] note above de
[illegible]
This is a requirement of Company Law and not of charity law so it may be omitted if
[illegible]
[illegible] during the year and have generally promoted
the trustees and managed to acquire some funds to donate to other charity groups plu
THIS WILL AUTOHIDE AUTOMATICALLY

THE NEXT SECTION IS MANDATORY FOR ALL CHARITIES AND IT IS NOT PERM
OMIT IT. SORP 44(a).
The organisation is a charitable company limited by guarantee, incorporated in
Kingdom.The company was established under a Memorandum of Association which es
objects and powers of the charitable company and is governed under its Articles of A
the event of the company being wound up members are required to contribute an
exceeding £10.

The methods adopted for the recruitment and appointment of new trustees
The directors of the company are also charity trustees for the purposes of charity law a
company's Articles are known as members of the management Committee. Under the
of the Memorandum and Articles of association the members of the management c
THIS WILL AUTOHIDE AUTOMATICALLY

HAWA

The report of the trustees for the year ended 31 March 2021

of the Memorandum and Articles of association the members of the management co
THE NEXT SECTION IS MANDATORY FOR ALL CHARITIES AND IT IS NOT PERM
OMIT IT. SORP 44(b).
elected to serve a period of at most fifteen months after which they must be re-electe
Annual General Meeting. All members of the management committee give their tim
and received no benegfits from the charity. Due to the fact that the charity focus
people, the managemnet committee seeks to ensure that the needs of this group are
reflected through the diversity of the trustee body.

The policies and procedures adopted for the induction and training of trustee
THIS WILL AUTOHIDE AUTOMATICALLY. REFER TO THE SORP FOR DETAILS OF THE REQUIREMENTS.
Please include details of how persons who can appoint trustees
Reserves

The Management Committee has examined the charity's requirements for reserves i
potential risks to the organisation. It has established a policy whereby the unrestrict
committed or invested in tangible assets held by the charity should be for
expediture.The reserves are needed to meet the working capital requirements of the
the management committee are confident that at this level they would be able to
current activities of the charity in the event of a significant drop in funding. The pre
reserves available to the charity of £3,926 therefore falls significantly short cor
overheads. The strategy is to continue to build reserves through planned operating s
management committee envisage this level to be attained in three to four years.In th
the Management Committee has also considered the extent to which existing a
expenditure could be reduced should circumstances permit.

must have regard to the 2005 FRSSE and Companies Act requirements. whi
Provide a review of the charity's activities during the year under review has
the key objectives of the charity.
Where applicable, the principal risks and uncertainties facing the charity are described in this report.
THIS WILL AUTOHIDE AUTOMATICALLY
THIS WILL AUTOHIDE AUTOMATICALLY
The financial statements are set out on pages 5 to 8. The financial statements have
prepared implementing the 2005 Revision of the Statement of Recommended Practi
Accounting and Reporting by Charities issued by the Charity Commission for Englan
Wales (revised in June 2008) and in accordance with the Financial Reporting Standa
Smaller Entities (effective April 2008) .As stated in the introduction to this repor
May be autohidden VIA POLICIES AND PARAGRAPHS.
trustees consider the financial performance by the charity during the year to have
satisfactory.

The Statement of Financial Activities show net outgoing/incoming resources for the yea
revenue nature of £4,147 and net realised outgoing/incoming resources of a capital nat
£0, making net overall realised incoming/outgoing resources of £4,147.

The total reserves at the year end after accounting for unrealised losses of £0 stan
4,147.

Free unrestricted liquid reserves amounted to £1,980.

Specific changes in fixed assets

There have been no movements in fixed assets.

Principal Risks and Uncertainties
Provide a review of the charity's activities during the year under review has
the key objectives of the charity.
The company is limited by guarantee and therefore has no share capital
Where applicable, the principal risks and uncertainties facing the charity are described in this report.
THIS WILL AUTOHIDE AUTOMATICALLY
The members of the board of Trustees of the Charity during the year e
THIS WILL AUTOHIDE AUTOMATICALLY
30th June 2011 each
Please include details of how persons who can appoint trustees
THE FOLLOWING SECTION IS MANDATORY AND MUST NOT BE OMITTED-

HAWA

The report of the trustees for the year ended 31 March 2021

Mr Deq Diriye,
Mr Mustafa Noor,
Mr Mohammad Hassan,
May be autohidden VIA POLICIES AND PARAGRAPHS.
All the directors of the company are also trustees of the charity, a
responsibilities include all the responsibilities of directors under the Co
Acts and of trustees under the Charities Acts.
The directors/trustees are all members of the charity

The members of the Board of Trustees of the charity at the date the re
accounts were approved were:-
THIS WILL AUTOHIDE AUTOMATICALLY
THIS WILL AUTOHIDE AUTOMATICALLY
THE FOLLOWING SECTION IS MANDATORY AND MUST NOT BE OMITTED-
THE FOLLOWING SECTION IS MANDATORY AND MUST NOT BE OMITTED-
Mr Deq Diriye,
Mr Mustafa Noor,
Mr Mohammad Hassan,
May be autohidden VIA POLICIES AND PARAGRAPHS.
The following comment applies to this and other disclosures in the trustees' report **SOF**

The Charities Acts and the Companies Acts require the Board of Trustees to prepar
statements for each financial year which give a true and fair view of the state of aff
charity as at the end of the financial year and of the surplus or deficit of the charity. In
those financial statements the Board is required to :-
THE FOLLOWING SECTION IS MANDATORY AND MUST NOT BE OMITTED FOR ANY
AUDITS
May be autohidden VIA POLICIES AND PARAGRAPHS. All apply to all audits.
2005 FRSSE 18.12

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.
- state whether applicable accounting standards and statements of recommended practice 2008 have been followed , subject to any material departures disclosed and explained in the financial statements;

May be autohidden VIA POLICIES AND PARAGRAPHS.

The Trustees are also responsible for maintaining adequate accounting records whic
with reasonable accuracy at any time the financial position of the charity and
sufficient to show and explain the charity's transactions and enable them to ensur
financial statements comply with the Companies Act 2006 and comply with regulati
under the Charities Act 2011. They are also responsible for safeguarding the ass
charity and hence for taking reasonable steps for the prevention and detection of
other irregularities.

Method of preparation of accounts

These accounts have been prepared in accordance with the provisions applicable t
subject to the small companies regime.
THIS WILL AUTOHIDE AUTOMATICALLY
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Director and Trustee

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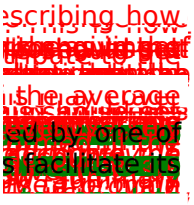
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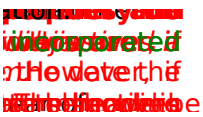
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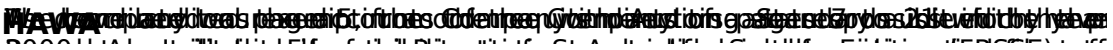
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HAWA

Independent Accountant's Report

to the trustees of

on the accounts of the Charity for the year ended 31 March 2021

We report on the financial statements of the charity on pages 6 to 8 for the year ended 31 March 2021 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (the FRSSE) effective April 2008 as modified by the Statement of Recommended Practice for Accounting and Reporting issued by the Charity Commissioners for England & Wales effective April 2005 revised in June 2008 under the historical cost convention and the accounting policies set out on page 7.

We read the Report of the trustees and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

Respective responsibilities of directors and accountant

As described on page 3, the charity's trustees are also the directors of the company for the purposes of company law, are responsible for the preparation of the accounts and consider that the audit requirement of Section 43(2) of the Charities Act does not apply, and that there is no requirement in the memorandum and articles of the charity for the conducting of an audit, and that the charity is exempt from an audit under Section 477 of the Companies Act 2006. The trustees also consider the charity is entitled to prepare accounts on the basis of the information supplied and have taken advantage of the exemption from the requirement to be subject to Independent Examination.

Our responsibility is to prepare accounts upon the basis of the information supplied and in accordance with the Charities Act 1993 and the Charities Accounts (Scotland) Regulations 2006 and to state whether particulars required to be included in those accounts have been omitted.

No statement of opinion

We have not carried out any audit procedures and have relied upon information supplied to us by the trustees, and the information supplied by the trustees in the course of our examination is not subjected to audit tests or enquiries, and consequently we do not express an audit or other assurance opinion on the view given by the accounts.

Subject to the limitations upon the scope of our work as detailed above, in the course of our examination, no matter has come to our attention:

(1) which gives us reasonable cause to believe that in any material respect the requirements to keep accounting records in accordance with section 41 of the Act; and to prepare accounts which accord with the accounting records and to comply with the accounting requirements of section 42 of the Act have not been met **or**

(2) to which, in our opinion, attention should be drawn to enable a proper understanding of the accounts to be reached.

The date upon which this report was completed is :-

8 Feb 21

Chartered Certified Public Accountants

NW7 4RS

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Statement of Financial Activities

for the year ended 31 March 2021

Layout of the SOFA ,Presentation of Information and Structure of the Statem

Adaptation of Formats

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SORP 87 states

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £
Incoming resources from generated funds			
Voluntary Income		31,996	-
Total incoming resources		**31,996**	-
Costs of charitable activities		25,979	-
Total resources expended		25,979	-
Net incoming resources before transfers between funds		6,017	-
Transfers between funds			
Gross transfers between funds			-
Net incoming resources before other recognised gains and losses			
Net movement in funds		6,017	-

All activities derive from continuing operations

The notes on pages 7 to 19 form an integral part of these accounts.

HAWA

Statement of Financial Activities

for the year ended 31 March 2021

Thus incoming resources and resources expended can be linked together by using sim
headings in different parts of the Statement of Financial Activities.

Income and Expenditure Account

The above will require manual amendments to headings etc

SORP 90 should be reviewed if there is a cessation or commencement of o

SORP 218(c) states

impacts on the accounts.

' revaluation gains or losses (which are not considered to be impairment losses (see p
assets held for the charity's own use should be included in the section on gains and
fixed assets for the charity's own use.'

SORP91 States

'Category headings should be omitted where there is nothing to report in both the
periods. A charity may also vary the order in which it presents activity categor
Gains and losses arising on disposal, revaluation or impairment of fixed assets - whet
resources and resources expended sections of the Statement of Financial Acti
presentational needs.

SORP 217 covers the general parameters as follows :-

Gains or losses on investment purposes - will form part of the particular fund in which
asset concerned is or was held at the time of disposal, revaluation or impairment.

SORP 92 states

'Where, as a result of adopting the activity approach, (see SORP 93 below) the
Statement of Financial Activities change from those used in the prior year, comparat
restated in accordance with FRS 18 (Appendix 2).'

SORP 93 states

'The classification of incoming resources and resources expended by activity is encour
charities preparing accruals accounts. Smaller charities may be excused from ad
legislation recognising that such information is likely to be less relevant to the users o
accounts. Where a small charity adopts an alternative approach to analysis within the

Although it may appear to fly in the face of everything we accountants have ever beer
FRSEE 2005 at paragraph 12.6 , and the proforma Profit and Loss Account in the FRS,
effect that dividends should no longer be shown on the face of the profit and loss a
provided on the face of the Statement of Financial Activity. These concessions for sma
should be debited straight to reserves. Until now dividends would have been shown a
summarised in Appendix 5.

But this is no longer the case.

	2021 £
Turnover	31,996
Direct costs of turnover	25,979
Gross surplus	6,017
Operating surplus	6,017
Surplus on ordinary activities before tax	6,017
Surplus for the financial year	6,017
Unpaid payments	-
Retained surplus for the financial year	6,017
All activities derive from continuing operations	

The notes on pages 7 to 19 form an integral part of these accounts.

HAWA
Statement of Financial Activities
for the year ended 31 March 2021

This template deals with small charity exemptions in the following manner :-

Receipts and payments exemptions - not covered - this template is an accruals te
FRSSE - covered in full - this is a FRSSE compliant template. **Non FRSSE companies**
with care

Other exemptions that are not encouraged but are permitted, even though
template permits but does not encourage such variations

Statement of Total Recognised Gains and Losses
for the year ended 31 March 2021

	2021
Excess of Expenditure over Income before realisation of assets	6,017
Profit per Profit and Loss account	6,017
Grants for the acquisition of fixed assets	-
Net Movement in funds before taxation	6,017

Movements in revenue and capital funds
for the year ended 31 March 2021

Revenue accumulated funds

	Unrestricted Funds	Restricted Funds
	2021	2021
	£	£
Accumulated funds brought forward	-	-
Recognised gains and losses before transfers	9,316	-
	9,316	-
Closing revenue accumulated funds	9,316	-

THIS WILL AUTOHIDE AUTOMATICALLY
Insert the actual transfers below and they will automatically transfer to other cells in
between funds that do not involve revenue reserves will have to be entered manually.
The purposes for which the designated funds have been established are describe
In the boxes to the accounts to/from designated funds in the line below and they will
the totals on all the funds will have to be manually reconciled to ensure that all
fixed asset investment
Reconciliation of Funds
Balance Sheet proof at the bottom of the Trial Balance. They should a
fixed asset funds) plus the balance of the written down value of tangible fixed asset
schedule in the detailed FAL
funds) therefore the total of tangible fixed asset funds should agree to the written do
assets

	Unrestricted Funds	Restricted Funds	Total Funds
	2021	2021	2021
Revenue accumulated funds	9,316	-	9,316
Fixed asset capital reserve	-	-	-
Total funds carried forward	9,316	-	9,316

THIS WILL AUTOHIDE AUTOMATICALLY
SORP 74 states
The Statement of Financial Activities should reflect the principal movements between
balances on all the funds of the charity. It should be analysed between unrestricted
income funds, restricted income funds, endowment and expendable combined).
Proof line will autohide when the above
agree to the Balance Sheet

The funds transferred to capital reserve represent those restricted funds expended or
funds. Refer to the accounting policies note, note number 1

The notes on pages 7 to 19 form an integral part of these accounts.

ent, and

	Total Funds	
	2021	**2020**
	£	**£**
	31,996	26,079
	31,996	26,079
	25,979	16,788
	25,979	16,788
	6,017	9,291
	6,017	9,291
	6,017	**15,308**

ined in the Statement of
sion for England & Wales
ed by the said statement.

ıılar or ıdentıcal

ı here and should **not** be
be shown as additional

perations, and if FRS3

aragraphs 267 - 272)) on
losses on revaluations of

e current and proceeding
ries within the incoming
ther held for the charity's
ivities to meet its own
the investment or other

categories shown in the
tives will also need to be

aged for all
lopting this approach by
f small charity
Statement of
ı taught, the
where these
SE, have the
ormation is
account, but
ller charities are
at this point,

mplate
should use this template

not good practice - this

	Total Funds
	2021
	£
	-
	9,316
	9,316
	9,316

n the templates. Transfers

ed in the notes to the automatically transfer to the transfers have been to restrictions (restricted also reconciled to the s (designated fixed asset wn value of tangible fixed

Funds	
	2021
	9,316
n capital projects, and as a	**(26,928)**

n the opening and closing income funds restricted

HAWA
Company Number
Balance Sheet
as at 31 March 2021

	Notes	2021
		£
Intangible assets		
Tangible assets		
Investments		
Current assets		
Debtors		
Cash at bank and in hand		36,494
		36,494
Creditors: amounts falling due within one year		
Net current assets		36,494
Total assets less current liabilities		36,494
Creditors: amounts falling due after more than one year		
Provisions for liabilities and charges		
Net assets including pension asset / liability		36,244
Unrestricted income funds		15,308
Unrestricted capital funds		20,936
Total unrestricted funds		36,244
Restricted income funds		
Total charity funds		36,244

The accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime within the Companies Act 2006.

The directors are satisfied that for the year in question the charitable company was
requirement to obtain an audit under section 477 of the Companies Act 2006 and tha
required the company to obtain an audit of its accounts for the year in question in acc
Act.

The director(s) acknowledge their responsibility for complying with the requirements o
respect to accounting records and the preparation of accounts.

The accounts have been prepared in accordance with the provisions in Part 15 of the Co
companies subject to the small companies regime and in accordance with the Financial
Entities (effective January 2015).

AZIM MOLLA
Trustee
Approved by the Board on 14th January 2022

iabilities at the end of its

late valuation for all assets.

em in the balance sheet we

counting policies in

ordance with section 476 of the

f the Companies Act 2006 with

mpanies Act 2006 applicable to
Reporting Standard for Smaller

lance sheet may show both
ounts.

ments are likely to be met
r material binding

HAWA
Notes to the Accounts
for the year ended 31 March 2021

1 Accounting policies

Basis of preparation of the accounts

The financial statements have been prepared in accordance with all applic
accounting standards, as modified by the Statement of Recommended Prac
for Accounting and Reporting issued by the Charity Commissioners for Englar
Wales, effective April 2005 (revised June 2008). The accounts have been dr
up in accordance with the provisions of the Charities (Accounts and Repo
Regulations 2008 and the Companies Acts, and include the results of
charity's operations which are described in the Trustees' Report, all of which
continuing.

Basis of preparation of the accounts and Accounting standards

Advantage has been taken of Section 396(5) of The Companies Act 2006 to a
the format of the financial statements to be adapted to reflect the special na
of the company's operation and in order to comply with therequirements of
SORP.

The company has taken advantage of the exemption in Financial Repo
The financial statements are prepared on a going concern basis, under the hist

Incoming resources and investment income MANDATORY

Incoming resources are accounted for on a receivable basis.
All incoming resources are included in the statement of financial activities wh
income and the amount can be quantified with reasonable accuracy. The follo
criteria of income:
Voluntary income is received by way of grants, donations and gifts and is inc
Financial Activities when receivable. Clothing and other items donated for re
are included as incoming resources within activities for generating funds when
Event as described under the 'Deferred Income' accounting policy all o
purchase of fixed assets are recognised in full in the Statement of Financia
they are receivable.

Compliance with Statement of Standard Accounting Practice 19
MANDATORY IF APPLICABLE

Bank interest is included in the income and expenditure account on a receiva
this year and no other investment income was received.

Recognition of liabilities

Liabilities are recognised on the accruals basis in accordance with normal
where necessary in accordance with the guidance given in the Statement
Accounting and Reporting (revised June 2008) issued by the Charity Commiss

HAWA
Notes to the Accounts
for the year ended 31 March 2021

Resources Expended

The policy for including items within the relevant activity categories of resou
are recognised as soon as there is a legal or constructive obligation commi
resources.

MANDATORY
THIS WILL AUTOHIDE AUTOMATICALLY

In particular the policy for including items within costs of generating fund
governance costs is

SORP 362 States these policy notes may (where relevant) include:

(b) The policy for including items within the relevant activity categories of
given. In particular the policy for including items within:
(i) costs of generating funds;
(ii) charitable activities;
(iii) governance costs.
(c) The methods and principles for the allocation and apportionment of all cos
categories of resources expended in (b). This disclosure should include the
based on staff time, staff salaries, space occupied or other.

Costs of generating funds

Where incoming resources have related expenditure (as with fundraising
incoming resources and related expenditure are reported gross in the SoFA.

Charitable activities

Donated services and facilities are only included in incoming resources (wi
resources expended) where the benefit to the charity is reasonably qu
material. The value placed on these resources is the estimated value to the cl
facility received.

Where the costs apportioned are material, then further clarification on the n
necessary, including the proportions used to undertake the calculations.

MANDATORY IF APPLICABLE
THIS WILL AUTOHIDE AUTOMATICALLY

As a registered charity, the company is exempt from income and corporatic
income and capital gains taxable to charitable purposes only. Value Added Ta
company and is therefore included in the relevant costs in the Statement of

MANDATORY if charity have such items see paras 215 to 217 of SORP

The charity maintains a general unrestricted fund which represents funds w
finance both working capital and capital investment.

Restricted funds have been provided to the charity for particular purposes
board of trustees to carefully monitor the application of those fund
restrictions placed upon them.

SORP 369 states

Where assets are held in a manner which represents the written down value of t
divided into a restricted fixed asset fund representing the written down value
Other aspects of heritage assets (eg depreciations) are included w
Note the exemption for small charities not subject to a statutory a
policy note analyse by activity, but may analyse by resource classifications co
advantage is taken of this exemption, this policy will not be necessar

There is no formal policy of transfer between funds or on the allocation of
other than that described above.

Any other proposed transfer between funds would be considered on the partic

2 As a result of adopting the activity approach required by the Statement
Accounting and Reporting (effective April 2005) (the SORP) issued by the Cha
& Wales, the comparative figures for the prior period have been restated i
formats required by the SORP.

Insert suitable text
Must be a SORP requirement
THIS WILL AUTOMATICALLY AUTOHIDE

If upon winding up or dissolution of the charity there remain any assets after
and liabilities, the assets represented by the accumulated fund shall be
charitable body or bodies having similar objects to the charity.

SORP 370 states required by SORP 370 (a),(b), and (c) and in accordance w

Disclosure

Profit for the year

Where material, the accounting policy notes should distinguish between the

Revenue Turnover from ordinary activities

for pecuniary and residuary legacies and legacies subject to a life interest hel

THIS WILL AUTOMATICALLY AUTOHIDE

and after charging:-

These are the mandatory disclosure requirements

HAWA
Notes to the Accounts
for the year ended 31 March 2021

These are the mandatory disclosure requirements

Rentals under operating leases

Total commitments at the year end under finance leases and hire purchase

Amounts falling due within one year

Amounts falling due between one and five years

Amounts falling due after more than five years

Remember that 'turnover' in the context of a charity means 'grsoss
receipts and income received in kind, and this may cause an entity t
This will Automatically autohide
THIS WILL AUTOHIDE AUTOMATICALLY
THIS NOTE MAY BE USED IF INSURANCE HAS BEEN PAID FOR TRUSTEES
BOOP 230 states ING IF ONLY TRUSTEES OR ONLY EMPLOYEES ARE INSURED.

The notes to the accounts should disclose separately the amounts payab

Expenses paid to trustees or persons connected with trustees

3 **THIS NOTE MAY BE USED IF NO EXPENSES PAID TO TRUSTEES**
AUTOMATICALLY AUTOHIDE

No expenses were paid to trustees or persons connected with them.

Nothing paid of this category.

4 **Detailed analysis of certain transactions required by the 2005 revisio**
of Recommended Practice for Accounting and Reporting issued by th
Commissioners for England & Wales (effective April 2005)

various items which are required by the 2005 revision to the Statement of
Accounting and Reporting issued by the Charity Commissioners for England &
to be disclosed in the notes to the accounts are set out in the Detailed Sc
Financial Activities and its appendices on pages 7 to 19 which should be
Notes.

Note the following:

5 Insert the text required by SORP 2005 Para 254 Trustees indemnity insurance costs

Trustees Remuneration and Benefits

No trustee or connected party was paid any remuneration or benefit during th

Neither the trustees nor any persons connected with them have received
current year or the prior year. Alternatively No trustees or persons connec

6 Trustees Remuneration

7 P

8

9 R

10

urces expended is, liabilities *the*
tting the charity to pay out *l the*
ven.

ls, charitable activities and

f resources expended should be
g or contract income) the

ts between the different activity
underlying principle is whether
an equivalent amount in
antifiable, measurable and
harity of the service or

method of apportionment used is
nt

on tax to the extent that its
ax is not recoverable by the
Financial Activities

[illegible]

[illegible] market value but may
[illegible] multi-purpose activity (see
[illegible]
[illegible] the recipient charity's
activity, are allocated to charitable
[illegible]
which are expenditure at the
[illegible] the date of the
[illegible] liability to the donor arising
[illegible] other than would
[illegible] charity, including the policy for
transfers may arise, for example,
and it is the policy of the
is in accordance with the
[illegible]
[illegible] the
of the accounts.
ation to heritage assets and the

angible fixed assets, and is
e of those assets subject to
ithin the general fixed asset
udit. Which is not required to
ibed under the accounting
edit their circumstances. If
ry

funds to designated funds,

cular circumstances.

: of Recommended Practice for ts
arity Commissioners for England oc
the satisfaction of all debts
n order to comply with the new
transferred to some other

vith the FRSSE

e accounting treatments adopted
d by another party.

7,086

ance to protect the charity from agents, or to indemnify its default on their part. The sum

Recommended Practice for Wales revised June 2008)

e read together with these

2021

ie year

is figure is included the debtors he market value of investments

5

HAWA

Schedule to the Statement of Financial Activities
for the year ended 31 March 2021

Status of this schedule to the Statement of Financial Activities

This schedule is an intrinsic part of the accounts required to comply with the 2008 Recommended Practice for Accounting and Reporting issued by the Charity Co Wales, effective April 2008. However, it is not a part of the statutory accounts requ the Companies Act 2006 in relation to incorporated charities.

Incoming Resources

Incoming Resources from generated funds

Voluntary income

Sponsorship income	31,996	-
Total other voluntary income	**31,996**	**-**
Total Voluntary Income	**31,996**	**-**
Total Incoming Resources	**31,996**	**-**

Resources Expended

Charitable activities

Accountancy fees other than examiners/auditors	230	-
Total Support Costs	**25,979**	**-**

Grants paid

Total expenditure on charitable activities 25,979

Analysis of grants not subject to a statutory audit

Analysis by resource classifications to sū

Grants to institutions

Funds for service delivery and programme or project work

(including management and administration costs)

Total grants paid

The following appendices are attached to detail the activity analysis req

Revision of the Statement of Recommended Practice for Accounting and

by the Charity Commissioners for England & Wales, effective April 2005.

Disclosure

201 *The analysis and explanation should help the reader of the accounts understa*

relate to the objects of the charity and the policy adopted by the trustees in pursui

202 *The notes to the accounts should identify the amount of support costs associa*

activities.

203 *The analysis and explanation in the notes should provide details, with amounts*

total of grants payable of:

(a) the total amount of grants analysed between grants to individuals and grants to

(b) an analysis of the total amount of grants paid by nature or type of activity or pr

supported.

This statement may, for example, be structured as shown in Table 6 **(which is in**

template *'Analysis of grants':*

204 *The analysis of grants should provide the reader with an understanding of the*

projects being funded by the grantmaker. This analysis of grants should relate to th

for example, categories may be social welfare, medical research, the performing ar

in financial need, help to people seeking to further their education, depending o

Some charities may decide that it is appropriate to provide further or alternative le

perhaps for example, showing a geographical analysis of the value of grants made.

205 *The trustees may give further analysis and explanation of the purposes for wh*

part of the Trustees' Annual Report or by means of a separate publication. Such fur

not excuse the trustees from providing sufficient detail in the notes to the accounts

provide a true and fair view.

206 *If a charity has made grants to particular institutions that are material in the*

charity should disclose details, as specified in paragraph 207, of a sufficient numbe

grants to provide a reasonable understanding of the range of institutions it has

may be provided either in the notes to the accounts, or as part of the Trustees' Anr

separate publication. Where the analysis is contained in a separate publication, it s

England & Wales ONLY - Not Scotland

Revision of the Statement of
ommissioners for England &
uired under the provisions of

Guidance on technical and professiona
Sponsorship income

manually override if necessary

31,996
31,996
31,996
31,996
7,960
4,436
2,155
1,143
140
1,993
230
230
25,979

[Type your text here]

Enter the costs to be reallocated and they
entries in this section as negative en

Do not make any entries in these two rows
Governance section and the other resourc
necessary

Review the detailed disclosure notes in
requirement to analyse institutional grant
requirements, but it may be that additiona
fully meet the disclosure requirements

Note the exemption for small charitie
to analyse by activity, but may
circumstances. If advantage is tak
necessary. Simply enter the total gra

236



y will automatically appear in the relevant sections. **Make the tries**



analyse by resource classifications to suit their
s. They will automatically update when entries are made in the
of this exemption, this reallocation of costs will not be
es expended section

the grants section above. This schedule complies with the
s, and the note ' Analysis of grants' meets the other disclosure
al text is required either here or in the notes to the accounts to

es not subject to a statutory audit which is not required
analyse by resource classifications to suit their
en of this exemption, none of this analysis will be
nts on one line

HAWA

Analysis by activities of total expenditure, grants, support costs and charitable expenditure

Appendix 1

THIS WILL AUTOMATICALLY AUTOHIDE

Analysis of Total Incoming & Outgoing Resources by Activity

for the year ended 31 March 2021

SORP 122 states

'Where material, details of the types of activities undertaken to generate voluntary income should be provided either on the face Activities or in the notes to the accounts. As far as possible the analysis categories provided here should match the detailed ana generating voluntary income.'

There are also other sections in the SORP which prescribe analysis of various items by activities, using tables whose layc (Tables 4, 5 and 6) and paragraphs 146,166/167,175/176,183/184

This template provides for six activities, but many charities will have more than six. In such cases, further columns will have to be adde **formulae are correctly maintained.**

This section of the template should be printed off , in **landscape format**, (by using the '**Page setup**' feature on the Excel '**file**' menu), the accounts printed by the VT software. The page breaks may need manipulation, so that these tables can be bound into the accounts.

A description of the activity will have to be used to replace 'Activity 1' etc.

Ensure that the page number references in the accounts include these schedules.

Care should be taken to ensure that the activities described are consistent with those described in the trustees' report.

Note the exemption for small charities not subject to a statutory audit which is not required to analyse by activity, bu classifications to suit their circumstances. If advantage is taken of this exemption, none of the schedules in this appendix

	Grants	Public Grant Fund	BBC Fund	Grassroots Funding	Activity 4	Activity 5
	£	£	£	£	£	£
Incoming resources from generated funds						
Voluntary Income	-	-	-	(7,785)	-	-
Activities for generating funds	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-
Incoming resources from charitable activities	-	-	-	-	-	-
Other incoming Resources	-	-	-	-	-	-
Total Incoming Resources	-	-	-	(7,785)	-	-
Costs of generating funds						
Costs of generating voluntary income	-	-	-	-	-	-
Fundraising trading: costs of goods and other costs	-	-	-	-	-	-
Investment management costs	-	-	-	-	-	-
Costs of charitable activities	-	-	6,074	-	-	-
Governance costs	-	-	250	-	-	-
Other resources expended	-	-	-	-	-	-
Total resources expended	-	-	6,324	-	-	-
Net Incoming Resources by activity	-	-	(6,324)	(7,785)	-	-

Proof this line will autohide if the cross cast is correct and agrees to the TB- see difference to right

HAWA

Appendix 2

Analysis of Total Support Costs by Activity
for the year ended 31 March 2021

Nature of support costs	**Grants** **£**	**Public Grant** **£**	**BBC Fund** **£**	**Grassroots Funding** **£**	**Activity 4** **£**	**Activity 5** **£**
Management	-	-	-	-	-	(250)
Finance	-	-	-	-	-	-
Information Technology	-	-	-	-	-	-
Human Resources	-	-	-	15,640	-	-
Total support costs analysed by activity	-	-	-	15,640	-	(250)

	2021 **£**
The above amounts are shown in the accounts as	
Support costs for generating voluntary income	-
Support costs for fundraising trading	-
Support costs for charitable activities	25,979
Support costs for grants paid	-
	25,979

The basis of allocation of costs and the methods used are described in note 10 to the accounts

Proof - this line will autohide when total support costs in accounts agree to the analysis above - see difference to right

HAWA

Appendix 3

Analysis of charitable expenditure by activity
for the year ended 31 March 2021

Nature of charitable expenditure	**Grants** **£**	**Public Grant** **£**	**BBC Fund** **£**	**Global giving** **£**	**Activity 4** **£**	**Activity 5** **£**
Actvities undertaken directly	-	-	-	-	-	-
Support costs of charitable activities	-	-	-	-	-	-
Total charitable expenditure analysed by activity	-	-	-	-	-	-

An explanation of the main features of charitable expenditure is given in note 11 to the accounts

Proof - this line will autohide when charity costs in accounts agree to the analysis above

Appendix 4

Analysis of grants made by activity
for the year ended 31 March 2021

	Grants **£**	**Public Grant** **£**	**BBC Fund** **£**	**Global giving** **£**	**Activity 4** **£**	**Activity 5** **£**
Grants to individiduals	-	-	-	-	-	-
Grants to institutions	-	-	-	-	-	-
Total grants made analysed by activity	-	-	-	-	-	-

An explanation of the main features of grants paid is given in note 11 to the accounts

of the Statement of Financial
lysis provided for the costs of

Total
£
31,996
-
-
-
31,996
-
-
-
25,979
-
25,979
6,017
(20,126)

out is specified by the SORP

d. **If this is done ensure the**

and be attached to the back of

ut may analyse by resource
k will be necessary

2021 Total
£
(250)
-
-
15,640
15,390

(10,589)

2021 Total
£
-
-
-

(25,979)

2021 Total
£
-
-
-

Formula driven text is placed here and then refe
in the main body of the accounts

This worksheet also contains reference text whic
the relevant places

The trustees present their report and accounts f

for the year ended 31 March 2021

for the period from 1 April 2020 to 31 March 202

for the year ended 31 March 2021

year

s
s'
present
their
are

The trustees acknowledge their responsibilities f

The directors who served during the year and th

for the information of the directors only

The report of the directors has been prepared in

If full provision had been made for deferred taxa

Net Movement in funds

Library of sample texts taken from real cases that may be adapted to the circumstances

A Trustees Report

A summary of the objects of the charit

Example 1

The charity's objects and principal activities
association continue to be that of promoting

the relevant places
(both religious and secular) consistent with the
fostering good relations with other Christian der

Example 2
To advance Christian religion in accordance with
to relieve poverty of persons in the area of b
clothes and shelter ;
to hold church meetings on Sundays , including
to hold bible studies and housegroups weekly in
to continuously provide soup kitchens and food
to provide free furniture distribution in *;
to provide free childrens' clothing distribution in

Example 3
The object of the charity is to advance the edu
West * by encouraging and promoting the recu
support for, ethnic minority school governors.

Example 4
The Charity's Objects ("the Objects") are:

i) the relief of poverty amongst individuals ar
bodies in * and surrounding areas, the works c
aged, the disabled or the infirm, or of such
renovation and distribution of donated furnitu
trustees think fit.

ii) the promotion directly, of a more efficient
education and disseminate information to encou
the Objects and thereby develop the use of mor

Example 5
The Charity's objects are to promote any char
and surrounding areas ("the area of benefit") b
preservation of health and the relief of poverty,

The principal activity continues to be that of pr
publicly available advice to members of the pu
receive through locally and nationally co-ordina
is delivered through the two main sites locate
based at HM Prison * and through specifically fu
The Bureau’s Board, staff and volunteers re
community and as part of the ongoing strat
appropriate funding to meet those needs.

Example 6
The object of the charity shall be the provision
inhabitants of * and * and the neighbourhoo
without distinction of political, religious or othe
classes, and for other forms of recreation and
the condition of life for the said inhabitants; ar
The said land and building shall be held upon tr

Example 7
The charity’s principle activities continue to be
children primarily under statutory school age by

* Encouraging parents to understand and provi
groups and by offering appropriate play, educ
together with the right of parents to take resp
of such groups, ensuring that such groups offe
culture religion, means or ability;

the relevant places
culture religion, means of ability;

* Encouraging the study of the needs of such ch
interest in and recognition of such needs;

* Instigating and adhering to and furthering the
Alliance;

* To educate boys and girls up to school leaving
to develop their physical, mental and spiritual
individuals and members of society and that th

Example 8
a) The relief of sickness and distress amongst v
of, suffering from sexual exploitation, traffick
reference to the role of pimps. Through the pro
support, signposting, education and safe accom

b) To advance public education about prostitutic

The charity's aims including the chang
through its activities.

Example 1
The Charity aims:-
1) to benefit those less fortunate by providin
without charge, thus giving them self esteem ar
2) to recycle goods wherever possible.

Example 2
The charity shares the aims of the National Assc
Ensure that people do not suffer through ignora
to express their needs effectively, and equally;

To exercise a responsible influence on the deve
By its efforts to implement these aims, the ch
people living in North *, in particular throug
problems with debt, sustaining tenancies and a
adverse effect on their lives.

The Board is satisfied with the performance of
March 2006. It considers that the charity is able
and that the charity's assets are adequate to ful

Example 3
The charity's aims are the social, artistic and
benefit. For this purpose, the programmes of de
four phases, of which phases one and two are
structurally sound and building an extension to
the first floor). The third phase of developmer
existing large one plus refurbishment of toilet a

the relevant places
will be initiated in the future to provide, on th
parking facility.

Example 4
The charity aims to provide pre school and v
parents' require it.

Example 5
To work with parents so that they can become a
and abuse of their children .
I) To help their own children get free of their abu
2) To enable them to become equal partners wit
3) To alert government and other agencies t
implementation of new legislation to combat se
4) To enhance public awareness and understanc
including their grooming processes and i
stereotyping of girls and women in prostitution
5) To encourage and support parents to work
mutual support.

An explanation of the charity's main ob

Example 1
The main objectives are the relief of poverty
collecting as much donated furniture as possibl
to those determined as having a genuine need.

Example 2
The Bureau continues to work closely with othe
the * area which provide a similar service, the a
advice service in the North * area. The charity'
the benefit of the community in * and surrou
protection and preservation of health and the re

Example 3
The main objective of the trustees for the year
intend to keep a close control of our financ
profitability.

Example 4
The charity aimed to attract sufficient children
continued progress, within the parameters of
secure sufficient external funding for its activitie
and by undertaking a variety of worthwhile anc
purposes.

Example 5
1. To maintain the direct support of parents in t
the course of the year. To equip parents to beco
2. To develop work in other parts of the countr
the work. (eg * and *)
3. In partnership with others to work with the po
pimps and pimping networks through e.g. the in
4. To influence government policy, particularly i
country' trafficking.
5. To increase the understanding and improv
families affected by pimping

the relevant places
families affected by pimping.
6. To increase the understanding of the gener
targeting and grooming - and the vulnerability c

Example 6
The main objectives of the charity are the cre
the needs of those requiring advice and repres
new increased and more effective work to co
identified needs from 04/05 develop clear pr
bodies in the city to respond to needs within the

An explanation of the charity's strategi

Example 1
The strategy is to acquire funding in order to su
the work to continue.

Example 2
The Bureau has a 3-year development plan cov
and strategies for implementation. The Develop
The Trustee Board held a day long meeting
operations and future developments and aims.

The Trustee Board has instituted a review of
organized by Citizens Advice called “Benchma
during the next financial year.

Example 3
Reducing costs: Staff costs to be reduced, more
of energy.
Enhance profitability: Creation of new spaces,
market research to ascertain a valid demand.
A 5 year business plan to give us a more clear, f

Example 4
The trustees seek to publicise the charity's ac
grant making organisations on a systematic bas

It also makes its premises and resources availa
in order that a contribution can be made to t
arising from the fees for such courses.

Example 5
1 and 2. Recruit a new parent support worker a
team leader/parent support worker and half tim
posts, the staff will:.
- equip parents with information about the pro
mediator between parents and children; gather
- support parents in the knowledge that they to
network days; offer telephone helpline, suppor
etc.
3. Convene and service a working party as
partnership press for introduction of appropriate
and deliver training to agencies. To speak on th
work with government and agencies; respond

the relevant places
- work with government and agencies; respond
4. The research worker to continue to respond
research report on the extent of 'in-country' traf
5. To produce a training manual for practition
families and to seek additional training opp
organisations.
6. To seek opportunities to deliver talks and alsc

Details of significant activities (includi
provided) that contribute to the achiev

Example 1
In fulfilling its aim of relieving poverty amongs
10,000 items of domestic goods and electrical a
by these accounts.

Within the goods delivered, 600 pieces of furn
than 500 electrical appliances have been check

Example 2
Activities in support of the achievement of the *

Continuing to provide and increase access to ge
- Improving access to premises, including devel
- Recruiting, training and supporting sufficient
service
- Developing more services targeted at hard-to-
- Consolidating and expanding services at * pris

Ensuring that the advice provided is of a high qu
- Provision of a full training programme for staff
- Arrangements for the effective supervision of a
- Maintaining referral arrangements with other s
- Using information technology to assist in recor
- Obtaining feedback from clients and using this

Carrying out effective social policy work by:
- Submitting client-based evidence to the social
- Attending local forums to raise issues of conce
- Identifying practices which exacerbate fin
institutions

Example 3
Significant activities are a community café, a
learning classes with possible accreditation,a ne
Groups using the hall include the Darby and J
Language classes, Art classes, Creative writing
Watchers, maths, digital imaging, smoking cess
There is an advice service and offices for Ass
Learning Net and Action * Mobile. The latter is
needs adults and children locally and abroad. Th
The local * Villages Partnership is also based at

Example 4
The charity provides a variety of activities and c
achievement of the core purposes.

In addition, the programme of adult courses is

the relevant places
In addition, the programme of adult courses is
charity to develop it courses for children.

Example 5
1. * was in receipt of a grant, initially from Th
Education and Skills under its Family Support Gr
Project Worker for three years full-time (2002-5
Parent Support Unit, based in *. The aim is to su
sexual exploitation by pimps and to help them
pursued six key activities:

(i) To identify and make contact with parents i
charitable trusts, has continued to support inc
and practical support through face to face me
have been handled up to 31 March 2006, mainly

(ii) To equip parents with information and unc
young people are coerced into prostitution. T
Advice to Parents, and various leaflets produce
has also published a Guide to the Sexual Offen
and Pimps: Families speak out about sexual exp

(iii) To equip parents to become active player
agencies in contact with their children – e.g. p
build up the capacity and confidence of parents
to build up collaborative links with police and sc
police officers in West * and South * in con
collaboration with the * of * City Council. She
She is discussing a joint service level agreemen

(iv) To equip parents to re-establish or improve
prostitution. * continued to carry out a m
conflicting perspectives into greater mutual und

(v) To raise awareness with wider groups of
prostitution by pimps. * has continued to
especially the media, to increase awareness o
literature widely. * played a major role in th
considered how children in shopping malls may
matter with the authorities at one large shoppi
and breaking up of the early stages of targeting

(vi) To champion the rights of parents with rel
regarding their children. * continued to assist p

The Charity's grant making policies

Example 1
Not applicable as no grants are made.

Social or programme related investmer

Example 1

the relevant places

Example 1
There were no such activities

The contribution of volunteers

Example 1
The Charity has a governing board of 8 trustees
of up to 10 volunteers at any one time on a re
schemes.

Example 2
The Bureau benefits, as always, from the ge
volunteers who are highly trained to ensure a
over 48 volunteers in both advice and admini
volunteers contributed a total of almost
Trustees/Directors of the Board are not employ
resigned from the Board due to taking up a pos
Treasurer and co-opted onto the Board. There h
year.
The Board wishes to express its thanks and a
friends and family, who have contributed and w
developing and delivering the services of the *
all the funders, whose generosity has enabled t
projects.

Example 3
Volunteers help with the Luncheon Club, café ar
The committee (trustees) is made up of volunte

Example 4
Volunteers are crucial to the operation of the ch
guardians of children using the facility are enc
aspects of the charity's activities.

Example 5
* does not have volunteers working for the ch
mutual support offered by parents to each ot
volunteer base and this will be a part of the rol
to develop in other parts of the country, * wil
volunteers who would be trained to offer su
volunteers will include parents themselves - th
possible.

Summary of main activities of the char

The particular way in which these objects and a

Example 1
These objects are pursued in a variety of ways,
representing the church community on a num
projects that are pursuing social justice and high

Example 2
To accomplish its main objectives, the charity
which are capable of being redistributed, withou
local or statutory authorities as having a genuin

In addition, electrical goods are collected from h
safety and suitability.

the relevant places

Within the past year, more than 3,750 collect
repair or refurbishment by in house staff were d

Example 3
Core funding for the Bureaux' generalist servi
continued on an ongoing annual basis. In M
following three years was cut by £33,000 to £2
to review its expenditure and staffing levels, a
generalist advice service. The new structure, i
Delivery and Development Co-ordinator and t
Managers with Advice Session Supervisors at e
worked effectively.

Example 4
The charity seeks to provide facilities and oppo
See previous list of the variety of courses and e

Example 5
The main activities of the charity are the provisi
4 year olds. The charity operates from 8am to
provide all day care for working parents or ses
objectives.

A babies and toddlers group meet once per
Matters framework.

Wraparound care is provided for primary schoo
walking bus service between school and the
children up to the age of 14 years within approx

A wide range of adult learning courses are of
classes in order to support the core activities.

Example 6
In relation to object (a):
- support of increasing numbers of parents
- dissemination of information
- building capacity and confidence of parents to
- mediating role between parents and children
- assisting parents to enjoy rights

In relation to object (b):
- increasing awareness of issues through media
- training for other service providers
- contribution to public policy and its implement
- research and publication, e.g. Parents, Childre
- third national conference
- website updates

A review of charitable activities undert

Example 1
The staff of the Charity have continued to o
donated furniture and white goods to those
statutory and support agencies who act for peo

the relevant places

Over the year 2,483 families have been able without any financial charge to themselves. cookers, washers, fridges etc) were refurbishe furniture.

The Charity has continued to provide a servic goods to those less fortunate within the City resources permit. Accompanying this servic conjunction with the local authority to re-use wh

Example 2
We do not, as a rule, undertake charitable a charities to achieve their objective.

Example 3
The charity has held a successful ball, holds m hall.

Example 4
1. General
The charity operates from the newly refurbishe different groups of people of all ages and abiliti the surrounding villages of South * and North * towns of *, * and *. Staff, tutors and voluntee employment within our catchment area and est

2. Pre-school
Pre-school education is being provided in line offers two full pre-school sessions each day, s breakfast and after school clubs. The Centre h olds. The Centre was running at full occupancy acceptable in the remaining morning and after been recruited to develop the children's grou groups.

3. Breakfast / After-School and Holiday Clubs
The Before and After School Club has increas valuable facility to a large number of workin attended and have included some very popular reputation.

4. Adult Education
In the last year, the Centre has run various co targets and outcomes agreed with the Learning the community's interest in life long learning.

Example 5
* functions largely through the grants it receive for every year it states what it hopes to achieve its performance against these criteria. It has funding bodies. This is true for 2005-6. Exampl this report, we refer back to the earlier sectior achievements and performance. It should b qualitative criteria are more prominent than qua and befriending them; helping them to assess a to deal with their trauma and gain confidence themselves and to link up with others affecte support, in relating to agencies as valued partne

the relevant places

Fundraising activities

Example 1 where there is no fundraising (
The charity relies on grant aid from the donors
There have been no other fundraising activities.

Example 2
The only fundraising activities carried out were

Example 3
Fundraising activities included a Ball, tea dance

Example 4
The charity has been supported by grants fro
fundraising events including the Annual Ball to

Investment performance achieved agai

Example 1
The trustees have adopted a statement of inve
the section of the trustees' report relating to in

The investment performance is monitored quart
investment principles. The capital return achie
externally was 5.0% during 2005.

The market investments are primarily with XY
discretionary manager of equities to limit
comparator.

Monitoring
Each of the investment managers provides a
including comparisons with appropriate externa
Subcommittee meets at least annually with t
detail and consider any other wider or strateg
managers consider appropriate.

The Investment Subcommittee will keep the n
review and report to the board of trustees at le
monitoring or any other material change of po
consider.

Example 2
There are no investment policies and objectives

Example 3
The Bureau has complied with its investment
section of this report by retaining the bulk of ar
Base Rate Tracker Account. The remainder of th
account to enable it to discharge its outgoings a

Factors relevant to the achievement of

Example 1
Factors affecting the performance of the Char
formulating their strategic plan, particularly rel

the relevant places
the City or the support agencies determine t
Authority withdraw its support then the Charity
manner should all donations of furniture be dive
would have to implement measures in place to

Example 2
Objectives have been achieved with the assistar
- Continued funding from * City Council, * Sp
giving bodies and organisations with which the
- The continuing contribution of the volunteer w
- A committed and stable paid staff base
- The co-operation of partner agencies

The achievement of the Bureau's aim of establi
the identified premises ultimately proving unsui
made in 2006-07.

Example 3
To become a self-sustainable enterprise. To ac
volunteers.To continue to access new funding
development programme.To continue to inte
consultation to identify demands of provision ar
local community so that they can actively part
management team/ trustee.

Example 4
* Monitoring of fixed costs i.e utilities etc
* Encouraging private hiring of the hall
* Maintenance of hall including preventative ma

Example 5
* The existence of similar organisations in neig
charity.
* Staff turnover and the impact of maternity lea
* The continuance of long term funding by publi
* Demographic changes in the local community.

Example 6
(i) There is a continual struggle to combat
agencies, the media and the general public.
(ii) One main negative factor is the difficulty o
to develop the work of *. It proves particularly
mainly in one local authority area and therefo
need national funding but tend to fall between
providing sufficient 'education' for parents; yet
pimps. In the Home Office we are not regardec
the children and young people. * would argu
supporting them in the long run may be the m
people.
(iii) * is a small organisation, with great demanc
not easy to remain focussed. We need some ad

Summary of the main achievements of

Example 1

the relevant places

Example 1

The charity has replaced a van , minibus and ca
time employee.

Example 2

The charity has :-

* Addressed the under representation of Black a
* Encouraged the take up of training for potentia
* Carried out information sessions in the commu
* Continued to operate a mentoring scheme
* Supported the work of local governor forums i
* Developed governor work in * and *

Important events during the period include :-
INSERT
Other key events with significant input from the
INSERT
Other significant work
INSERT

Example 3

Warehouse of furniture and clothing distributio
warehouse building will no longer be available s

A search for replacement premises is proceedin

Other church members continue to assist in oth

Two minibuses were acquired this year, one as
with funds from a charity who wished to remain

Children's outreach (*s Club) continued through
to lack of adult help in *.

The pastor became a full time paid employee fr

Example 4

The Charity has continued to provide a servic
goods to those less fortunate within the City
resources permit. Accompanying this servic
conjunction with the local authority to re-use wh

Example 5

The Bureau assisted people to claim an additi
through 178 representations at appeal tribunals

The Bureau assisted clients in the management
149 Clients were assisted to retain their hom
action .

63 clients were successfully represented at emp

The Bureau established two new projects – the
Centre - and was successful in obtaining cor
Training Project, Financial Skills Project and for
Pension Education Fund for a project due to star

During the year, the Bureau recruited 17 new
paid employment in advice work or a related fie

Example 6

the relevant places
The main achievements of the charity during t
for capital investment for the sum of £* from *
mainstream expenditure in the year 2006/2007.
Restructuring the staff situation within the
substantial saving in salary expenditure. We e
activity in using the available space.

Example 7
Our main achievements have been a successful
all maintenance work carried out and main fire

Example 8
Subject to the limitations described above, wh
main achievements:
- support of increasing numbers of parents - nea
- increased dissemination of information - incluc
- building capacity and confidence of parents to
- mediating role between parents and children
- assisting parents to enjoy rights
- increasing awareness of issues through media
- training for other service providers; increase
major conferences
- contribution to public policy and its implem
'Paying the Price' and the more recent 'Traffickir
- research and publication, e.g. Parents, Childrer
- third national conference .
- increased national recognition e.g. by ACPO (A

Significant changes and developments and plans for the future

Example 1
Important developments during the period inclu
Board, the * Trust and the local authorities in the

Example 2
The charity plans to introduce separate children
The charity plans to purchase a building to acco
The charity plans to lease vehicles in the future.

Example 3
*s objects and broad aims, as set out on pages
aims and the differences * seeks to make in so
case:

1. To work with parents so that they can co
exploitation and abuse of their children. Stra
work of the Parent Support Worker, and to deve
country in collaboration with other agencies.

2. To work with parents to help their own childr

the relevant places
with information about the processes of targ
between parents and their children to keep
systematically and arrange additional support fo

3. To enable parents to become equal partne
knowledge that they too are experts; to advo
agencies, particularly police and social servic
relevant agencies.

4. To alert government and other agencies to th
combat sexual exploitation; highlighting the im
encouraging consistent best practice. Strateg
Worker to develop further relations with strateg
and to respond to further government consultat
implementation.

Nature of the Governing Document and

Example 1
The charity is constituted as a company lim
memorandum and articles of association. The
charity. Eligibility for membership of the cha
governed by the memorandum and articles of
document on the operation of the charity or on
general charity law.
OR
The restrictions in the charity's activities impose

Example 2
The Charity is an unincorporated association g
the charity, and membership of the board of t
restrictions in the governing document on the c
other than those imposed by general charity law

Example 3
The Charity is incorporated and governed by its

The Charity has a Management Committee of
responsibility for policy and major decision mak

Day to day management and responsibility fo
General Manager. There are 8 full time and 3 p
employment trainees.

The methods adopted for the recruitme

Example 1
When new or additional trustees are required t
to submit nominations and subject to their
Association they are considered by the governin

Example 2
Other than the Trustees and those persons co
related parties.
Details of transactions with related parties are
remuneration and expenses paid to Trustees.
The Trustees are appointed at the Charity's An

the relevant places

third AGM following the AGM at which they were
is filled by co-option of a person onto the board
Annual General Meeting. The District Manage
authorised in the governing document. No third

Example 3
New trustees are recruited from Village Hall reg
The appointment of new trustees is proposed
meeting by the members.

Example 4
* seeks to appoint trustees who have relevar
included ensuring that those directly affected b
is complemented by appointing as trustees
administration or relevant professional experier
trustees almost from inception

Example 5
Election onto Executive Committee entitles Trus

The policies and procedures adopted fo

Example 1
Prior to being elected nominees are invited to a
the warehouse premises, to meet trustees and r

Should they be appointed they are provide
Commission and Companies House as well as
the content of work for a trustee.

Following this arrangements are made, on a
deemed to be of advantage to any trustee.

Example 2
To enable the Bureau to meet those needs, sta
to deliver quality advice and service to the
Association of Citizens Advice Bureaux (now k
review every three years to demonstrate it me
national association. The last review was carried

Example 3
We have at the moment no policy or procedure
don'ts" publication provided by the charity.

Example 4
All new Directors are provided with an informat
articles of association, reserves, financial pe
marketing plan. All directors are asked to sign a
individual and how the directors as a group will

Example 5
* is currently seeking new and younger trustees
e.g. legal knowledge and additional fundraising
– by approaching known individuals who migh
requirements to the * CVS. New trustees will
joining the management committee as observe

the relevant places

also be given information about the role and re
Commissioners

Example 6
First meeting a new trustee attends with Obser
Membership Pack.

The organisational structure of the cha

Example 1

The pastor retains oversight of all church matte
trustees.

Trustees meet regularly on a monthly basis
thereof. Matters of general concern are raised w

All matters are subject to prayer and God's direc

Example 2
The board of trustees meets monthly as a full b
activities of the charity in terms of finance, thec
committee comprised of the honorary officers
subgroups make recommendations to the boar
of the charity have delegated authority to carr
board. Financial standing orders give necessary

Example 3
Subject to the provisions of its constitution, the
committee, which meets not less than once eve

The committee are elected at an Annual Genera

a) 10 community representatives (2 from ea
Parents' Associed or other community based

b) 2 representatives from the Racial Equality Co

c) 1 representative from each of the West * LEAs

d) 3 co-opted members

All questions at any meeting are determined by
each member having one vote. In the event
second vote as a casting vote.

Example 4
The Charity has a Management Committee of
responsibility for policy and major decision mak

Day to day management and responsibility fo
General Manager. There are 8 full time and 3 p
employment trainees.

Example 5
The Bureau is managed by the Board of Dire
charity. The Board met on nine occasions th

the relevant places
committees, ‘Finance’ and ‘Staffing’ comprisi
reference for both sub-committees were conf
meets on a quarterly basis to set and monito
matters in depth. The staffing sub-committee m
general staffing matters and to set human reso
occasions. Ad hoc working groups are establ
promptly to the Board and decisions are ratifiec
to the District Manager who is supported by a
Delivery and Development Co-ordinator, two Ac
administrative support staff.

Example 6
We have a board of trustees which also acts as
sub-group is formed called "the executive group
and reports to the board of trustees.

Example 7
Directors and Committee meet regularly on a
implementation thereof. Matters of general conc
The Directors are elected at an Annual General

a) A Chairperson, a Treasurer and a Secretary.
b) Not less than 2, nor more than 9, elected Mer
c) If they so decide, not more than 3 Members n

All questions at any meeting are determined by
each member having one vote. In the event of a
vote as a casting vote.

Not less than 60 per cent of the Directors, inclu
or co-option be family Members. In the eve
Members in General Meeting may elect Affiliate
those Affiliate Members being approved by the I

The Directors and Committee shall be elected f
Retiring Directors are eligible for re-election u
capacity for six consecutive years.

Membership of a wider network

Example 1
The Charity has no responsibility for nor is it ans

Example 2
The Bureaux is a member of the National Asso
Advice. The Bureaux is one of the participating I

Example 3
We network with other organisations within the

the relevant places

Relationships between the charity and

Example 1
The Charity has a trading subsidiary with which
The only other related parties are trustees and t

Example 2
Other than the Trustees and those persons co
related parties. Details of transactions with rel
This includes remuneration and expenses paid t

Example 3
We have no related parties or subsidiaries.

The major risks to which the charity is
systems to mitigate risks

A SUGGESTED GENERAL STATEMENT AS RE
FOR THE SORP 2001
(and has not been replaced by subsequent gu
justification for omitting further description whe

The trustees identify the major risks to whic
preparing and updating a strategic plan, in part
the charity. The trustees then review any ma
systems to mitigate those risks. The charity is s
exposure to the major risks which have been so

SPECIFIC ALTERNATIVES THAT MAY THEN B

Example 1
The charity is not exposed to risks involved in
income from investment capital. The review
these are incorporated in the Investment Princip

Example 2
The charity is open to the usual financial risks
controls to minimise these risks, such as two si
account. In addition, the accounts are regularly
member's inspection at any time.

Example 3
Work with children and vulnerable adults is c
counselling is done in pairs, as is children's' wor

Example 4
New workers are vetted and any problems discu
the Criminal Records Bureau

Example 5
Risk factors would arise should there be no
adequately housed with sufficient furniture ar
donations of furniture and household goods we
carry out the function themselves. Regular me
confirm that the need for our services is still on
alternative operators. Whilst there is no way
adequate financial reserves are held to enable
should the occasion arise.

The trustees are assisted in their annual review
trustees on any matter that comes to light in t
an intrinsic part of the audit

the relevant places
an intrinsic part of the audit.

Example 6
The major risk of this charity is to trade insolve
owns its asset and freehold.

Relationships with other groups, charit

Example 1
There is a monthly open church meeting for all *

The charity works with * and * with the homeles

Example 2
The charity works closely with the five local autl
** in order to address under representastion
governors.

The charity uses the regional conference to
parents and community groups.

Example 3
The Charity has developed working links with n
who request help on behalf of their clients, as
out similar work and the local authority.

Example 4
Our relationship with other charities and grou
required for which they will incur a fee. Occasi
reduced rate depending on need and ability to
members of the local community or charities of

Example 5
We have an ongoing relationship will all local or

Example 6
* is virtually unique in its focus on the disru
affected parents, but is similar to many othe
suffering from sexual exploitation, trafficking or
contacts with such organisations, locally and
learning, and to avoid duplication of effort.

Policies on reserves.

Example 1
The trustees have resolved to establish reser
funding for the expected expenditure for six mo

The policy on reserves is that the existing ass
wholly utilised to support existing activities. Th
or reduce the capital significantly from £Y. This
income at the present levels in order to maintai

Example 2
The trustees have resolved to establish reser

the relevant places
The trustees have resolved to establish reser
have wide powers of investment.

Within those powers, a policy has been determ
income which is wholly utilised to support existi
to restore the balance of the capital held in ord
activities of the Charity.

Reserves held are considered only sufficient t
further income fail to materialise and are hel
policies have not been considered, as the Chari
short term requirements.

Example 3
The company is limited by guarantee and there
Development planning a Reserves Policy has be
- Unrestricted Reserve – to build enough to cove
- Contractual Reserve – to cover legal & contrac
redundancies
- Equipment Reserve – to cover equipment repla
- Restricted Reserves - for funds restricted by dc
of the bureaux
In the financial statements, the first three iten
they are not subject to any restriction in law.

Example 4
We have no designated reserves.

Example 5
To have a sum equal to the annual turnover in r
**Note that good practice requires that spe
general statement as above.**

Funds in deficit

Example 1
Unrestricted revenue funds are in deficit, but a
unrestricted funds are in surplus, which means
conditional sale of the properrty does not proc
almost eliminating the deficit. If the sale does p
The actual deficit is small in absolute terms,
position.

Example 2
We have no funds in deficit.

*Principal funding sources and how exp
supported the key objectives of the cha*

Example 1
Principal funding sources are the local authori
trusts.

Whilst the majority of funding has been as
charitable trusts has led to an overall reduction

Example 2
Grants and donations were received from a var

the relevant places
Grants and donations were received from a var
Detailed Statement of Financial Activities on pag

The '*' club operated by North * CAB has contin
up shares. All the profits made by the * club, a
volunteer expenses.

Important transactions during the period includ
* Specialist Advice Services and the Community

Example 3
Principal funding sources are income from act
funding is related to capital development. Our
solvent.

Example 4
Our principle funding sources are monthly tea
hall to sports and leisure clubs and the annual v

The investment policy and objectives, i
environmental or ethical consideration

A SUGGESTED INVESTMENT POLICY FOR A
THIS COULD BE ADAPTED FOR A SMALLER

Statement of Investment principles

1. Background
The Charity is an incorporated charity whose a
assets in the form of investments and property.
The current financial policy is to use the build
further the objects of the charity.

2. Investment Objectives
In order to guide the investment strategy the bo
* to protect a steady annual income which a
activity of the charity over the long term
* to follow an investment policy designed to
inflation and protects the real value of cap
* to follow a policy which provides high secu
commensurate with the ethical guidelines

3. Risk
The assets of the charity will be exposed to v
following risks when agreeing their strategy:

* The risk that investments will not deliver t
values expected
* The risk that the properties or investment
projected.

4. Investment Strategy
The strategy adopted is to invest the assets in
The investments are held and managed by inv
day to day management of the assets.
The current proportions adopted are approxi
investment markets, which are primarily equit
the achievement of the investment objectives
return.

the relevant places

5. Ethical position
The charity has adopted the same ethical guide
to the discretionary managers are to comply wit

6. Day to day management
Any changes to the directly held property p
obtained advice from qualified professionals. Th
a more extensive property portfolio is not antici

The majority of the invested assets are held in t
the Church of England ethical guidelines. The
capital growth. The Fund is predominately inves
66.2% in UK equities, 15.9% in overseas equi
Expenses of management are deducted within t

The investment manager has a fully discretiona
the ethical guidelines. The manager aims to pr
mix of UK and overseas equities and other coll
of discretionary management are met throug
reduced rate of commission the manager earns

Example 2
Investment policies have not been determine
purposes.

Example 3
As the income of the Bureau is almost entirely
the provision of ongoing services for which acc
determined that such funds should be held in a
in an interest bearing Deposit account.

Example 4
We do not have any investment policy. All our
reinvested in the charity.

Example 5
In order to guide the investment strategy the Bo
- to protect a steady annual income which allow
charity over the long term;
- to follow an investment policy designed to pr
protects the real value of capital over the long t
- to follow a policy which provides the highest se

Risk:
The Board considers that it is not proposing exp
years. The risks are that sufficient funds will
make every effort during the coming years to
and ongoing funding after that for existing work

Investment strategy:
The strategy adopted is to invest an appropriat
the * Building Society, in view of its current rate
Social, environmental and ethical considerations

Monitoring:
The Treasurer will monitor the performance of th

the relevant places

Availability and adequacy of assets of

Example 1
The board of trustees is satisfied that the charit
fulfil its obligations in respect of each fund.

Accounting policies Sample Texts for resou

Sample AA1
Costs of generating funds
The costs of raising and generating funds shall
fees incurred in respect of investment managen

Sample AA2
There are no costs that are attributable to the g

Sample AA3
The direct costs attributable to fundraising

Sample BA1
Charitable expenditure
Charitable expenditure shall include all expenc
charity including the following :-

Grants payable in furtherance of the charity's ol

The Charity receives grant applications from a
application is considered by the board of truste
board may accept or reject the application or ac

Although there is no legal liability to pay any gr
it is open to the board to withdraw an approv
payment of a grant , the accounting treatmen
specifically to the client's activities in the currer
upon approval , and to include grants relating t
financial committments shown in note **INSERT**

At 31st December 2001 there were £*** of
creditor for this sum is reserved in the accounts

Activities in furtherance of the charity's objectiv

The cost of goods and services and ancillary
charitable activities.The Manager and Assoc
development and therefore the relevant sala
expenditure.

Support costs of activities

Support costs of activities for charitable pur
Manager and the Associate Manager as they a
other project costs

the relevant places
other project costs.

Sample CA1
Sample CA property previously occupied by the
This asset has been transferred at written down
Governance costs
Governance costs shall include all expenditure
including expenditure incurred in the mar
administration and compliance with charitable a

Sample DA1
Allocation of costs within types of resource

There are a number of costs, including staffing c
precisely between administration and charitabl
costs on the basis of reasonable estimates as fo

Staffing costs and related expenses

On the basis of salary costs, and hours spent on

Premises costs and related expenses

On the trustees estimate of space allocated to c

Sample DA2
Allocation of costs within types of resource

The charity's operating costs include staff co
allocated between types of resources exp
management and administration on the basis of

The bases of the estimates used were :-

Sample DA3
Allocation of costs within types of resource

Administration expenditure includes all expen
respect of certain items of expenditure it is a
direct charitable expenditure or are adminis
consider to be reasonable judgements in apppo

The bases of the judgements used were :

Sample DA4
Allocation of costs within types of resource

The methods and principles for the allocation a
activity categories of resources set out above
contributes to the particular related source of i
specific activity, whereas all other costs are allo

Stocks and work in progress

Example 1
Stocks are valued at the lower of cost or net
considered to have no material value for accour

Accounting Policies - Capital Grants - worked example EA1

A Charity receives two capital grants or gifts of

the relevant places
on the asset's future use or disposal. The oth
disposal.

In the SOFA , incoming resources is credited w
restricted purpose that they must be expende
incoming restricted funds.

In the SOFA, in the rnasfer of funds section. £3(
funds, with £10,000 going into designated fixec
asset funds.

Assuming no depreciation in year 1, and ignorir
will then be fixed assets £30,000, restricted fix
£10,000 and unrestricted revenue reserves nil.

A contingent liability note will be shown in res
contingent repayment. The fixed asset notes wil

Assume straight line depreciation of 25% The k
restricted fixed asset funds £15,000, restricted
reserves of nil and the SOFA will show a
depreciation of £7,500 as a cost, and a tran
revenue reserves of £5,000 and from designate
of £2,500, showing a net nil movement in unres

A contingent liability note will be shown in res
contingent repayment. The fixed asset notes w
shown as a creditor instead of a contingent liabi

Subsequent years will follow the same principles

Sample EA2

The board of trustees consider that , in orde
Practice for Accounting and Reporting issued b
(effective October 2005), gifts of tangible fixed
purposes and fully utilised in the furtherance o
relevant fixed asset fund after the sums have be
related asset is shown in the balance sheet at th

If the related assets are subject to restrictions
disposal, then these restrictions are noted in
circumstances, the fixed asset fund created
related assets are depreciated, then a trans
unrestricted revenue reserves to reflect the dir
year, a sum of £* (2005 - £*) was transferr
revenue reserves.

If the related assets are not subject to restrictio
disposal, then the fixed asset fund created
related assets are depreciated, then a trans
unrestricted revenue reserves to reflect the din
£*) was transferred from designated fixed asset

Any residual liability to the donor arising from,
contingent liability unless the event that would
which case a liability for repayment is recognise

the relevant places

Insofar as this policy relates to Government gra
the Statement of Standard Accounting Practice
that it is in order to comply with the Stater
Reporting (effective April 2005) issued by the Cl

Non returnable deposit on possible sal

The receipt of a none returnable deposit on th
recognised as income on the grounds that it wil
incentive to enter into the conditional contr
unrestricted fixed asset funds on the grounds t
then the capital receipt will be reduced by this a

Accounting for branches

The branches operated by the charity at *, * and

Text of SORP re fixed assets para 253 to 278

**Tangible Fixed Assets (other than Investm
SORP paragraphs 253 to 278**

253 FRS 15 “Tangible Fixed Assets” requires tha
(a) all tangible fixed assets should be capitalis
sheet at cost or valuation;
(b) tangible fixed assets may be periodically rev
(c) subsequent expenditure which enhances (
fixed assets should be capitalised.
254 Within charities, tangible fixed assets (oth
held for charity use (including those used for
those classed as heritage assets (Glossary GL 3
for inclusion of tangible fixed assets in the b
definition of an asset and should be recogni
However, particular considerations arise where
obtained at significant cost or where suc
recommendations for the accounting treatment
294.

General Rules for Tangible Fixed Assets

255 Tangible fixed assets should initially be inclu
(a) The cost of acquisition including costs that
working condition for their intended use. This
construction of such assets but only where the
fixed assets and capitalisation of interest shoul
whether assets are bought outright or through h
(b) If a functional fixed asset is acquired in full
included at its full acquisition cost (or in the c
charity’s share in the asset (see paragraph 416)
(c) Where functional fixed assets have been dor
their current value at the date of the gift and
(see paragraph 111) as an incoming resource.
(d) Where functional fixed assets are capitalise
result of a change in accounting policy, they s
which the gift was included in the Statement o
However, if neither of these amounts is ascert
current value to the charity should be used. Su

the relevant places
carrying amount and will not be regarded as a r
256 Where the net book value of a fixed ass
impaired and should be written down to its re
paragraphs 267 to 272.

Rules for Mixed use of Fixed Assets (Funct
257 Where land and buildings are held for m
partly as investment, the balance sheet categor
primary purpose for holding the asset and the
criteria for balance sheet analysis should be adc
(a) Land and buildings held primarily for charit
should be regarded as functional fixed assets a
asset is wholly or mainly used for charitable pur
(b) Land and buildings held primarily for inves
wholly or mainly used for investment purposes
category of the balance sheet.
(c) Land and buildings which contain clearly
purposes ie. partly functional and partly investr
apportioned and analysed in the balance sheet

Depreciation of Tangible Fixed Assets (oth
258 Most tangible fixed assets depreciate; that
reduction in their useful life through use, the
gradually expended over their useful economic
of an annual depreciation charge in the Staten
sheet as accumulated depreciation deducted fro
259 Tangible fixed assets held for use by the ch
be depreciated at rates appropriate to their us
depreciation arise where any of the following co
(a) the asset is freehold land which is considere
(b) both the depreciation charge and the accum
(i) the asset has a very long useful life; or
(ii) the estimated residual value (based on price
revaluation) of the asset is not materially differe
If depreciation is not charged because of imma
an annual impairment review (except for charitie
(c) the assets are heritage assets and have not
279 to 294).
260 The useful economic lives and residual val
the accounting period and, where there is a
depreciated over its remaining useful life.
261 Where a fixed asset for charity use compris
different useful lives, each component should b
over its individual useful life.

Revaluation of Tangible Fixed Assets (othe
262 In accordance with FRS 15, tangible fixed a
be revalued unless the charity adopts a policy o
it need not be applied to all fixed assets it must
if an individual fixed asset is revalued, all other
assets can be narrowly defined, within reaso
paragraph 273).
263 When an asset is donated or when it is ca
policy, its initial valuation will not be regarded
class of such assets to be revalued.
264 Similarly, where a charity was holding
requirements first applied, (for accounting perio
be regarded as a revaluation and no requireme
unless the trustees so choose.
265 Where there is a policy to revalue fixed ass
The trustees may use any reasonable approach
obtaining advice as to the possibility of any

the relevant places
obtaining advice as to the possibility of any
Where a charity has a number of such assets, it
a rolling basis over a five-year period. Independ
in the case of a charity, which instead may ob
could be a trustee or employee (see Appendix 2
266 In the case of assets other than properti
second-hand market for the asset, or appropria
with reasonable certainty by an appropriate p
internal or external to the charity. Where this m
updated annually. As an alternative to market
replacement cost (see Glossary GL 18).

Impairment of Fixed Assets for Use by the
267 On rare occasions a functional fixed asset n
(net book value, at cost or valuation) is higher
would require it to be written down to its recov
of the net realisable value and the value in use.
268 Value in use is normally the present value
asset's continued use. However many charitie
purpose of generating cash flows either by the
cases it is not appropriate to measure the value
future cash flows. Instead an alternative measu
as the intrinsic worth of the service delivery or
determine its own measure of service deliv
consistently operated.
269 Impairment reviews should only be car
recoverable amount of a functional fixed asset
far as possible, be carried out on individual as
assets can be grouped
(see FRS11 paragraphs 24 to 28). Events or cha
(a) physical deterioration, change or obsolescen
(b) social, demographic or environmental cha
charity;
(c) changes in the law, other regulations or s
charity;
(d) management commitments to undertake a s
(e) a major loss of key employees associated wi
(f) operating losses on activities using fixed asse
270 Where an impairment review is required,
value of the asset. If this is lower than the
considered. If the value in use is considered t
valued at the net book value. If a decision is
expected net realisable value.
271 Value in use calculations should not be us
instance when a new specialised asset is purcha
it is unlikely that it will suffer an impairment in s
272 Where there is an impairment loss that ne
in accordance with the requirements of FRS
methods for some assets). The loss should be t
Statement of Financial Activities in accordance
the asset should be depreciated over its remain

Disclosure
See the fixed asset notes in the notes section fo

the relevant places

Text of SORP re heritage assets para 279 to 294

279 FRS 15 requires that all tangible fixed ass
paragraph 253). In principle this includes tan
scientific importance that are held to advance p
280 However, charities will not necessarily nee
that were acquired in past accounting periods
circumstances in paragraph 283 below apply.
281 To fall within the definition of heritage a
pursuit of preservation or conservation objectiv
a preservation or conservation nature, or the h
such as educating the public in history, the arts
282 Newly purchased heritage assets should be
283 When heritage assets were acquired in pa
difficult or costly to attribute a cost or value
excluded from the balance sheet if:
(a) reliable cost information is not available and
reliability; or
(b) significant costs are involved in the reconstr
valuation which are onerous compared with the
assessing the trustees' stewardship of the asset
284 The assessment of the costs involved in es
the benefits derived by users of accounts
consideration of any material sub-classes of as
the cost/benefit test may not be practical to a
considered in the context of particular parts or
the context of a general museum valuing a foss
of vintage cars may not.
285 FRS 15 provides details of appropriate va
structures or sites may present particular valua
valued using depreciated replacement cost (s
attempting to estimate the replacement cost
historic buildings. The uniqueness of certain str
events, individuals or periods in history may be
potential. The same service potential in terms
public may only be achieved through the origina
286 Examples of heritage assets for which a cos
(a) museum and gallery collections and other co
(b) medieval castles, archaeological sites, burial
287 It may also be difficult or costly to attribu
donated where such assets are rarely sold on
party who then shortly afterwards donates the
considered as reliable cost information and cou
donations of similar assets. Where an asset is p
reasonable estimate of the cost or value to the
lifetime transfers of significant value may also c
provide sufficient reliability.

the relevant places
provide sufficient reliability.
288 Heritage assets should be included in a se
analysed, in the notes to the accounts, into
artefacts, and historic houses. An appropriate
with paragraphs 258 to 261. As explained in
indefinite useful life and a high residual value re
289 Where assets of historical, scientific or a
preservation or conservation purposes, they c
assets that do not fall within the heritage assets
(a) holds and occupies an historic building as its
investment portfolio unrelated to any preservati
(b) has in its possession works of art, or a col
within its boardroom, as a store of wealth, the
preservation or education;
(c) occupies a functional property that is used to
(unless the property itself is held for preservatio
290 Charities may be required by trust law to r
are effectively prohibited from its disposal
inalienable. Inalienability, of itself, does not prec
291 Inalienable assets that do not fall within th
and disclosed in the relevant categories of balar
(a) An investment property will be included as a
market value and disclosed as part of investmer
(b) Functional properties used by a charity in
fixed assets and are included at cost or valued
when a depreciated replacement cost (see Gloss
(c) Tangible fixed assets other than properties a
292 Inalienable assets, by their nature, will
permanent endowment.
293 Abbeys, Monasteries, Cathedrals, historic
meet the heritage asset definition as the prese
the primary objective of the charity. Such asse
activities of the charity and this may give rise to
cost of construction of an asset that has the sar
a new structure could recreate the floor area ar
a structure would not recreate the uniqueness
significance. In such cases a valuation of previ
the notes should contain a statement to that eff
cannot be applied. Similar issues may arise
associated with such structures eg religious art

Disclosure
For disclosure requirements see the Notes sectio

Text of SORP re investment assets para 295 to 307

Investment Assets

the relevant places

Investment Assets

295 Investment assets (including investments a
held for investment purposes) should be classif
where the intention is to realise the asset witho
it should be reclassified as a current asset. The
held with the overall intention of retaining the
benefit of the charity in the form of income and

Valuation of Investment Assets

296 All investment assets other than programı
be shown in the balance sheet at market value
described below. Market value best represents a
charity, given the duty of the trustees to admini
the best investment performance without undu
All changes in value in the year, whether or not
on investment assets" section of the Statement
297 Most freely tradable investments will hav
recognised stock exchange. For investment ass
price the trustees should adopt a reasonable ap
(a) Shares in unlisted companies may be valued
earnings or the dividend record, as appropriate.
(b) Where the cost of obtaining a valuation by o
to the users of the accounts, or lacks reliability,
298 For investment assets other than shares o
reasonable approach to market valuations whicl
to obtaining advice as to the possibility of any ı
there is a material movement the assets must
assets it will be acceptable for valuations to be

Disclosure

See the Notes section under Fixed asset investm

The SORP rules on income SORP paragraphs 94 to 117

General Rules on the Recognition of Incom

94 Incoming resources - both for income an
Statement of Financial Activities when the effec
in the charity's assets. This will be dependent or
(a) entitlement - normally arises when there is c
enabling the charity to determine its future appl
(b) certainty - when it is virtually certain that th
(c) measurement - when the monetary value
sufficient reliability.

95 All incoming resources should be reported
working at the charity's direction) or its agents
charity by individuals not employed or contracte
charity are the proceeds remitted to the charity
expenses.

96 Within the charity sector entitlement to in
transactions varying from contractual (ie in ex
value between a seller and a purchaser) to the
given to use on any of the charity's purposes).

97 This SORP seeks to provide guidance on h
However, judgement will still be required in d
framework and in identifying those factors that
for their recognition. The recommendations pr

the relevant places
for their recognition. The recommendations pr
principles should be applied in the context of tr
charity sector. In order to understand how
arrangements, charity trustees need to determi
• What legal arrangements (eg contract or trus
any disputes arising are to be settled.
• Whether entitlement to the funding requires
performance related grant).
• Whether funds can be used for any of the p
used for a specific purpose.

Contractual Arrangements

98 Some charities earn income by providing go
charitable activities. Such contractual income is
of Financial Activities to the extent that the ch
such incoming resources are received in advan
resources until the goods or services have b
received in advance
should be deferred (Glossary: GL 15) until the ch
99 Certain grant funding arrangements may co
performed by the charity. The terms of such fu
where the conditions for payment are linked t
units of output delivered, for example, number
used by beneficiaries. Entitlement to the incom
grants (Glossary GL 45) may be conditional upo
such circumstances should be recognised as ir
provided the services or goods.
100 Simply because a grant is restricted to a
mean it should necessarily be recognised as a p
grant entitlement to the incoming resource or
identified as a condition for the grant. Entitle
performance conditions are met. This can be c
charity may expend funds to particular purpose
to be delivered by the recipient charity as a co
restricted grants are recognised on the basis se
101 Where charities receive membership subsc
may effectively buy services or access to certai
is that of a gift, the incoming resource should b
subscription purchases the right to services or b
as the service or benefit is provided. If the subs
period of membership then recognising such m
of time covered by the subscription may be
recognition.
102 Charities may also, on occasions, undertak
length of time taken to complete such contrac
incoming resources and the cost of any reso
accordance with the guidance given in SSAP 9.
103 Application Note G to FRS 5 provides speci
contractual arrangements. A charity should
performance under a long-term contract wher
consideration. This should be derived from an a
provided to its reporting date as a proportion
contracts where costs incurred to date reflect th
be appropriate to calculate incoming resources
proportion of costs incurred to date in compari
may be appropriate to use the time spent as a
contract where this provides a reasonable e
entitlement. The incurrence of costs by the c
revenue.

Grants and Donations Receivable

104 A pre-requisite of recognition of a prom
Evidence will normally exist when the grant is
demonstrable, and no conditions are attached

the relevant places
resources once the criteria of certainty and mea
105 Charities often receive grants or donations
the entity has unconditional entitlement (contr
either within the recipient charity's control or
meeting such conditions is within the charity
conditions will be met, then the incoming resou
to whether the recipient charity can meet cond
not be recognised but deferred as a liability unt
met.
106 For example, a grant may be conditional or
successful planning consent. Meeting the conc
certain or wholly within the control of the rec
unconditional entitlement (control) of the inco
incoming resource and corresponding asset sh
been met.
107 Conditions such as the submission of acc
simply an administrative requirement as oppos
of incoming resources.
108 Incoming resources may also be subject
period in which the expenditure of resources ca
charity's ability to expend the resource until th
advance of a grant for expenditure that must
accounted for as deferred income and recognis
the recipient charity is allowed by the condition
109 Where the existence of a condition pre
contingent asset should be disclosed where it is
will be met in the future (see paragraphs 340 to
110 Charities are normally entitled to incoming
grant or donation without pre-conditions sho
resources are received in advance of the expen
In such cases the charity has entitlement to th
within the discretion of the charity. Such incom
related expenditure has not been incurred. Sim
donor of any unexpended part of a grant does
is recognised when repayment becomes probab
111 Where either incoming resources are given
donated (a gift in kind), the charity will normal
they are receivable. At this point, all of the
Statement of Financial Activities and not de
paragraph 110 the possibility of having to r
recognition in the first instance. Once acquire
unrestricted (see paragraph 117). If its use is
designated fund reflecting the book value of th
the useful economic life of the asset in line w
requirements under accounting standards for t
the most appropriate interpretation of SSAP 4 fo

Funds Received as Agent

112 Some incoming resources do not belong
resources in circumstances where the trustees,
legally bound to pay them over to a third p
application. In these circumstances the transact
payer (who remains the principal) to the specif
responsibility for ensuring the charitable applica
recognise the resources in the Statement of Fin
319).
113 However, in some cases an intermediary c
transfer to a third party and its trustees wil
charitable application. For instance, where the t
for the grant of the resources or are able to dire
both. Other forms of funding arrangements inv
to accept the legal responsibility for the transfe
application, where the third party is not a charit

the relevant places
application, where the third party is not a charit
then be included in the intermediary charity's
(see paragraph 320).

Disclosure
See the notes covering deferred incoming re
'Notes' section of the template. This covers SOR

Incoming Resources Subject to Restriction
116 The fact that a grant or donation is for a
recognition within the Statement of Financia
accounting purposes between restrictions plac
may be used and conditions which must be fu
existence of a restriction does not prevent the
has entitlement to (control of) the resource and
to which the resource can be applied.
117 Funds received for the restricted purpose
immediately as restricted funds. The treatmer
depend on the basis on which they are held. Th
require the fixed asset acquired to be held in a
discharge the restriction and the asset will be
111). There is no general rule and the treat
individual case (see Appendix 3). Where assets
be reflected as a transfer between the relevant

Expenditure/Income on grants and related issues SORP paras 151 to 160

For consistency these rules will also appl reversed, where appropriate

Grants made, conditions and restrictions
151 Certain grants made may contain specific
be performed by the recipient of the grant. Th
level agreement where the conditions for paym
of service or units of output delivered, for exan
of a facility used by beneficiaries. Often, in su
services to be provided to it or its beneficiari
(Glossary GL 45) should be recognised as resou
grant has provided the specified service or gooc
152 A grant that is merely restricted to a pa
performance related grant unless the grant als

the relevant places
criteria set out above. Similarly, certain restri
undertaken over a number of years by the recip
be recognised as a performance-related gra
commitment or because the grantor is involved
part of its grantmaking procedures.
153 For example, a grantmaking charity may
recipient to undertake a programme of work ide
objectives or that adds to the stock of knowlec
undertaken will need to be consistent with the
part of its own grant approval processes, be i
work. Such an arrangement would not create a
funding is not directed at providing a specifiec
condition of payment. Grants without such perf
recipient to follow its own programme of work o
should be recognised as a liability where a cons
(see Paragraph 155).

Grants Payable and Constructive Obligatio
154 In the case of grants (other than perforn
relating directly to charitable activities, an
expenditure is incurred to further the charity's
contractual relationship with the recipient of tl
the charity may still have a liability (Glossary GL
155 Liabilities may arise from a constructive o
obligation arises under FRS12 where events h
the charity will discharge its obligations. Evide
be provided by the charity's current and pas
specific communication of a commitment to the
commitment to another party that has been cor
manner to raise a valid expectation on the pa
obligations. Because an obligation always invol
funding decision by a charity's trustees does nc
sheet date unless the decision has been com
affected in a sufficiently specific manner to ra
discharge its responsibilities.
156 Charities may on occasions make genera
example, of an intention or aim of relieving fan
of care provided to a particular group of people
of ways including mission statements, setting o
by making a general policy statement. State
obligation as discretion is retained by the cha
agreement or offer that relieved a donor charity
at a future settlement date would not normall
charity. The liability would however be derecog
rescinded.
157 A constructive obligation is likely to arise w
(a) a specific commitment, or promise to provid
(b) this is communicated directly to a beneficiar
In such circumstances, the charity is unlikel
obligation. However, the recognition of any re
attaching to such commitments.
158 A charity may enter into commitments whi
either by itself or by the recipient before payn
hence expenditure, should be recognised once
charity. If the conditions set remain within the
discretion to avoid the expenditure and therefor
159 By way of illustration, where a charity mak
a three year period, the following situations may
(a) If the multi-year grant obligation:
(i) is conditional on an annual review of progres
provided; and
(ii) discretion is retained by the giving charity to

the relevant places
(ii) discretion is retained by the giving charity to
then provided evidence exists (eg from past rev
charity has substance, this amounts to a condit
year of the funding commitment. If the annual
the grant, is not in practice used to determine
of the commitment, then the review stipulati
liability for the full three years of the grant shou
(b) If there is no condition attaching to the gran
commitment, the liability for the full three years
160 Commitments may contain conditions tha
example, a charity may promise a grant payme
funding. As the condition falls outside the c
expenditure should be recognised.

General Issues
161 Where a liability is not accrued, because
should normally be treated as a contingen
outstanding commitments and contingent liabili
162 The trustees may wish to designate some
liabilities and other planned expenditure which
163 Where later events make the recognition c
be cancelled by credit against the relevant
Activities. The credit should mirror the treatmer
liability and should be disclosed separately.

Support costs SORP para 164 to 167

Support Costs
164 In undertaking any activity there may be
necessary to deliver an activity, do not themsel
activity. Similarly, costs will be incurred in
fundraising, and in supporting the governance
regional office functions such as general m
accounting, information technology, human reso
165 Support costs do not, in themselves, const
activities to be undertaken. Support costs ar
category they support on the bases set out in
an activity category to be disclosed in the Sta
constituent subactivities to be presented at a se
the accounts. There is nevertheless legitimat
incurred and the policies adopted for their all
should be addressed through relevant note disc

Disclosure
For the details of the disclosure requirement
section of the accounts

Allocation of costs SORP 168 to 176

168 A reliable approach to cost allocation shou

the relevant places
168 A reliable approach to cost allocation shou
materiality of the amounts involved and the co
accuracy may on occasions only be achievable
169 In attributing costs between activity catego
(a) Where appropriate, expenditure should be al
(b) Items of expenditure which contribute dir
category, for example, the cost of a staff me
activity and working on a charitable project, sh
consistent basis.
(c) Depreciation, amortisation, impairment or lo
in accordance with the same principles.
(d) Support costs may not be attributable to sin
infrastructure that enables output producing act
also be apportioned on a reasonable, justifiable
being supported.
170 There are a number of bases for apportionm
(a) usage - eg on the same basis as expenditure
(b) per capita - ie on the number of people emp
(c) on the basis of floor area occupied by an act
(d) on the basis of time (eg where staff duties a
171 The bases for apportionment adopted by a
and to the charity's particular circumstances a
fair view. The bases adopted for apportionme
periods.
172 Particular issues arise where a charity provi
fundraising activity. Information about the aim
provided in the context of mail shots, websites,
whether a multi-purpose activity arises, and the
be drawn between:
(a) publicity or information costs involved in ra
fundraising (costs of generating funds) and
(b) publicity or information that is provided in a
objectives (charitable expenditure).
173 In the context of a fundraising activity, for
expenditure, it must be supplied in an educa
information supplied would be:
(a) targeted at beneficiaries or others who can u
and
(b) information or advice on which the recipient
charity's objectives; and
(c) related to other educational activities or obje
Where information provided in conjunction with
should be regarded as targeted at potential do
activity.
174 For example, a health education charity tha
profession supplying information as to health
that should be taken. Such information would f
at beneficiaries, advises on steps that can be t
objectives in health education. Therefore whe
fundraising activity, a joint cost would arise w
charitable activities.

Disclosure
See the resources expended accounting policy r

General Principles
Allocation of gains/losses on investments and assets to funds
177 Some charities establish financial informa

the relevant places
statutory accounts. Such information or summ
217 Gains and losses arising on disposal, revalu
the charity's own use or for investment purpos
investment or other asset concerned is or
impairment.
218 Such gains and losses should be recognisec
(a) impairment losses of assets held for the
regarded as additional depreciation of the impa
expended section of the Statement of Financial
(b) gains on the disposal of fixed assets for t
heading "other incoming resources". Losses on
and included appropriately in the resources exp
and SORP 218(c) states
' revaluation gains or losses (which are not con
- 272)) on assets held for the charity's own use
on revaluations of fixed assets for the charity's

depending on the purpose for which they have b

Exemptions for smaller charities - SOFA

recommendations on the content of summ
statements. The general principles which should
There are a number of disclosure exemption
highlighted in the template where relevant.

However, it should be noted that the Charities C

The full exemptions are :-

Appendix 5.3 Accounting statements of Sn
5.3.1 The SORP provides a number of concess
statutory audit (see Appendix 4 Audit thre
Financial Activities and notes to the accounts:
(a) In relation to the Statement of Financial Acti
resources expended or incoming resources by
Activities. They may instead choose resource
creates a consistency problem when prepa
to modify the templates for their own neec
(b) Where a small charity adopts an alterna
Financial Activities certain note disclosures ma
disclosures relate to the constituent costs of a
provided on the face of the Statement of Finan
this are:
(Remember this is only to be used w
accomodate an alternative approach as de
Details
Analysis of activities that have generated funds
Analysis of incoming resources from charitable a
Support Costs analysis
Apportionment of Costs
Breakdown of costs of generating voluntary incc
Analysis of fundraising trading costs
Analysis of charitable activity costs
Analysis of grantmaking or associated support c
Analysis of governance costs

The following exemptions may apply whetl

(c) Smaller charities are not required to give det

5.3.2 These concessions are intended to redu
smaller charities, though any such charity wish
encouraged to do so.

the relevant places

In practice, using the template will not cr
the only disclosure exemption that will b
emoluments disclosure

Exemptions for smaller charities -
Trustees' Report

Appendix 5.4
5.4.1 In England and Wales, all registered ch
Report. Regulations made under the Charities A
a statutory audit (see Appendix 4 Audit thre
Report. This concession applies to all charities r
companies.
5.4.2 The **minimum content** of the abbreviate
below.

It would appear that the mimumim require
requirement and that the exemption is
highlighted the exemptions in the section

Table 11. Contents of the Trustees' Annual
(England and Wales – not subject to a statutory

Detail
Reference and administrative details
The name of the charity
Any other name by which a charity makes itself
The charity registration number (or Scottish Cha
The company registration number (if applicable)
The address of the principal office of the charity
The names of the charity's trustees or trustee(s
the date the report was approved.(where any c
corporate, the names of the directors of that bo
also be provided)
Reference and administrative information
The names of any other person who served as a
in the financial year
The nature of the governing document and how
(or its trustees are) constituted
Governance and Management
The methods adopted for the recruitment and a
Objectives
A summary of the objects of the charity as set o
governing document.
Activities
Summary of the main activities undertaken in re
those objects.
Achievements and Performance
A summary of the main achievements of the cha
Policy on reserves
Financial
Review Details of any fund materially in deficit a
giving rise to the deficit and steps being taken t
Funds held as Custodian Trustee
A description of the assets which they hold in th

the relevant places
The name and objects of the charity (or charitie
behalf the assets are held and how this activity

Details of the arrangements for safe custody an
from the charity's own assets.

Consolidation of Subsidiary Undertakings

Purpose and Scope

381 The purpose of consolidated accounts is to
affairs of all the group interests of the reporti
principles and methods of consolidation are co
irrespective of whether the parent charity
constituted.
382 Consolidated accounts are a set of accou
parent itself and to those prepared for each of t
383 A parent charity (Glossary GL 44) shou
subsidiary undertakings (Glossary GL 44) excep
(a) FRS 2 provides for the exclusion of certain su
paragraph 384); or
(b) The gross income, after consolidation adjust
accounting period is no more than the threshold
(c) The results of the subsidiary undertaking(s) a
(d) The subsidiary is not a company and, by vi
uniting direction under s96 (5) or (6) of the Cha
that of the parent charity.
384 FRS 2 allows subsidiaries to be excluded
(severe long-term restrictions which substantia
rights over the subsidiary undertaking's assets
unlikely that these exclusions will generally app
385 Charities utilise subsidiary undertakings f
charitable trading, for investment purposes a
between profit and not-for-profit undertakings
However, where a subsidiary undertaking is a
wound up then the subsidiary undertaking can b

Charitable Subsidiaries

386 Most non-company charitable subsidiaries
controlling charity, as they will either be restr
Paragraph 383(d)). However, on occasions, a ch
not meet the definition of a special trust, for
wider than those of the parent charity. Where t
benefit) are met, the charitable subsidiary sho
arise where the services and benefits provided
also contribute to the objectives of the parent
Where (unusually) a subsidiary charity's object
the benefit test of control will not be met and so
no consolidation should take place.
387 A subsidiary that is a charity with objects r
by the use of one or more restricted fund colum

Determining whether a Subsidiary underta

388 Subsidiary undertakings can be identified b
by the parent charity. FRS 2 outlines how such c
(a) voting rights (mainly stemming from share o
(b) dominant influence over the board or activiti
This embodies the requirements of the Compan

the relevant places
This embodies the requirements of the Compan
undertakings registered under this Act.
389 A similar relationship to that of a parent an
charity transacts with another undertaking in
transactions remain with the parent undertakin
transferred to another entity whilst retaining ex
maintaining them. Such undertakings are rega
for in accordance with FRS 5.
390 A charity, however constituted, should b
parent charity has the power to exercise, or a
the subsidiary or the parent and subsidiary are
of the following situations:
(a) the charity trustees and/or members and
right to appoint or remove, a majority of the cha
(b) the governing document of the subsidiary cl
members the right to direct, or to give cons
trustees of the subsidiary charity.
391 The basis for treating a non-company char
and some other charity is such that the operati
set in accordance with the wishes of the latt
relationships described in the previous paragra
able to produce evidence to the contrary.
392 Where the objects of a charity are substant
charity, the issue of control requires particul
occasions, form separate charities to give sup
discretion as to the nature and timing of its su
paragraph 390 may not exist but dominant i
benefiting charity may set out in outline the r
Alternatively the parent charity may intervene
dominant influence being exercised the criteria

Method of Consolidation
393 The normal rules will apply regarding the r
on a line by line basis as set out in FRS 2.
394 All items of incoming resources and res
removal of intra-group transactions. Clearly it is
way. For instance, incoming resources from a
combined with similar activities in the subsidia
be combined with similar activities in the sul
governance costs in the subsidiary should be ag
395 Each charity should choose appropriate ca
Statement of Financial Activities and suitable ar
reflect the underlying activities of the group. If
subsidiary undertaking and the parent charity, s
results of the parent charity and each subsidiary

Filing of Accounts with Charity Commissio
396 Although consolidated accounts must be p
Wales the Charities Act 1993 requires the indiv
Commission. To meet these requirements, w
included in the same set of consolidated accour
Statements of Financial Activities (one for the gr
397 However, consolidated accounts are often
Financial Activities for the parent charity. The C
long as gross income/turnover and results of the
group accounts must still contain the entity b
retains the power to require the production and
Activities and similarly members of the public
that in the consolidation template availabl
of £30 plus VAT, two such SIFAs are include
Disclosure

the relevant places

398 There should be a separate comment in t
and performance of each of the charity's mate
is provided for in this template

399 Where consolidated accounts are prepa
consolidation and which subsidiaries or assoc
consolidation.**This is provided for in the cons**

The disclosure requirements are shown in the notes to the accounts

Associates, Joint Ventures and Joint Arrangements

Introduction

407 This section explains the additional accour
charity has associates, joint ventures or joint ar

Identification

408 FRS 9 covers the accounting for associates
detailed guidance on how to determine the rela
exist,consolidated accounts should be prepared

409 Where a charity has a long term particip
significant influence over its operating and fi
undertaking. Where a charity beneficially holds
it will be presumed to have a participating inte
financial policy, unless the contrary is shown.

410 Charities providing grants or making progra
funding with the provision of advice or experti
charity to provide or nominate a charity tru
recipient charityoperates with a small trustee bo
An associate will be created if the nomination o
informal agreement to exercise significant ir
recipient charity's operating andfinancial polic
used to provide advice or expertise to the reci
own policies and strategies then an associate re

411 In a joint venture situation, a separate ent
all of which have a say in the operations of the
controls the joint venture but all together can
20% or more of the voting rights in an underl
such that control is clearly shared with the o
venture as opposed to an associate.

412 Often charities also undertake joint arra
partnership with other bodies but without estab

Methods of Accounting for Associates, Join

413 Associates should be included in the accour
Statement of Financial Activities should show
associates as a separate row after the "ne

the relevant places
associates as a separate row after the "he
transfers" row . In the balance sheet, the net i
row within fixed asset investments. Where the
limited (eg because the majority prohibit any
the valuation.
414 Joint ventures should be accounted for o
reporting entity to present its share of the gros
theconsolidated profit and loss account (Statem
does not form part of the group incoming resou
this can be achieved by including gross incomi
Financial Activities on a line-by-line basis with
incoming resources from joint ventures as a rec
showing the net interest in the results for the j
"net incoming resources/(resources expended)"
that of the associates). In the balance sheet th
should be shown in a linked presentation within
415 Where there are gains and losses on invest
net share relating to associates should be show
joint ventures being shown either on a separat
Statement of Financial Activities.
416 Where there is a joint arrangement, the
resources expended and the assets and liabilit
way as for a branch per paragraphs 77 to 81.
severally liable for an obligation, it should accru
and treat the part of the obligation which is exp
liability.

The disclosure requirements are shown in the notes to the accounts

The SORP in relation to Charitable Companies in the UK

Introduction

419 This section explains the position of this SO
this SORP, charitable companies will normally
Companies Act. However, the SORP does not
should have regard to its own circumstances wh
In addition to following the main section of thi
there are certain further requirements which mu
the most common of these requirements are su
the light of the company's individual circumstan

Accounts and Reports

420 Charitable companies must comply with th
content of their accounts. This Act also stipula
England and Wales, strictly, the directors of ch
and the Trustees' Annual Report under Part VI o
is prepared to accept the directors' report for t
required under Part VI. Charitable companies
exemption to leave out the names of the directo
421 The Companies Act 1985 requires a compa
a true and fair view of its state of affairs at the
In addition, Paragraph 3.(3) of Part 1, section
adapt the headingsand subheadings of the ba
where the special nature of the company's busi

the relevant places

422 The requirement to show a true and fair vie
charity means that there is a strong presu
exceptional circumstances, have to comply wi
company law. Particulars of any material depar
accordance with paragraph 359.

The Statement of Financial Activities and t

423 All charitable companies registered under
andexpenditure account in their financial sta
designed to include all the gains and losses of
and expenditure account and the statement of
3. A separate income and expenditure account
where it will probably be required may arise w
separately identified within the Statement of F
open to challenge if they are included in an inco
(a) movement on endowment (capital) funds du
(b) unrealised gains and losses arising during th

**In order to avoid any challenge, a statuto
in this template and it is felt that it is gooc**

Whilst unrealised gains and losses are not allov
these are included in the Statement of Financi
income and expenditure account would end a
charities adopt a policy of continuous revaluat
there may be no realised gains to report and
unrealised gains.

424 Where the Statement of Financial Activities
items in paragraph 423, it may not need to pr
account but the headings in the Statement of Fi
(a) the title clearly indicates that it includes ar
totalrecognised gains and losses (if required); ar
(b) there is a prominent sub total entitled “net
is in addition to the heading of “net incoming/(c
Care should also be taken to ensure that all rea
of Financial Activities in such a way that they
within the income and expenditure account. Par
losses and reversals which, in accordance wi
circumstances andunrealised in others.

425 Where a summary income and expenditur
crossreferenced to the corresponding figures i
distinguish between unrestricted and restricte
items are included must be the same as in t
separately in respect of continuing operations, a
(a) gross income from all sources;
(b) net gains/losses from disposals of all fixed as
(c) transfers from endowment funds of amounts
converted into income funds for expending
(d) total income (this will be the total of all inco
the income funds but not for any endowment fu
(e) total expenditure out of the charity’s income
(f) net income or expenditure for the year. In pra
with specific statutory requirements or those of

426 Charitable companies which require a su
prepare consolidated accounts should prepare
group.

the relevant places

Summary Financial Informatio

When reading this text be careful to di permittted document, which are

1) Summarised financial statements
2) Summary financial information

Summary Financial Information

34 Where summary financial information of a contained in publicity or fundraising material an these accounts should always be fair and accura

Summary Financial Information
429 Charitable companies should follow the re summary financial information should also ir statutory accounts for the relevant year(s) have

General Principles
371 Some charities publish financial informa statutory accounts. Such information or summ review or in fundraising literature. There are two (a) Summarised financial statements which sh communicate key financial information withou accounts (for example, as contained in the note (b) Summary financial information which prese finances for example, an analysis of incoming charity. Such information does not purport to su
372 The distinction between summarised financ Table 10 below:

Summarised financial statements
Includes a summary of the Statement of Financial Activities and/or Balance Sheet.
The summary is derived from statutory accounts.
A financial statement that purports to be a Statement of Activities or Balance Sheet or summary thereof.

the relevant places

Represents the entire finances of a charity or a charity group.

373 As charitable companies are not listed
Companies Act 1985 concerning statutory sum
the provisions of section 240 of the Companies
financial statements do apply. The recomme
financial statements are consistent with these s
no legal provisions for other charities.
374 As the form in which such information or
depending on the purpose for which they have
recommendations on the content of summa
statements.

The general principles which should be foll
375 Regardless of the intended circulation of
financial statements, the full Annual Report and

Any summarised financial statements:
(a) should contain information on both the State
(b) should be consistent with the statutory acco
(c) should not be misleading by either omission

376 Summary financial information will not nec
Financial Activities and balance sheet but shou
the statutory accounts and not be misleading
information.

Summarised Financial Statements
377 Summarised financial statements should b
the trustees, indicating:
(a) that they are not the statutory accounts
Statement of Financial Activities and the balanc
(b) whether or not the full accounts from whi
have as yet been externally scrutinised (whe
accountant's report); and
(c) where they have been externally scrutinisec
a qualified opinion, limitation of scope, etc;
(d) where the report contains any concerns, e
emphasis of matter, sufficient details should be
enable the reader to appreciate the significance
(e) where accounts are produced only for a b
clearly stated that the summarised financial
extracted from the full accounts of the reporting
(f) details of how the full annual accounts, t
Trustees' Annual Report can be obtained;
(g) the date on which the annual accounts were
(h) for charities registered in England and Wales
accounts have been submitted to the Charity Co
378 If the full accounts have been externally s
giving an opinion as to whether or not the sum
full annual accounts, should be attached.
Summary Financial Information
379 Any other summary financial information
statement on behalf of the trustees as to:
(a) the purpose of the information;
(b) whether or not it is from the full annual acco
(c) whether or not these accounts have beer
reporting accountant's report;
(d) details of how the full annual accounts,
appropriate) can be obtained.

the relevant places
appropriate, can be obtained.

Accounting for Retirement Benefits

Introduction
430 There are two main types of retirement
defined benefit schemes. Definitions for both a
to account for each are included in this section.
431 A charity participating in a multi-employer
set in relation to the current service period only
the underlying assets and liabilities on a cor
contributions to the scheme as if it were a defir
identify its share of the underlying assets and
paragraph 446 should be provided.

Defined Contribution Schemes
432 The cost of a defined contribution sch
contributions payable to the scheme in the
allocated across the relevant resources expend
set out in paragraph 177. The note disclosures
445.

Defined Benefit Schemes
433 FRS 17: Retirement Benefits substantially a
(see Appendix 2: FRS 17). The surplus/deficit i
the value of the assets in the scheme over/b
accordance with FRS 17 principles:
(a) An asset should be recognised to the extent
either through reduced contributions in the futu
(b) A liability should be recognised to the exten
the employer charity. Similar principles should
in-service and incapacity benefits, that are n
benefit pension scheme.
434 Full actuarial valuations of a defined benef
qualified actuary at intervals not exceeding
balance sheet date to reflect current conditions.

435 A surplus or deficit in a defined benefit sch
unrestricted funds of the reporting charity. The
have control as to the future use of a surplus re
a refund from the scheme. Similarly, where a lia
to make good a deficit, this liability will normally

Allocation of Retirement Benefit Costs and
436 The change in the defined benefit asset c
payable to the scheme which affect the surplus
components identified in FRS17. However thes
Financial Activities on full implementation of F
date and transitional arrangements).
437 Pension costs may be allocated between th
Financial Activities on the basis of the charity's
be reasonable and consistent. Allocations of p
within the scheme is one approach, although
contributions payable) may also produce an
should be based on the following:
(a) The changes relating to current or past ser

the relevant places
(a) The charges relating to current or past ser
curtailments should be allocated to the appropri
paragraph 432.
(b) Pension finance costs arising from changes i
assets should be allocated to the appropriate
432. Income arising from these changes sh
separately disclosed where material.
(c) Where past service costs, or gains or losses
context of the particular expenditure (or income
amounts should be disclosed as exceptional in a
Performance (see Appendix 2).
(d) Actuarial gains and losses arising should be
of the Statement of Financial Activities under
benefit pension scheme".

Restricted Funds
438 A pension asset should be recognised as ac
demonstrated that the economic benefit of the
contributions or refunds. Similarly, a pension l
where it is demonstrable that a constructive lia
met from the particular fund. Such a situation
long-term project funded from restricted incom
the charity's own computations. Liaison with
necessary in order to establish the basis on wh
fund and therefore the pension costs that may b
439 Any allocation of a pension asset or liability
basis. Where staff changes or cessation of a pa
obligations will no longer accrue to that particu
to the unrestricted funds by means of a tra
Activities.
440 Where the criteria for the recognition of a
met, the related pension costs should be rec
Statement of Financial Activities. The compone
the same Statement of Financial Activities ca
preceding paragraphs.
441 A restricted fund may, however, incur sta
pension asset or liability within the restricted
restricted fund may be of a short-term natu
activities creating uncertainty as to the fund wh
contributions resulting from any deficit. In suc
Statement of Financial Activities may still be r
service cost component of the pension cost rela
funds. Such a recharge within the Statement of
necessitate a balance sheet adjustment be
unrestricted funds should, however, continue to
442 When past service costs and gains and loss
may be recharged to restricted funds only w
present staff engaged in the activities of the res

Disclosures
443 The disclosure requirements for pension sc
summarises the key points.
444 Where a defined contribution scheme is op
disclose:
(a) the nature of the scheme,
(b) the costs for the accounting period and
(c) the amount of any outstanding or prepaid co
445 FRS 17 disclosure requirements for defined
should refer to the text of the standard in c
accounts should include the following informatic
(a) the nature of the scheme,
(b) the date of the most recent full actuarial valu

the relevant places
(c) the contributions made in the accounting
years;
(d) the main financial assumptions used at th
date;
(e) the fair value of scheme assets analysed bet
expected rates of returns;
(f) the present value of the scheme liabilities a
fair value of the scheme assets;
(g) an analysis of the amounts for each of the c
or credited through the Statement of Financial A
446 Where a charity operating a defined benef
of underlying assets and liabilities cannot be ic
confirmation from the scheme administrators
available information about the existence of the
of that surplus or deficit for the employing
explanation of the general circumstances giving
447 When a charity operating a defined bene
notes to the accounts (or Trustees' Annual Repo
explain the elect to NOT do in trustees repor
application. If a pension liability exceeds the
explain any limitations placed on any restricte
requirements arising from the disclosed liability.
448 If a material pension asset is disclosed, th
should elect to NOT do in trustees report explai
asset and give an indication of the period over
will accrue to the charity.

erred to by cells or text boxes

ch is addressed via hyperlinks from

Check the Links pag
for a wealth of exter
Links to external resou

or the year ended 31 March 2021.

Links to other pa
Tab to the relevant Exc

Links	Links to ext
TB	Trial Balanc
Data	Data sheet
Cover	Front page
Contents	Contents pa
Director	Trustees Re
Audit	Independer
PL	Statement
BS	Balance She
CF	Cash Flow S
Notes	Notes to the
DetailPL2	Detailed scl
Appendix	Activity ana
Library	Standard te
Disclosure	Disclosure
History	Details of a
CFworking	Internal wo
Workings	Internal wo
CC31	Independer

Or for charities in Scotl

21

for:

eir interests in the share capital of the company were as follows:

accordance with the special provisions of Part VII of the Companies Act 1985 relating to s

tion for the year, the taxation charge would have increased/(decreased) as follows:

Return to Trustees Report

y as set out in its governing document.

as set out in the memorandum and articles of
, advancing and maintaining religion and education

for a wealth of exter

tenets of the Church of England, and promoting and
nominations.

ı Isaiah 58 (NKJ) in the City of *, West * and *;
benefit and in particular by the provisions of food ,

a Sunday School in *;
ı *;
parcel distribution to homeless and needy in *

*.

Return to Trustees Report

cation of all pupils and students attending schools in
itment of , and promoting and providing training and

ıd families who are clients of statutory or voluntary
of which is concerned with the relief of the poor, the
other persons in need, by the collection, storage,
ure to such persons or in such other ways as the

working of charities in * and to research, develop
urage the public to donate furniture to be used as per
e sustainable waste management practices.

itable purpose for the benefit of the community in *
by the advancement of education, the protection and
sickness and distress.

oviding free, confidential, impartial, independent and
ıblic and by acting in response to the information we
ated social policy work. General and specialist advice
d in * and * and outreach services in *, by a Team
ınded projects targeted at particular groups of people.
ecognize the growing and changing needs in the
tegy aim to identify gaps in services and to seek

and maintenance of a village hall for the use of the
d thereof (hereinafter called "the area of benefit")
er opinions, including use for meetings, lectures and
leisure time occupation, with the object of improving
ıd the provision of services ancillary of a village hall.
ust for the purpose of a village hall as aforesaid.

that of: enhancing the development and education of
':-

de for the needs of their children through community
ation and care facilities and training courses,
onsibility for and to become involved in the activities
er opportunities for all children whatever their race,

for a wealth of exter

ıildren and their families and promoting public

aims and objects of the Pres- School Learning

age through their leisure time occupation so as
capabilities that they may grow to full maturity as
ıeir conditions of life may be improved.

women, girls and their families who are, or are at risk
ing or violence through prostitution, with particular
vision of, but not exclusively, such services as advice,
ımodation.

ɔn and its impact on individuals and society.

es or differences it seeks to make

Return to Trustees Report

g them with furniture, furnishings and white goods
ıd enabling them to take their place in society.

ɔciation of Citizens Advice Bureaux (CitA), namely to :
ance of their rights and responsibilities or an inability

lopment of social policies, both locally and nationally.
arity is committed to improving the quality of life of
h maximising their income, helping them manage
assisting in the resolution of problems which have an

the charity during the year and the position at 31st
to continue its activities during the forthcoming year
lfil its obligations.

cultural betterment of the inhabitants of the area of
velopment put forward by the trustees are divided by
already completed (comprising making the building
be used as a branch library, and a four office block on
ıt has just started and it will add a small hall to an
and cafe area. The final fourth phase of development

for a wealth of exter

e back of the building, six workshop spaces and car

wrap around care to all children in the area whose

active agents in responding to the sexual exploitation

users
:h agencies
o the need for even more effective legislation and
xual exploitation by pimps and perpetrators.
ding of the complex and changing operation of pimps,
n-country trafficking, and challenging inaccurate

collectively with other parents and offer each other

ojectives for the year.

Return to Trustees Report

amongst individuals and families in the City of * by
e, refurbish and repair it where necessary and deliver

r Citizens Advice Bureaux and related organisations in
im of which is to provide a co-ordinated and cohesive
's objects are ‘to promote any charitable purpose for
nding areas by the advancement of education, the
elief of poverty, sickness and distress.

2005-6 is to achieve self-sustainability. To this end we
ces, trying to reduce expenditure and to enhance

to maintain the viability of the charity, and ensure its
its long term objectives. The charity also aimed to
es, both by obtaining funds from grant making bodies
illary activities that would generate funds for its core

:he * region, being in contact with circa 50 families in
me active players.
ry, building on established links and proven need for

olice in order to achieve more effective prosecution of
nclusion of a relevant police performance indicator.
in seeking recognition of the extent of the hidden 'in-

e the practice of relevant agencies in response to

for a wealth of exter

ral public about the complex and abusive nature of
of all young people.

ation of a coordinated partnership response to meet
sentation in racial discrimination cases across Leeds;
unter the activities of the far right; on the basis of
iorities and lobby the local authority and statutory
e local Gypsy and Traveller communities.

ies for achieving its stated objectives. Return to Trustees Report

upport the staff, premises and transport necessary for

ering the period 2004 – 2007, which sets out its plans
ment Plan is reviewed on an annual basis
in February 2006 to consider its current scale of

f the performance of the Board through a process
arking the Board"; the results will become available

efficient acquisition of products, a more effective use

a sustained advertising campaign, a more efficient

forward-looking view of our business.

tivities in a variety of local media, and to approach
is.

ble to provide adult courses on a variety of subjects,
he running costs of the charity out of the surpluses

and development worker (half time each), a full time
ne administrator. Secure new funding for another two

ocesses of targeting and grooming by pimps; act as
evidence systematically
oo are experts; advocate their rights; organise parent
rt parents involved in training or telling their stories

follow up to 2005 national * conference, and in
e police performance indicator.
is issue at the police vice conference.
to further government consultations

for a wealth of exter

to further government consultations
to relevant government consultations; to produce a
fficking.
ers to enable better practice in relation to affected
ortunities both at conferences and within specific

to respond to appropriate media

ng its main programmes, projects, or services
rement of the stated objectives.

Return to Trustees Report

t families in *, the charity has delivered in excess of
ppliances to 2,438 faimiles during the period covered

iture have been replaced and refurbished and more
ed for safety and repaired where necessary.

agreed strategies include:

neralist and specialist advice services by
oping new offices in the * area
numbers of volunteers to provide a comprehensive

reach groups within the community
on

uality by:
and volunteers
advice sessions
specialist advice providers
ding and monitoring work
to help review our services

policy team at Citizens Advice
rn
ancial exclusion and raising these with financial

library and information centre, learning net, lifelong
eighbourhood nursery, and a rifle club.
oan, North * Male Voice Choir, Karate, Flower Craft,
, Needlework class, Aerobics, Luncheon Club, Weight
ation.
ociation of Community Partnerships, Neighbourhood
a charitable arts organisation that works with special
ney also have a workshop/ artistic editing studio.
the hall.

courses for children of all ages. This contributes to the

very successful and generates funds that enables the

for a wealth of exter

very successful and generates funds that enables the

e Home Office and latterly from the Department for rant Programme, to fund a Parent Support and Advice 5). * took up the post in June 2002 and set up the upport parents in families affected by prostitution and develop and use their skills and knowledge. It has

in need of this service. In 2005-6 *, now funded by creasing numbers of parents by providing emotional eetings and a telephone help-line. Over 140 cases y in West and South *, but also across the country.

derstanding of the processes by which children and To this end the unit has continued e.g. to disseminate d by the Parent Support Unit. During the year it ces Act 2003, and a research report Parents, Children loitation.

s and respected partners in working positively with olice, social services, schools. * has continued to to make a full contribution. She has also continued ocial services. This has included meetings with senior nection with criminal pimping networks, and close e has also delivered training, e.g. to South * Police. t with * Business, *.

relationships with children at risk of, or involved in, ediating role by bringing parents and children with lerstanding.

parents of the risk of children being drawn into create and seize opportunities in the public arena, f the issues and its work, and has disseminated its he making of a programme for Radio *. It has also be forewarned of the dangers, and has discussed this ing centre, and this has led to increased surveillance and grooming.

evant statutory agencies to attend case conferences arents to enjoy their rights in this matter.

Return to Trustees Report

nt

for a wealth of exter

Return to Trustees Report

Return to Trustees Report

s, all of whom are volunteers, and utilises the services
egular basis, some of whom are involved on training

nerous contribution of time and commitment from
professional service is delivered. The * currently has
istrative work. Between April 2005 and March 2006
12,000 hours. In addition, the majority of the
yed by the Bureau. During this year the Treasurer *
ition in London and subsequently * was appointed as
have been no other changes to the Board during the

ppreciation to all the staff and volunteers, and their
orked tirelessly, giving their commitment and time in
to the local community. The Board is also grateful to
the Bureau to deliver the core services and specialist

nd administration.
ers.

arity as all of the trustees are volunteers. Parents and
couraged to participate as volunteers in any and all

harity, apart from the very active Trustees, and the
her. It is, however, currently seeking to develop a
e of the new part time development worker. In order
ll seek to gather - through relevant local agencies -
pport to affected parents. It is hoped that these
nough at the point of intense crisis this may not be

ity in relation to its objects

Return to Trustees Report

ctivities are achieved are detailed below:-

including the organising of formal talks and seminars,
ber of public bodies and developing and supporting
nlighting the role of faith in that search.

actively promotes a free collection service of items
ut charge, to families who have been assessed by the
e need.

household waste sites and recycled after checking for

for a wealth of exter

tions were made of items which after checking and elivered to people in need.

ces is provided by * City Council (*CC) and this has arch 2005 the funding from * City Council for the 200,000. As a consequence the Board was compelled and resolved to introduce a revised structure for the ncluding the introduction of the new post of Service he replacement of the site-specific Service Delivery ach office, was introduced in July 2005 and has so far

rtunities for education, cultural activities and leisure. vents which are available.

on of preschool education and all day child care for 2- 6pm five days per week for 50 weeks of the year to sional preschool education to meet Foundation Stage

week to provide activities within the Birth to Three

l age children attending * Primary School, including a centre. During school holidays the centre caters for imately a 10 mile radius of the centre.

fered during term times from computer skills to art

work with other agencies

and in public places

ation
n and Pimps

aken by the charity

Return to Trustees Report

perate all year collecting, repairing and distributing in need and maintaining links with more than 150 ple with social and material needs.

for a wealth of exter

to enjoy improvements to their standard of living
In achieving this more than 614 white goods (i.e.
ed and recycled as well as more than 550 items of

e for collecting and distributing furniture and white
of * and intends to carry on doing so as long as
e is a proactive recycling programme working in
ite goods and furniture.

activity. We only provide space and facilitate other

onthly tea dances and provides private hiring of the

ed Old Fire Station, a multi-purpose building used by
es. The Centre serves the rural communities of * and
. It is situated some 11 miles from each of the major
rs are sourced locally where possible so as to offer
ablish community involvement at grass roots level.

with the Company's objects clause. The pre-school
ome 40 places, as well as wrap around care in the
as successfully integrated the introduction of 2 year
for 3 of the 5 morning sessions, and occupancy was
noon sessions. A new Children's Group Manager has
ps and move towards full occupancy of the various

ed in popularity throughout the year and now is a
g parents. The Holiday Clubs have been very well
activities resulting in repeat bookings and a growing

urses and enrolled 451 learners. This has exceeded
and Skills Council which has supported this aspect of

s from various funding bodies to employ workers, and
, both quantitatively and qualitatively, and reports on
always satisfied (and often more than satisfied) the
es can be supplied on request. For the purposes of
on objectives, strategy and activities, and evaluate
e noted especially that in the nature of the case
antitative. At the front line one is listening to parents
and recognise the reality of their situation; help them
and strength; show them what they can do to help
ed; and encourage them to be proactive in mutual
ers, and in speaking out in the media.

for a wealth of exter

Return to Trustees Report

not mandatory)
identified in the accounts , whose support is valued.

publicity in local newspapers and periodicals.

s and hiring of the hall and the Gala.

m the Learning and Skills Council. There are regular
supplement grants received.

inst investment objectives set

Return to Trustees Report

estment principles which are described in
vestment policies and objectives.

terly in comparison with the statement of
ved on the discretionary assets managed

Z, but a minor proportion is held with a
the risks and create an operational

quarterly report on their performance
l indices as benchmarks. The Investment
ne managers to discuss performance in
gic issues that the Subcommittee or the

natters referred to in these notes under
east annually any issues arising from the
licy or strategy which the charity should

in place.

policy described in the financial review
ny cash held by the Bureaux in its Bank's
e Bureau's cash is held in a bank current
as and when they become payable

the charity's objectives

Return to Trustees Report

rity are considered each year by the trustees when
ating to finances. Should there be no poverty within

for a wealth of exter

:o carry out certain works themselves or the Local
y would have to seriously consider its future. In like
erted elsewhere or cease completely then the Charity
cover any of the afore mentioned eventualities.

Return to Trustees Report

nce of:
ecialist Advice Services and a range of other grant-
bureau has negotiated contracts
orkforce

shing new premises in the * area was delayed due to
itable. It is now likely that progress on this aim will be

:hieve a good working relationship with the staff and
streams successfully, so we can continue our capital
ract with the community with the aim of regular
ıd services. To endeavour to attract the interest of the
:ake in the VH activity, by becoming members of the

ıintenance

hbouring villages which effectively compete with the

ve.
c authorities.

stereotypes and false assumptions are rife among

f securing sufficient funds, both to maintain and also
difficult to secure statutory funding. We do not work
ıre local authority funding is almost impossible. We
the Home Office and DfES. For the DfES we are not
it is not the parents who cause the problems but the
l as working primarily with the 'front line victims', i.e.
e that parents too are victims but also strategically
ıost effective way of helping the children and young

ds for its services and many tasks to perform, and it is
lministrative help, ideally a part-time paid post.

the charity during the year

for a wealth of exter

ar , plus a new additional minibus. The pastor is a full

ınd Asian school governors.
al and existing governors.
ınity

[Return to Trustees Report]

n *, * and *

charity include :-

n has continued , the van having been replaced. The
oon, as NCP have sold the premises.

g.

er aspects of the warehouse.

a replacement and one as an extra. One was bought
anonymous.

ı the year , whilst the Sunday School in * finished due

ɔm 1st June 2005

:e for collecting and distributing furniture and white
of * and intends to carry on doing so as long as
:e is a proactive recycling programme working in
ıite goods and furniture.

ɔnal £* in welfare benefits and tax credits, including
.

of a total of £* of household debt.
ıes, through intervention in respect of repossession

ɔloyment tribunals.

Benefits for * Project and the Advice Service at the *
ıtinuation funding for its Volunteer Development &
work at * prison. Funding was also secured from the
t in May 2006.

volunteers. In the same period 8 volunteers left for
ld.

for a wealth of exter

:he year are successfully negotiating a grant funding
: Regeneration Trust, funding which will be coming in

catering and general management to achieve a
encourage regular users to aspire to more dynamic

l Ball and Gala, monthly tea dances, hiring of the hall,
doors replaced.

ıich are inherent in work of this kind, we see as the

arly 150 families in three and a half years
ding updated leaflet and Sexual Offences Act booklet
work with other agencies

and in public places
ed number of requests for talks and contribution to

ıentation. There were extensive responses both to
ıg consultation' - both from the Home Office.
ı and Pimps

Association of Chief Police Officers)

ude the support from the National Lotteries Charities
e area.

s' work for children of none church going familes .
ımodate all church activities.

Return to Trustees Report

*, remain the same. *'s 2006 leaflet focuses these
ıciety in 2006-7, with the following strategies in each

ıntinue to be active agents in responding to sexual
tegy: provide direct support in * region through the
elop this service by extending it to other parts of the

en get free of their abusers. Strategy: equip parents

for a wealth of exter

eting and grooming by pimps; to act as mediator lines of communication open; to gather evidence or children.

ers with agencies: Strategy: to support them in the cate the right of parents to be involved with other ces; and to organise and deliver training to other

he need for more effective legislation and practices to portance of this at both local and national levels, and gy: work principally through the Policy and Research ic elements within the Home Office and senior police; tions, and develop ways of being involved in on-going

l constitution of the charity

ited by guarantee and is therefore governed by a directors of the company are also trustees of the arity, and membership of the board of trustees is association.There are no restrictions in the governing its investment powers , other than those imposed by

Return to Trustees Report

ed by its memorandum and articles are ....

overned by a trust deed.Eligibility for membership of trustees is governed by the trust deed.There are no operation of the charity or on its investment powers , w.

own Memorandum and Articles of Association.

8 volunteer members who have overall control and ing and all are Directors and trustees.

r implementing policies is carried out by a full time part time employees plus a number of volunteers and

ent and appointment of new trustees

hen beneficiaries and client organisations are invited compliance with the Memorandum and Articles of g body of trustees for election.

nnected with them there are no individuals who are

Return to Trustees Report

e shown in the notes to the accounts. This includes

nnual General Meeting and retire from office at the

for a wealth of exter

e elected. Any casual vacancy arising during the year
d; that person is then duly elected at the subsequent
er and three additional staff are also Trustees, as
party has a right to appoint a Trustee.

ular users,and from members of the local community.
by the trustees and ratified at the annual general

ıt and often specialist knowledge. This has always
ıy *'s issues as parents are among the trustees. This
those with complementary skills – e.g. finance,
ıce and knowledge. * has had a very stable group of

teeship.

or the induction and training of trustees.

ı Management Committee meeting, as well as visiting
members of staff.

ed with all relevant information from the Charity
further information from the Charity itself regarding

Return to Trustees Report

continual basis, to attend any courses which are

ff and volunteers are trained to a very high standard
public. The Bureau is a member of the National
nown as Citizens Advice) and is subject to a quality
ets the requirements and standards set down by the
d out in March 2005.

for the training of trustees, other than the "do's and

tion pack containing details of the memorandum and
erformance to date, budget, insurance cover and
Directors Agreement detailing their obligations as an
operate.

s; the need for specific skills has also been identified –
experience. * will seek to recruit in a variety of ways
ıt be appropriate and also by sending details of our
be inducted by being sent past papers, initially just
ers and spending time with existing staff. They will

for a wealth of exter

esponsibilities of trustees as identified by the Charity

rver status and they are supplied with an explanatory

rity and how decisions are made.

ers , but is answerable to four elders, all of whom are

to discuss and plan objectives and implementation
ith all members .

Return to Trustees Report

ction.

oard. It has established sub groups which discuss the
ology, premises and stafffing. There is also a standing
. The subgroups are serviced by the manager. The
d of trustees and monitor operational activities. Staff
y out day to day work within policies agreed by the
authorisation of different amounts.

e affairs of the charity are managed by an executive
ry academic term.

l Meeting and consists of the following members:-

sch district) representing Black Governors' Forums,
l educational organisations.

uncils

s

simple majority votes cast by members present,with
of an equality of votes, the Chair may excercise a

8 volunteer members who have overall control and
ing and all are Directors and trustees.

r implementing policies is carried out by a full time
part time employees plus a number of volunteers and

ctors, whose members are also the Trustees of the
roughout the year. At present there are two sub-

for a wealth of exter

ing both Board members and staff. The terms of
irmed during the year. The Finance sub-committee
r the annual budgets and to consider other finance
neets as and when required for recruitment purposes,
urce policy. During the year it has met on a total of 7
ished for specific purposes. All groups report back
d. The Board delegates the day-to-day responsibilities
District Administrator, a Training Officer, the Service
dvice Session Supervisors and by other specialist and

Return to Trustees Report

s a management team. From the board of directors a
o" which directly liaises with the Village Hall manager

a monthly basis to discuss and plan objectives and
cern are raised with all members .
Meeting and consist of the following members:

mbers
nay be co-opted by the Directors.

simple majority votes cast by members present, with
an equality of votes, the Chair may exercise a second

uding co-opted members, shall at the time of election
nt that this requirement cannot be achieved, the
Members to make up the balance subject to each of
local Branch Executive Committee of the * Learning *.

or a term of one year at the Annual General Meeting.
nless they have already served as Directors in any

swerable to any other organisation.

ciation of Citizens Advice Bureaux, known as Citizens
Bureaux in the * Specialist Advice Services Company.

Return to Trustees Report

village to assist in fund raising.

for a wealth of exter

related parties, including its subsidiaries

ı it has many transactions and a controlling interest.
:here are no transactions with them.

nnected with them there are no individuals who are
ated parties are shown in the notes to the accounts.
:o Trustees.

Return to Trustees Report

exposed and reviews and

COMMENDED BY THE CHARITY COMMISSIONERS

ıidance is) **IS AS FOLLOWS** :- (However this is not
ın required)

h the charity is exposed each financial year when
:icular those related to the operations and finances of
ajor risks which have been identified, and establish
atisfied that the systems are in place to mitigate their
identified and reviewed.

Return to Trustees Report

E APPENDED INCLUDE :-

ı fundraising because its activities are supported by
of investment risks and policies adopted to mitigate
ɔles Statement.

of any organisation, and the charity has introduced
ignatures being required for payments from the bank
explained to members of the charity and are open for

ɔpen to risks . The policy is that client's visits and
k and transport.

ıssed . Where necessary checks are undertaken with

poverty left and all families and individuals were
ıd household goods for their needs, or if incoming
re to stop, or if local and statutory agencies chose to
eetings with the largest and most advanced agencies
the increase and the demand is unlikely to be met by
to foresee the future regarding donated furniture,
the Charity to cease functioning in a proper manner

w by the auditors, Peter Brown & Co, who advise the
:he business risk assessment undertaken by them as

for a wealth of exter

ent. This risk is mitigated by the fact that the charity

ies and individuals

* Christians of whatever denomination.

s to provide food parcels and furniture.

horities and the local governor forums in the region of
n , and support the retention of Black and Asian

Return to Trustees Report

maintain contacts with minority ethnic governors,

nore than 160 statutory and local voluntary agencies,
well as liaising regularly with other charities carrying

ps is to provide them with space and support when
onally we will provide space and support free or at a
pay, with the provision that the applicant should be
benefit to our local community.

ganisations.

ption of the activities of pimps and the support of
r organisations in its concern for women and girls
violence through prostitution. It has many informal
l nationally, in order to offer mutual support and

ves to provide for future activities, and to provide
nths ahead in the sum of £X.

ets are retained to produce income income which is
ere is no intention in the long term to either increase
s policy is justified in that it is necessary to preserve
n the activities of the charity.

Return to Trustees Report

ves to provide for future activities, and the trustees

for a wealth of exter

ves to provide for future activities, and the trustees

ained that the existing assets be retained to produce
ng activities. The intention in the immediate future is
ler to preserve the income necessary to maintain the

o cover a reasonable period of expenditure, should
d in an interest bearing bank account. Investment
ty does not have capital to invest other than to meet

fore has no share capital. As part of the Business and
en drawn up. This is split into four priorities:
r running costs for a three-month period.
tual commitments in respect of staff

acement, relocation costs, etc.
nor and not available for general purposes

ns are all included under 'Unrestricted Reserves', as

eserves.
cific figures are quantified and disclosed in any

after allowing for unrestricted fixed asset funds, total
the the only effect of this deficit is on liquidity . If the
eed, then £* will be released to unrestricted funds,
roceed, then there will be substantial funds available.
, and the trustees are taking steps to reverse the

Return to Trustees Report

***enditure in the year under review has
arity.***

ty, trading subsidiary and donations from charitable

expected a shortfall in the predicted income from
in the services able to be offered.

Return to Trustees Report

iety of sources, and these are set out in detail on the

for a wealth of exter

iety of sources, and these are set out in detail on the
ge *.

ıued to operate with a current membership of 88 paid
and other fund-raising activities, are used to support

e the continued financial support from * City Council,
Fund.

tivities, revenue funding (now ended), and all other
income allows us to support our objective and stay

dances, hiring of hall for private functions, hiring of
illage gala.

including the extent (if any) to which social,
s are taken into account.

LARGER CHARITY MIGHT BE AS FOLLOWS AND CHARITY

im is to promote religion and education . It has fixed

Return to Trustees Report

ding, *, and the income generated by the assets to

oard of trustees has adopted the following objectives:
allows the support of an equivalent level of

o provide for a level of income that matches
pital over the long term.
ırity, with the highest achievable total return
of the Church of England.

various financial risks. The board has considered the

the increases in real capital or income

managers will not achieve the returns

a mix of direct property and marketable investments.
estment managers who have full discretion over the

mately 30% in property (including *) and 70% in
ies. These proportions have been adopted to reflect
s having considered the balance between risk and

for a wealth of exter

lines as the Church of England. The instructions given
:h these guidelines.

ortfolio are only made on the basis of individually
e charity currently only holds 2 such investments and
pated.

:he XYZ Fund. The manager has full discretion, within
aim of the Fund is to achieve steady income and
sted in equities. At 30.11.2001 the Fund was invested
ties, 9.7% in bonds and 8.2% in property and cash.
:he unit pricing.

ary portfolio of UK Equities. The manager is aware of
ovide capital growth at medium risk by investing in a
ective instruments where appropriate. The expenses
gh a management charge and the application of a
on transactions.

ed as there are no funds available for investment

derived from grants received from funders to cover
cess is required on a continuing basis, the Board has
Bank current account with any surplus to be retained

income, with the exception of a small cash flow, is

oard of Trustees has adopted the following objectives:
ws the support of an equivalent level of activity of the

ovide for a level of income that matches inflation and
erm;
ecurity with the highest achievable total return.

penditure at present beyond secured funding for three
not be available after that, and so the Trustees will
secure additional funding for new development work

e proportion of the assets in a Charity Line account of
of return.
s have been taken into account.

ne investment and report regularly to the Trustees.

for a wealth of exter

Return to Trustees Report

each of the funds

y's assets in each fund are available and adequate to

rces expended

include dealing costs, and management and advisory nent .

Return to notes

enerating of funds

diture directly related to the objects of the

bjectives

number of client organisations, and every es in relation to pre agreed parameters. The cept the application subject to conditions.

ant to any organisation , and after approval, val already granted , either before or after t is to create a creditor for grants relating nt financial year of the trustees immediately o activities in subsequent financial years as **NO** to these accounts.

such grants approved and unpaid, and a . The comparative figure for 2000 was £*

Return to notes

es

trading costs that have been incurred in ciate Manager are involved with project ary costs are treated as direct charitable

poses comprising the salary costs of the are involved with project development and

for a wealth of exter

Return to notes

e charity for its charitable purposes has been let to a none charitable organisation. In ord
value from fixed assets to investment assets, and the details are shown in the appropriat

directly related to the administration of the charity
nagement of the charity's assets, organisational
and statutory requirements.

es expended

costs, where it is impracticable to allocate these costs
le expenditure and the trustees have allocated such
llows :-

different activities

different activities

es expended

osts, rent and other related costs. Such costs are
ended and between charitable expenditure and
f estimates made by the directors.

Return to notes

es expended

diture not directly related to charitable activity. In
matter of judgement as to whether such items are
trative , and the directors have applied what they
rtioning such costs.

Return to notes

es expended

and apportionment of all costs between the different
e are based on the test of whether a cost directly
ncome.Such identifiable costs are apportioned to the
cated to support costs of charitable activities.

Return to notes

t realisable value. Donated goods held in stock are
nting purposes.

an asset. One is for £10,000 and has no restrictions

for a wealth of exter

ner is for £20,000, and is subject to restrictions on

Return to notes

ith £30,000 as capital grant received. Both have the
d on capital assets, so they are treated as £30,000

),000 is shown as transferred from restricted revenue
d asset funds, and £20,000 going into restricted fixed

ng all other transactions, the balance sheet at year 1
ed asset funds £20,000, designated fixed asset funds

spect of the £20,000 grant detailing the basis of the
ll detail the restriction

balance sheet at year 2 will be fixed assets £22,500,
d designated funds £7,500 and unrestricted revenue
unrestricted depreciation of £2,500 and restricted
nsfer from restricted fixed asset funds to restricted
ed fixed asset funds to unrestricted revenue reserves
stricted and restricted revenue reserves.

spect of the £20,000 grant detailing the basis of the
ill detail the restriction. If the liability is probable it is
ility

s

Return to notes

er to comply with the Statement of Recommended
by the Charity Commissioners for England & Wales
assets or grants of a capital nature given for specific
f the objects of the charity should be credited to the
een properly expended on the restricted purpose. The
ne full cost of acquisition or subsequent revaluation.

by the grant making organisation on their use and
the fixed asset section of these accounts. In such
is treated as a restricted fixed asset fund. As the
sfer is made from restricted fixed asset funds to
nunition in the asset subject to the restriction.In this
ed from restricted fixed asset funds to unrestricted

ns by the grant making organisation on their use and
is treated as a designated fixed asset fund. As the
fer is made from designated fixed asset funds to
nunition in the asset.In this year, a sum of £* (2005 -
funds to unrestricted revenue reserves.

for example, the asset’s future sale, is disclosed as a
trigger repayment of the grant becomes probable in
ed

for a wealth of exter

nts and to the extent that it may be a departure from
e Number 4, such departure is justified on the basis
ment of Recommended Practice for Accounting and
harity Commissioners for England & Wales.

e of property

e conditional sale of the freehold property has been
l never be returned to the payer, and is effectively an
act. However, this amount is then transferred to
hat if the conditions are met, and the sale proceeds,
amount.

d * are fully incorporated within these accounts.

Return to fixed assets

ents and heritage assets)

at:
sed on initial acquisition and included in the balance

valued;
rather than maintains) the performance of tangible

ner than investments) fall into two categories, those
the running and administration of the charity) and
32). Paragraphs 255 to 278 describe the general rules
alance sheet. In principle heritage assets meet the
sed and included within a charity's balance sheet.
the cost or valuation of heritage assets can only be
h information lacks sufficient reliability. Specific
t of heritage assets are set out in paragraphs 279 to

uded in the balance sheet using the following bases.
are directly attributable to bringing the assets into
can include costs of interest on loans to finance the
e charity has adopted this as a policy for all tangible
d cease when the asset is ready for use. This applies
ire purchase or finance leasing.
or in part from the proceeds of a grant it should be
ase of a joint arrangement at the gross value of the
) without netting off the grant proceeds.
nated, they should be included in the balance sheet at
also included in the Statement of Financial Activities

d some time after being acquired, for example, as a
should be included at original cost or at the value at
f Financial Activities less an amount for depreciation.
ainable, a reasonable estimate of the asset's cost or
uch a valuation will be regarded as the asset's initial

Return to fixed assets

for a wealth of exter

evaluation (see paragraphs 262 to 266).
et is higher than its recoverable amount, it will be
coverable amount. This is covered in more detail in

ional and Investment)
ixed purposes, ie. partly as functional property and
y in which they should be included depends upon the
e extent to which they are separable. The following
opted:
y use of which a part is leased at a commercial rent
nd included within tangible fixed assets provided the
poses.
tment purposes (Glossary GL 39) where the asset is
should be included within the fixed asset investment

distinguishable parts which are held for different
nent and do not fall under (a) or (b) above, should be
between functional and investment assets.

er than Investments)
is they wear out, are consumed or otherwise suffer a
passing of time or obsolescence. Their value is thus
life. This expenditure should be recognised by means
nent of Financial Activities and shown in the balance
om the value of the relevant fixed assets.
narity which are included in the balance sheet should
seful economic life. The only exceptions to charging
nditions apply:
d to have an indefinitely long useful life; or
ulated depreciation are not material because:

s at the time of acquisition or subsequent
ent from the carrying amount of the asset;
ateriality, FRS 15 requires that the asset is subject to
es under the threshold for following the FRSSE); or
been included in the balance sheet (see paragraphs

ues of fixed assets should be reviewed at the end of
material change, the value of the asset should be

ses two or more major components with substantially
e accounted for as a separate asset and depreciated

r than Investments)
assets (other than investment assets) do not need to
of revaluation. Where such a policy is adopted, whilst
be applied to entire classes of fixed assets. Therefore
assets in that class must also be revalued. Classes of
n, according to the operations of the charity (see

apitalised as a result of the change in an accounting
as a revaluation and hence will not require the entire

assets at a revalued amount at the date FRS 15
ods ending on or after 23rd March 2000) this will not
ent exists for such assets to be revalued periodically

sets, their value must be updated on a regular basis.
to valuation at least every five years, subject only to
material movements between individual valuations

Return to fixed assets

material movements between individual valuations.
: will be acceptable for valuations to be carried out on
lent formal professional valuations are not mandatory
tain a valuation from a suitably qualified person who
: FRS 15).
es, such as motor vehicles, there may be an active
te indices may exist allowing a valuation to be made
erson (but not necessarily a qualified valuer) either
ethod of valuation is used the assets' values must be
: value such assets can be recorded at depreciated

Charity

nay become impaired. This occurs if its carrying value
than its recoverable amount. In such a case FRS 11
erable amount. The recoverable amount is the higher

Return to fixed assets

of the future cash flows obtainable as a result of an
s have fixed assets that are not held for the main
mselves or in conjunction with other assets. In these
in use of the asset at an amount based on expected
ıre of its service potential will be more relevant, such
the replacement cost of the asset. Each charity can
very but this must be reasonable, justifiable and

ried out where there is some indication that the
is below its net book value. Such a review should, as
sets or where this is not possible then categories of

nges which may indicate an impairment include:
ıce of the fixed asset;
ınges resulting in a reduction of beneficiaries for a

standards which adversely affect the activities of a

significant reorganisation;
th particular activities of a charity;
ets primarily to generate incoming resources.
the charity should first determine the net realisable
net book value, the value in use will need to be
o be above the net book value, the asset should be
s made to sell the asset, it should be valued at its

ed to manipulate the write down of fixed assets. For
ased, although it may have a low net realisable value,
service delivery within the first years after acquisition.
eds to be recognised, charities should determine this
11 (whilst being able to use alternative valuation
:reated as additional depreciation and included in the
with paragraph 218. The revised carrying amount of
ing useful economic life.

ır further details of disclosures

Return to fixed assets

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sets should be capitalised in the balance sheet (see
gible fixed assets which are of historical, artistic or
reservation and conservation objectives of a charity.
d to capitalise such heritage assets (Glossary GL 32)
and omitted from previous balance sheets when the

ssets, the charity must hold the relevant assets in
es. The objective of the charity may be specifically of
eritage assets may be integral to a broader objective
or science as in the case of museums and galleries.
initially measured and recognised at their cost.
st accounting periods and not capitalised, it may be
to them. In such cases these assets may only be

conventional valuation approaches lack sufficient

Return to fixed assets

uction or analysis of past accounting records or in
additional benefit derived by users of the accounts in
s.
tablishing a cost or valuation for heritage assets and
from this information will involve the separate
ssets held within the heritage asset category. Whilst
pply on an individual asset by asset basis, it should
sub-classes of an overall collection. For example, in
il collection may be onerous but valuing its collection

aluation bases. However, certain heritage buildings,
ation issues. Whilst most specialised buildings can be
see Glossary GL 18), particular issues can arise in
of achieving the same service potential of certain
uctures that are associated with particular locations,
irreplaceable in terms of recreating the same service
s of its heritage value or educational benefit to the
al structure or site.
st or valuation may be difficult to attribute include:
llections including the national archives;
l mounds, ruins, monuments and statues.
ute a cost or valuation to heritage assets which are
the open market. Where assets are purchased by a
e asset to the charity, the purchase price should be
uld be used as a reference point for the fair value of
partly purchased by the charity and partly donated, a
charity should be able to be made. Gifts on death or
carry valuations for inheritance tax purposes that may

Return to fixed assets

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eparate row in the balance sheet and can be further
classes appropriate to each charity eg collections,
depreciation policy should be applied in accordance
paragraph 259 certain heritage assets may have an
esulting in any depreciation charge being immaterial.
rtistic importance are held by a charity but not for
annot be regarded as heritage assets. Examples of
s category include situations where a charity:
s administrative offices or as part of a property
ion or educational purpose;
lection of historic importance, or antique furnishings
e retention of which is unrelated to any objectives of

o house or display a collection of heritage assets
n or conservation purposes).
etain an asset indefinitely for its own use/benefit and
without external consent. Such assets are termed
clude capitalisation of an asset.
ne definition of heritage assets, should be capitalised
nce sheet and in related notes. For example:
n investment within fixed assets, valued at open
nt properties within the investment notes.
undertaking its activities are included within tangible
on an existing use basis unless of a specialised nature
sary GL 18) valuation is adopted.
re included at cost or valued at open market value.
belong to a charity's restricted funds, often being

Churches and ancient centres of learning may not
rvation of the buildings they occupy is unlikely to be
ets might nevertheless be considered integral to the
o difficulties in ascertaining an estimate of the current
me service potential as the existing one. For example,
nd seating capacity of a medieval Cathedral but such
of the original in terms of the religious and historical
iously non-capitalised assets may be impractical and
fect explaining why conventional valuation techniques
in the context of artefacts contained within and
efacts contained within a cathedral or historic church.

on under heritage assets

Return to fixed assets

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and investment properties (Glossary GL 39) and cash
ied as a separate category within fixed assets except
ut reinvestment of the sale proceeds. In such a case,
reason for this is that investment assets are generally
em long-term (ie as fixed assets) for the continuing
capital appreciation.

Return to fixed assets

me related investments (see paragraph 308), should
or at the trustees' best estimate of market value as
a true and fair view of the value of these assets to the
ister the portfolio of investment assets so as to obtain
ıe risk. Investment assets should not be depreciated.
realised, should be reported in the "gains and losses
of Financial Activities (see paragraph 219).
ve a readily available market price eg shares on a
sets for which there is no readily identifiable market
proach. For example:
l by reference to their underlying net assets or

ne of the methods in (a) above outweighs the benefit
the investment may be included at cost.
r securities (eg property), the trustees may use any
h must be done at least every five years, subject only
material movements between individual valuations. If
be revalued. Where a charity has a number of such
carried out on a rolling basis over a five-year period.

ments for a discussion of the disclosure requirements.

Return to fixed assets

ing Resources

d endowment funds - should be recognised in the
t of a transaction or other event results in an increase
n the following three factors being met:
control over the rights or other access to the resource,
lication;
e incoming resource will be received;
e of the incoming resource can be measured with

gross when raised by the charity (or by volunteers
. However where funds are raised or collected for the
ed by the charity, the gross incoming resources of the
by the organisers of the event, after deducting their

coming resources may arise from a wide variety of
change for goods or services of approximately equal
receipt of unrestricted grants or donations (resources

Return to fixed assets

ow such differing transactions can be distinguished.
leciding how any individual transaction fits into this
are likely to lead to different accounting treatments
ovided below set out how accounting standards and

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ransactions that are commonly undertaken within the
accounting standards apply to different funding
ne for each source of funds:
t law) govern the terms of the arrangement and how

a specific performance to be achieved (a contract or

urposes of the charity, or whether they can only be

Return to fixed assets

ods and/or services in return for a fee as part of their
s recognised as incoming resources in the Statement
arity has provided the goods and/or services. Where
ce then a charity may not have entitlement to these
been provided. In this situation incoming resources

Return to SOFA

harity becomes entitled to the resources.
ntain conditions that closely specify the service to be
unding may be set out in a service level agreement
o the performance of a particular level of service or
of meals provided or the opening hours of a facility
ing resources derived from such performance-related
on the delivery of the specified level of service and in
ncoming resources to the extent that the charity has

particular purpose of the recipient charity does not
performance related grant. For a performance related
nly arises with the performance of a specific output
ment to the grant in such cases only arises as the
ontrasted with a restriction that whilst limiting how a
es does not require a specific and measurable output
ondition of a charity's entitlement to the funds. Such
t out in paragraphs 104 to 111.
riptions, these may be in the nature of a gift, or they
n privileges. Where the substance of the subscription
be recognised on the same basis as a donation. If the
benefits, the incoming resource should be recognised
criber receives rights to such benefits evenly over the
membership income on a pro-rata basis for the period
e an appropriate estimation technique for income

e activities under a long-term contract. Owing to the
ts, it is appropriate to take credit for ascertainable
ources expended while contracts are in progress in

ific guidance on revenue recognition under long-term
recognise incoming resources in respect of its
n, and to the extent that, it obtains entitlement to
assessment of the fair value of the goods or services
of the total fair value of the contract. There will be
e work performed and in such circumstances it would
recognised at the balance sheet date based on the
son with total expenditure. In the case of services, it
a proportion of the total time to be spent to fulfil the
estimate of a charity's performance and therefore
charity, does not, in itself, justify the recognition of

ised grant or donation is evidence of entitlement.
formally expressed in writing. Where entitlement is
d, such promises should be recognised as incoming

surability are met.
with conditions attached that must be fulfilled before
ol) of the resources. Meeting such conditions may be
reliant on external factors outside its control. Where
's control and there is sufficient evidence that the
rce should be recognised. Where uncertainty exists as
itions within its control, the incoming resource should
il certainty exists that the conditions imposed can be

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a charity obtaining matched funding, or subject to a
ditions attaching to such grants would not be either
ipient charity. The charity would not therefore have
ming resource until these conditions were met. The
ould not be recognised until the conditions set have

ounts or certification of expenditure can be seen as
ed to a condition that might prevent the recognition

to donor imposed conditions that specify the time
an take place. Such a pre-condition for use limits the
e time condition is met. For example, the receipt in
take place in a future accounting period should be
sed as a liability until the accounting period in which
to expend the resource.
events the recognition of an incoming resource, a
probable (but not virtually certain) that the condition
348)
resources when they are receivable. Recognition of a
uld not be deferred (Glossary GL 15) even if the
diture on the activity funded by the grant or donation.
e resource with the timing of the expenditure being
ing resources cannot be deferred simply because the
ilarly, a condition that allows for the recovery by the
not prevent recognition. A liability for any repayment
le.
specifically to provide a fixed asset or a fixed asset is
lly have entitlement to the incoming resources when
incoming resources should be recognised in the
ferred over the life of the asset. As explained in
epay the incoming resources does not affect their
ed, the use of the asset will either be restricted or
unrestricted the trustees may consider creating a
e asset. The relevant fund will then be reduced over
ith its depreciation. This treatment accords with the
the recognition of assets and liabilities and provides
r charities (see Appendix 2: SSAP4).

to the charity, for instance where it receives the
acting as agents (and not as custodian trustees), are
party and have no responsibility for their ultimate
tion is legally a transfer of resources from the original
fied third party. If the original payer retains the legal
ation of the funds, the intermediary charity should not
ancial Activities or the balance sheet (see paragraph

harity may control the use of resources prior to their
l act as principal and have responsibility for their
rustees of the intermediary charity may have applied
ct how the grant should be used by the third party or
olving intermediary charities may need their trustees
r of the grant to the third party (and for its charitable

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:y). In all of these circumstances the resources should
Statement of Financial Activities and balance sheet

sources and resources held for third parties in the
:P 114 and 115

s

a restricted purpose does not affect the basis of its
al Activities. There is an important difference for
:ed on the purposes for which a particular resource
lfilled prior to entitlement or use by the charity. The
recognition of the incoming resource as the charity
is simply limited by the restriction as to the purposes

e of providing fixed assets should be accounted for
ıt of the fixed assets provided with those funds will
e terms on which the funds were received may either
a restricted fund or the fixed assets' acquisition may
e held in the unrestricted funds (see also paragraph
tment will depend upon the circumstance of each
are re-allocated from one fund to another, this should
funds.

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y for a recipient of a grant when the roles are

conditions that closely specify a particular service to
ıe terms of such grants may be set out in a service
ent are linked to the performance of a particular level
nple, number of meals provided or the opening hours
ıch cases, the grant maker will have negotiated the
es. Expenditure on such performance-related grants
ırces expended to the extent that the recipient of the
ds.
ırticular purpose of the recipient does not create a
o includes specific performance terms that meet the

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icted grants may fund a programme of work to be
pient. Again, this does not mean it should necessarily
ant simply because of the period of the funding
l in monitoring or influencing the focus of the work as

fund a three year research programme enabling the
entified by the recipient as necessary to meet its own
dge on a topic. In order to provide funding, the work
legal objects of the grantmaker which may also, as
nvolved in monitoring or influencing the focus of the
performance-related grant (see Glossary GL 45) if the
d service to the grantmaker or its beneficiaries as a
formance conditions that are directed at enabling the
r increasing the pool of knowledge in an area of work
structive obligation arises to make the grant payment

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ns

nance-related grants) and certain other expenditure
exchange for consideration does not arise. Such
objects but without creating a contractual or quasi-
he grant or the charity's beneficiaries. Nevertheless,
40) which needs to be recognised.
r a legal obligation (Glossary GL 10). A constructive
ave created a valid expectation in other parties that
nce that a valid expectation has been created might
st practice in discharging such obligations and the
recipient. A constructive obligation always involves a
mmunicated to those affected in a sufficiently specific
rt of the recipient that the charity will discharge its
ves a commitment to another party, it follows that a
t give rise to a constructive obligation at the balance
mmunicated before the balance sheet date to those
ise a valid expectation in them that the charity will

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l or policy statements of their future intentions, for
nine in a particular location or to improve the quality
. Such statements can be communicated in a variety
ut future plans in a Trustees' Annual Report or simply
ments such as these do not create a constructive
arity as to their implementation. A term in a grant
from a future obligation in the event of lack of funds
y prevent the recognition of a liability by the donor
nised when an event requires the funding offer to be

here:
e goods, services or grant funding is given, and
y or grant recipient.
y to have a realistic alternative but to meet the
sulting liability will be dependent on any conditions

ich are dependent upon explicit conditions being met
nent is made or upon future reviews. A liability, and
such conditions fall outside the control of the giving
control of giving charity, then the charity retains the
e a liability should not be recognised.
es a specific commitment to grant fund a project over
y arise:

s that determines whether future funding is

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terminate the grant;

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) terminate the grant;
iew practice) that the discretion retained by the
:ion and an immediate liability arises only for the first
review process, although set out in the conditions of
whether funding is provided in the subsequent years
on should not be interpreted as a condition and a
ıld be recognised.
t that enables the charity to realistically avoid the
; of the funding should be recognised.
at are outside the control of the giving charity. For
ent on the condition that the recipient finds matching
control of the giving charity, a liability arises and

conditions have not been met, such a commitment
t liability. The balance sheet treatment for both
ties is given in paragraphs 340 to 348.
of the charity's income funds to represent contingent
may not have created a liability.
of a liability no longer appropriate, the liability should
expenditure heading in the Statement of Financial
ıt originally used to recognise the expenditure for the

support costs (Glossary GL 54) incurred that, whilst
ves produce or constitute the output of the charitable
supporting income generation activities such as
of the charity. Support costs include the central or
anagement, payroll administration, budgeting and
ources, and financing.
itute an activity, instead they enable output-creating
re therefore allocated to the relevant activity cost
paragraphs 168 to 174. This enables the total cost of
tement of Financial Activities and for the cost of the
ervice, programme or project level within the notes to
e user interest in both the level of support costs
ocation to the relevant activity cost categories that
losures.

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see the 'Analysis of support costs' note in the note

ıld be adopted but a charity should also consider the

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nd be adopted but a charity should also consider the
st benefit advantages of the approach in that greater
at a high incremental cost.
ries, the following principles should be applied:
llocated directly to an activity cost category. Return to detailed SOFA
ectly to the output of more than one activity cost
ember whose time is divided between a fundraising
ould be apportioned on a reasonable, justifiable and

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sses on disposal of fixed assets should be attributed

gle activity but rather provide the organisational
tivities to take place. Such costs should therefore
e and consistent basis to the activity cost categories

nent that may be applied. Examples include:
incurred directly in undertaking an activity;
loyed within an activity;
ivity.
re multi-activity).
charity should be appropriate to the cost concerned
nd selected to enable its accounts to give a true and
ent will normally be consistent between accounting

ides information about its activities in the context of a
s, objectives and projects of a charity is frequently
collections and telephone fundraising. In determining
erefore a need to apportion costs, a distinction should

ising the profile of a charity which is associated with Return to detailed SOFA

an educational manner in furtherance of the charity's

publicity or information to be regarded as charitable
ational manner. To achieve an educational purpose,

use the information to further the charity's objectives;

can act upon in an informed manner to further the

ectives undertaken by the charity
a fundraising activity does not meet these criteria, it
nors and therefore relating wholly to the fundraising

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t targeted high-risk beneficiary groups or the medical
risks or symptom recognition and advising on steps
all within charitable expenditure in that it is targeted
taken and is likely to link to the charity's activities or
n such information is provided in the context of a
with costs apportioned between the fundraising and

note

tion or summaries in a format different from the

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naries are often included in a non-statutory annual
lation or impairment of fixed assets - whether held for
es - will form part of the particular fund in which the
was held at the time of disposal, revaluation or

l as follows:
charity's own use (ie not investments) should be
ired asset and included appropriately in the resources
Activities;
:he charity's own use should be included under the
disposal should be treated as additional depreciation
ended section of the Statement of Financial Activities;

sidered to be impairment losses (see paragraphs 267
should be included in the section on gains and losses
own use.'

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been prepared, it is not practicable to give detailed
ary financial information or summarised financial
l be followed are set out below.
ıs for smaller charities. Some of these have been

Commission encourage full disclosure.

naller Charities
ions for smaller charities that are ***not subject to a***
sholds). The concessions cover the Statement of

vities, smaller charities do not need to analyse either
activity categories within the Statement of Financial
classifications to suit their circumstances. **(This**
ıring a standard template and users would have
ds)

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tive approach to analysis within the Statement of
y no longer be necessary, for example, where these
ın activity category or where relevant information is
cial Activities . The disclosure paragraphs affected by

when the templates have been modified to
scribed above)

Paragraph References in the SORP	
	122
activities	146
	166 - 167
	175 - 176
ome	183 - 184
	186
	191 - 194
costs by activity	202, 203(b)
	212

her the alternative approach is adopted or not

tails of staff emoluments in bands (paragraph 236).

uce the detail of reporting requirements placed on
ing to follow the full recommendations of the SORP is

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eate undue problems for smaller charities, and
e taken up by many such charities is the staff

harities are required to produce a Trustees' Annual
ct 1993 provide for charities that ***are not subject to***
esholds) to produce an abbreviated Trustees' Annual
equired to produce the report, and includes charitable

ed Trustees' Annual Report is summarised in table 11

ement is not greatly different from the standard
of little sgnificance. In the template we have
on the trustee report

Report for a smaller charity
audit)

	Paragraph
	41(a)
known	41(a)
arity Number) (if any)	41(b)
)	41(b)
;	41(c)
) for the charity on harity trustee is a body dy corporate should	41(d)
charity trustee	41(e)
the charity is	44(a)
ppointment of new trustees,	44(b)
ut in its	47(a)
elation to	47(e)
arity during the year	(54)
	55(a)
and the circumstances o eliminate the deficit.	55(b)
is capacity.	

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s) on whose
falls within their own objects.

d segregation of such assets

› present a true and fair view of the state of financial
ng charity including its subsidiary undertakings. The
›vered by FRS 2. These principles should be applied
and its subsidiaries are companies or otherwise

unts prepared in addition to those prepared for the
he subsidiary undertakings in its own right.
uld prepare consolidated accounts including all its
t where:
ubsidiary undertakings from consolidation (see

ments, (Glossary GL 31) of the group in the
l for a statutory charity audit (see Appendix 4); or
are not material to the group; or
rtue of being a special trust or a charity subject to a
rities Act 1993, has had its accounts aggregated with

from consolidation in certain limited circumstances
ally hinder the exercise of the parent undertaking's
or management or subsidiary held only for sale). It is
ly to a charitable group.
or a variety of purposes including undertaking non-
nd carrying out charitable activities. The difference
is not sufficient of itself to justify non-consolidation.
registered company which is insolvent and is being
›e excluded from consolidation.

will be included in the aggregated accounts of the
icted funds or endowment funds of the charity (see
harity may control another charitable entity that does
example, because the objects of the subsidiary are
:he tests for control (the parent's ability to direct and
uld be consolidated. Benefit to a parent charity may
by the charitable subsidiary to its own beneficiaries
charity or in terms of cash flow to the parent charity.
:s are substantially different from the parent charity,
›

harrower than its parent will need to be accounted for
ns in the consolidated accounts.

king meets the Control test
›y the measure of control (Glossary GL 44) exercised
:ontrol can be determined in the context of:
›wnership) and/or
ies of the subsidiary.
ies Act 1985 which should be followed by those

Return to notes

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ıd subsidiary undertaking may arise where the parent
such a way that all the risks and rewards of the
g. An example is when the ownership of the assets is
‹clusive use of those assets and meeting the costs of
ırded as quasi-subsidiaries and should be accounted

ıe regarded as a subsidiary undertaking where the
ctually exercises, dominant influence or control over
managed on a unified basis. Control can arise in any

or employees of the parent charity are, or have the
ırity trustees of the subsidiary charity; or
harity reserves to the parent charity's trustees and/or
ent to, the exercise of significant discretion by the

rity as a subsidiary is that the connection between it
ng and financial policies of the former are likely to be
ter. This is likely to be the case where one of the
ıph exists, but trustees may, in a particular case, be

tially or exclusively confined to the benefit of another
lar consideration. For example, friends' groups, on
ıport to an established charity whilst retaining legal
ıpport. In such cases the formal powers identified in
nfluence may arise less formally. For example, the
nature or timing of the support it wants to achieve.
on a critical matter. Where evidence exists of such
for consolidation should be regarded as being met.

method of consolidation, which should be carried out

ources expended should be shown gross after the
s desirable that similar items are treated in the same
ctivities to generate funds in the charity should be
ry, and charitable activities within the charity should
bsidiary. Similarly, costs of generating funds and/or
ıgregated with those of the charity.
tegory headings within the permissible format of the
malgamations of activities. The headings used should
it is not possible to exactly match items between the
segmental information should be provided so that the
/ undertaking are transparent (see paragraph 405).

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n (England and Wales)
ırepared under accounting standards, in England and
vidual charity's accounts to be filed with the Charity
here the group and parent charity's accounts are
ıts, as well as two balance sheets there should be two
roup and one for the parent).
filed with the Commission omitting the Statement of
Commission is prepared to accept these accounts as
e parent charity are clearly disclosed in the notes. The
alance sheet of the parent charity. The Commission
filing of any individual charity Statement of Financial
have a legal right to request this statement. **(Note**
le from Peter Brown and Co at an additional fee
ed)

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he Trustees' Annual Report concerning the activities
rial subsidiary undertakings (see paragraph 53). **This**

red, the policy notes should state the method of
ciated entities are included and excluded from the
solidation template

the narrative section relating to subsidiaries in

nting requirements in consolidated accounts where a
rrangements.

s, joint ventures and joint arrangements and provides
ationship between the entities involved. Where these
subject to the exemptions in paragraph 383.
ating interest in another undertaking and exercises
nancial policy then this is likely to be an associate
20% or more of the voting rights in any undertaking,
erest and significant influence over its operating and

amme related investments may on occasions combine
se and on occasions may be invited by the recipient
stee with particular skills or expertise. Where the
ody, this might be construed as creating an associate. Return to notes
r appointment is used in conjunction with a formal or
nfluence through direct involvement in setting the
es. Where the charity trustee appointment is simply
ipient charity whilst allowing the charity to adopt its
elationship is unlikely to be created.
ity is jointly controlled by two or more undertakings,
joint venture, so that no single investing undertaking
do so. It is possible for a charity to beneficially hold
taking but for the management arrangements to be
ther partners and hence the undertaking is a joint

angements where they may carry out activities in
olishing a separate legal entity.

t Ventures and Joint Arrangements
nts based on the net equity method. The consolidated
the net interest in the results for the year in the
t incoming resources/(resources expended) before

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it incoming resources/(resources expended) before
nterest in associates should be shown as a separate
charity's rights to the associate's assets are severely
dividend distribution) then this should be reflected in

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n a gross equity method. This method requires the
s incoming resources of joint ventures on the face of
nent of Financial Activities in charities). However, this
urces and must be clearly distinguished. For charities
ng resources from joint ventures in the Statement of
an additional row showing the total share of gross
duction in total incoming resources. In addition a row
ear in the joint ventures as a separate row after the
" row must be included (this may be combined with
he share of the gross assets and the gross liabilities
fixed assets investments.
ments and unrealised gains on other fixed assets, the
n on a separate row, with the gross share relating to
e row or combined with the appropriate lines on the

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charity's gross share of the incoming resources and
ties should be included in the accounts in the same
. If under the arrangement the charity is jointly and
ue the part of the obligation for which it is responsible
pected to be met by the other parties as a contingent

the narrative section relating to associates in

RP with respect to charitable companies. In following
meet most of the reporting requirements under the
reproduce these requirements in full and a charity
nen considering the application of the Companies Act.
s SORP and the other special sections as applicable,
ust be met by charitable companies. Ways of meeting
ggested below, but these too should be considered in
ces.

ne Companies Act 1985 with respect to the form and
tes the contents of the annual (directors') report. In
aritable companies have to prepare both that report,
f the Charities Act 1993, but the Charity Commission
filing under Part VI if it also contains the information
s (unlike non company charities) do not have an
rs from the Annual Report.
ny to prepare annual financial statements which give
end of the year and of its profit and loss for that year.
A of Schedule 4 to this Act requires the directors to
lance sheet and profit and loss account in any case
ness requires such adaptation.

return to notes

for a wealth of exter

ew and to adapt the accounts for the special nature of
mption that charitable companies will, in all but
ith this SORP in order to meet the requirements of
rtures from this SORP are required to be disclosed in

he Summary Income and Expenditure Account

r the Companies Act 1985 must include an income
atements. The Statement of Financial Activities is
a charity which would be found in both the income
total recognised gains and losses as required by FRS
is therefore not necessarily required. Circumstances
here the income and expenditure account cannot be
inancial Activities and there are items which may be
me and expenditure account, such as:
ring the year; and
e year.

return to notes

ry income and expenditure account is included
d practice to use it.

wed in the income and expenditure account, most of
al Activities below the point at which a conventional
s explained in paragraph 424. Furthermore - where
tion of investments (as explained in paragraph 219)
all the revaluation movements will be classified as

of a charitable company does not include any of the
oduce a separate summary income and expenditure
nancial Activities should be changed so that:
n income and expenditure account and statement of
nd
income/(expenditure) for the year" which replaces or
outgoing) resources for the year".
alised gains and losses are included in the Statement
fall within the bounds of the headings for (a) and (b)
ticular attention may need to be given to impairment
ith the guidance in FRS 11 , are realised in some

e account is required, it should be derived from and
in the Statement of Financial Activities. It need not
d income funds but the accounting basis on which
he Statement of Financial Activities. It should show
acquisitions and discontinued operations:

ssets belonging to the charity's income funds;
previously received as capital resources and now

ming resources – other than revaluation gains – of all
nds);
funds;
actice, the format may need to be modified to comply
the charity's own governing document.
mmary income and expenditure account and which
a summary income and expenditure account for the

for a wealth of exter

n and Statements

stinguish between the two different types of

ıny kind is prepared (including financial information
ıd annual reviews), charity trustees are reminded that
ate. This is dealt with in paragraphs 371 to 379.

ecommendations in paragraphs 371 to 379 but their
ıclude a statement indicating whether or not the
been delivered to the Registrar of Companies.

ıtion or summaries in a format different from the
naries are often included in a non-statutory annual
basic types of such summaries:
ıould be based on the full financial statements and
ut providing the greater detail required in the full
s to the accounts).
ents information on a particular aspect of a charity's
resources or expenditure on particular activities of a
mmarise the full statutory accounts.
cial statements and summary information is set out in

Summary financial information
Draws information from only parts of the accounts.
May be based interim accounts or other financial information as well as statutory accounts.
Makes no reference to either of these primary statements.

for a wealth of exter

Represents analysis eg. of a particular activity or region.

companies, the provisions of section 252 of the
ımarised financial statements do not apply. However
Act 1985 relating to the publication of non-statutory
ndations set out below in relation to summarised
statutory provisions applying to companies. There are

summaries will be produced will vary considerably,
been prepared, it is not practicable to give detailed
ary financial information or summarised financial

lowed are set out below.
any summary financial information or summarised
accounts must always be produced.

ement of Financial Activities and the balance sheet,
unts and
or inappropriate amalgamation of information.

essarily contain information on both the Statement of
uld nevertheless present information consistent with
by either omission or inappropriate amalgamation of

be accompanied by a statement, signed on behalf of

but a summary of information relating to both the
e sheet;
ch the summarised financial statements are derived
ether audit, independent examination, or reporting

d, whether the report contained any concerns such as

g is qualified, contains an explanatory paragraph or
e provided in the summarised financial statements to
of the report;
ranch of the charity (see paragraph 77), it must be
statements are for the branch only and have been
g charity (giving its name);
he external scrutiny report (as applicable) and the

approved; and
s, say whether or not the Trustees' Annual Report and
ommission.
crutinised, a statement from the external scrutineer,
ımarised financial statements are consistent with the

n, in whatever form, should be accompanied by a

unts;
n audited, independently examined or subject to a

trustees' report and external scrutiny report (as

for a wealth of exter

benefit schemes: defined contribution schemes and
ppear in the glossary (GL 16 & GL 17). Details of how

defined benefit scheme, where the contributions are
, or where the charity is unable to identify its share of
nsistent or reasonable basis, should account for its
ned contribution scheme. Where a charity is unable to
l liabilities of the scheme, the disclosures set out in

ieme recognised in the accounts is equal to the
accounting period. These pension costs should be
ed categories of the Statement of Financial Activities
in relation to such schemes are set out in paragraph

affects charities that operate defined benefit schemes
n a defined benefit scheme is the excess/shortfall of
elow the present value of the scheme liabilities. In

that the employer charity is able to recover a surplus
re or through refunds from the scheme.
it that it reflects its legal or constructive obligation of
also be adopted in relation to the provision of death-
ot wholly insured, and provided through a defined

fit scheme should be undertaken by an independent,
three years and updated annually at the charity's

ieme normally gives rise to an asset or liability within
reporting charity will normally be the employer and
covered either in the form of reduced contributions or
ability arises through a legal or constructive obligation
rest with the main charity's unrestricted funds.

Gains
r liability (other than that arising from contributions
or deficit in the scheme) should be analysed into the
se will only be recognised through the Statement of
RS 17. (See Appendix 2 for FRS 17 implementation

e resources expended categories of the Statement of
own computations. The basis of the allocation should
ension costs based on the staff costs of employees
other approaches (eg allocation based on pension
equitable allocation. Allocation of the components

vice costs and gains and losses on settlements and

for a wealth of exter

vice costs and gains, and losses on settlements and
iate resources expended categories set out in

n the net of the interest costs and expected return on
resources expended categories set out in paragraph
ould be recognised as an incoming resource and

on settlements or curtailment, are material in the
e) category in which they are recognised, the
accordance with FRS 3 – Reporting Financial

e recognised within the “gains and losses” categories
the heading “actuarial gains and losses on defined

cruing to a restricted fund only where it can be
asset will accrue to a particular fund through reduced
iability should be allocated to a particular fund only
bility arises to fund the deficit and could properly be
may arise where staff are specifically engaged on a
e. This allocation may be undertaken on the basis of
the provider of a particular restricted fund may be
hich any pension asset or liability is allocated to that
be properly charged through it.
to a restricted fund should be reviewed on an annual
rticular project indicate that the economic benefits or
lar fund then the asset or liability should be allocated
nsfer of funds through the Statement of Financial

pension asset or liability within restricted funds are
cognised within the restricted funds column of the
ents of the pension cost should be recognised within
ategories and on the same basis as set out in the

aff costs without the criteria for the recognition of a
d fund’s balance sheet being met. For example, a
re or staff may be frequently transferred between
hich will ultimately recover any surplus or meet future
h circumstances, the restricted funds column of the
echarged with an appropriate portion of the current
ting to the staff engaged in activities within restricted
Financial Activities would, as with any recharge, also
tween fund balances. The balance sheet of the
recognise the overall pension asset or liability.
ses on curtailments and settlements arise, such costs
hen a charity can demonstrate the costs relate to
tricted funds.

cheme contributions are given in FRS17. This section

erated by a charity, the notes to the accounts should

ntributions at the year end.
d benefit pension schemes are detailed and charities
completing their disclosure notes. The notes to the
on:

uation.

for a wealth of exter

period and any agreed contribution rates for future

e beginning of the period and at the balance sheet

tween equities, bonds and other assets and their

nd the resulting surplus or deficit compared with the

component parts of the defined benefit costs charged
activities;
fit scheme has established that the employer's share
dentified on a consistent and reasonable basis (eg by
s or actuaries) this fact should be disclosed. Any
e surplus or deficit in the scheme and the implications
charity should be disclosed together with a brief
rise to this position.
fit scheme discloses a material pension liability, the
rt in the explanation of the policy on reserves) should
t impact, if any, on resources available for general
balance on unrestricted funds, the note should also
ed fund of the charity to contribute to any resource

e notes to the accounts (or Trustees' Annual Report)
n the nature of the economic benefit derived from the
which any benefit in terms of reduced contributions

e
nal resources
rces page

rts of the accounts production file

el worksheets in this template
ternal resources page
e entry

of accounts
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port
nt Examiner's Report
of Financial Activities & I&E ac
eet
Statement
e accounts
hedule to the SOFA
alyses per the SORP
exts and explanations
checklist
mendments to templates
rkings for cash flow
rkings for acs
nt Examination directions 2008

and - see OSCR guidance

small companies.

nal resources

er to comply with the provisions of the SORP
:e notes.

Incorporated charity - Exempt from external scr

Client HAWA
Code 0

Schedule prepared by
Reviewed by

Incorporated charity - Exempt from external scrutiny

Initial check to establish that exemption from scrutiny is the

Note that the rules are slightly different for unincorporated c
Company) charities can NEVER prepare Receipts and Paymen

Establish the gross income. If only a part of a year is involved for any period then gr

Remember that gross income is not the same as turnover, and can include capital g
normally included in turnover, including the value of goods and services in kind. Che
Charities Act
Unlike audits, the income is not 'pro rata' for a period of less than a year.
Throughout the UK, the accounts are subject to a statutory audit if gross income **ex**
before deducting any liabilities exceed **£3.26 million.** (**But see exemption Engla**
accounts must be prepared on an accruals basis.

Scotland

There is no exemption from examination in Scotland

England & Wales

In England & Wales, even if total gross assets before deducting any liabilities
income is less than **£250,000,** then no audit is required.

In England & Wales, all accounts with income over **£250,000** must be examined
holding specified qualifications.

Exemption from external scrutiny for charities in England & W

For accounting periods ending on or after 1st April 2009 -income equal to or less tha

Northern Ireland

The legislation has been enacted, but is not yet implemented.

Also consider if an audit is required because the charity is a part of a g
apply. Look at the detailed provisions to determine whether or not an au
required. These provisions can be complex and reference to the legislatio

required. These provisions can be complex and reference to the legislatic
group income, excluding intercompany transactions, exceeds **£500,000**,
and an audit is required.

**Having established the eligibility for exemption from external sc
then consider whether**

a) an audit is required by a funder or a conditions of a grant or donation
b) an audit is required by the governing document of the charity
c) an audit is required under some other statutory or regulatory regime
d) the charity is a part of a group. If so different income levels will ap
determine whether or not an audit of the charity and/ or the group is requ
and reference to the legislation may be required

If all the answer to all these questions is no, then an exemption from exterr

Disclosure exemptions for independent examinations

Certain disclosures are compulsory for statutory audits, but there are e
audits (which includes independent examinations). The exemptions are hig
areas the SORP does emphasise that full disclosure is encouraged.

Links to sections of the checklist

**It is recommended that the first step is a review of the introductior
in the case of smaller charities, then work through sections A to H**

Introduction to checklist
A Trustees' Report
B General Areas
C SOFA
D Balance Sheet
E Notes to the Accounts (including accounting policies)
F Cash Flow statement
G Subsidiaries and consolidation
H Associates and Joint ventures
I Small charity exemptions from disclosure

Introduction

Checklist of disclosures under the Charity SORP 2005 (Revised 200

See disclaimer & terms

This checklist is only for the purposes of charity disclosure.
For charities who are also limited companies the appropriate
company checklist should also be used, and the SORP should be re

In the application column 'AA' indicates disclosure is mandatory for all chari
Where 'AA' is not shown ,disclosure is only required when relevant

Before conducting this disclosure checklist all relevant Accounting and Auditing standards should be reviewed

In addition review the 'Practice Note on the Audit of Charities in th United Kingdom (revised) published by the APB in April 2002 which includes matters relating to independent examinations

Hint

A useful technique for reviewing the SORP and finding anything rel internet and use the the find facility to seek for key words. This file

Click for full text of 2005 SORP

Where an indication is shown that VT accommodates a particular disclosure be taken to indicate that there is the facility for the disclosure within VT or t

This checklist is designed to be worked through in conjunction with

For smaller charities the exemptions available should be reviewed

A VT indicator simply means the disclosure can be accommodated - not tha

The accounts should be checked to see that the disclosure has been identifi

Where a disclosure is not accommodated by VT a manual note or amendme

Note that in the case of endowment funds this checklist may not co which should be reviewed in detail.

Checklist prepared by

Click for full text of 2005 SORP

Note that the SORP should be referred to for the limited exemption Where narrative rather than numbers is required careful reference

Introduction to SORP checklist Click for full text o

Before conducting this disclosure checklist all relevant Accounting and Auditing standards should be reviewed

In addition review the 'Practice Note on the Audit of Charities in the United Kingdom (revised) published by the APB which includes matters relating to independent examinations and to the contents of auditors and accountant's reports

A Trustee's Report Click for full text o

Return to lead schedule

Report must be prepared, with notes and accounts

Registered name of charity

Other names by which charity is known

Nature of governing document

Charity number

Company number if relevant

The address of the principal office (or registered office if a co)

The names of all trustees (or at least 50 including officers) on the date the report was approved
See requirements if a trustee is a body corporate

Names of all persons who served as trustees during the financial year
Note this is different to the requirements of 41(d)

The name of the Chief Executive or other senior staff member(s) to whom day to day management is delegated

If the charity is a company,the names of current directors

The names of bankers,solicitors,auditors,examiners,investment reporting accountants and other professional advisors

The method of appointment or election of trustees

The name of any person or body entitled to appoint trustees

The policies and procedures adopted for the induction and training of trustees

Description of organisational structure and decision making

Where the charity is a part of a wider network then the relationship and its impact must be disclosed

Statement of relationships with other charities & organisations including subsidiaries and charities and other organisations with which it cooperates

Statement of relationships with related parties

A statement of major risks and systems in place to mitigate

Explanation of charity's object by reference to governing document

The charity's aims and the difference it seeks to make through its activities

An explanation of the main objectives for the year

An explanation of the strategies for achieving the objectives

Details of significant activities including programmes, projects
and services that contribute to the achievement of objectives

Grant making policy

Where material social or programme investment activities are undertaken
the policies adopted should be explained

Comments on contribution from volunteers
See the SORP for requirements re measurement and valuation

The very detailed requirements of the SORP with regard to
assessing and reviewing the achievements of the charity and its
performance against objectives should be disclosed

A review of charitable activities undertaken explaining performance against
objectives set

Comments on performance of fundraising against objectives set
where material

Comments on investment performance against objectives set
where material

Comments on those factors both within and without the charity's control
which are relevant to the achievement of its objectives

A detailed financial review should be disclosed

Policy on reserves. Level of reserves and why held

Where funds are in deficit , an explanation and proposed action
This should also be in the notes to accounts

Plans for future periods including key aims and objectives

Where funds held as custodian trustees disclose both as
a note to the accounts and in the trustees' report :-

a) A description of the assets involved

b) The objects of the charity for whom the assets are held and
how this activity falls within the charity's own objects

c) Details of safe custody and segregation arrangements

Comment on the activities and performance of the charity's subsidiaries

Public benefit statement

Report formally approved before signature by the board of trustees

Date of approval shown

Statement of facts disclosed to auditor
Mandatory for statutory audits where accounting period commencing on or after 01/04/05

Comparatives where relevant

B General areas Click for full text c

Return to lead schedule

Do accounts comply with accounting standards and embrace fundamentsal accounting concepts

Is proper fund accounting adopted and fully disclosed

Duration of accounting period properly disclosed

Is FRS3 relevant with regard to discontinued operations
The template will need to be manually amended to cope with this

Category headings may be omitted throughout the accounts when they are nil for both the current and the prior period, except where a nil disclosure is required by specific sections of the SORP

Are realised/unrealised gains and losses kept within the fund to which they relate

Are the movements on each funds reconciled to the opening and closing balances on each fund and disclose the detail required by the SORP

Are branch to branch transactions netted off and are branches properly accounted for in accordance with the SORP

Are fixed assets purchased with a grant and subject to restrictions on sale or use included in a restricted fixed asset fund

Are other fixed assets purchased with a grant included in a unrestricted fixed asset fund — logical consequen

C Statement of Financial Activities — Click for full text c

Return to lead schedule

Does the layout follow the prescribed structure adapted for the circumstances (Table 3)

Distinguish between types of funds

Are the rules on income recognition followed

For deferred incoming resources give reasons for deferral and give the analysis required by the SORP

Where resources have been held for third parties give the details required by the SORP

Are incoming resources analysed by activity as in Table 3 of SORP

Do the accounting policies show the basis of any apportionments

Comparative figures

If no entries for both the current and prior year under any category the category may be omitted

Where material details of the types of activities to generate voluntary income should be disclosed in the SOFA or the notes

Restrictions dealt with in accordance with SORP

Material components of donations legacies and similar incoming resources to be shown on SOFA or in notes

Legacies only included in accordance with SORP

Gifts in kind treated in accordance with SORP

Basis of valuation of gifts in kind disclosed and adj on sale

Information re undistributed gifts in kind

Donated goods and services (eg seconded staff,donated facilities etc) grossed up , valued and treated as incoming resources

and disclosed as required by the SORP

Incoming resources from activities for generating funds
dealt with in accordance with SORP

Investment income dealt with in accordance with SORP

Incoming resources from charitable activities
dealt with in accordance with SORP and disclosed
with the detail required

Gains on disposals of assets included in incoming resources

Analysis of costs of incoming resource activities linked to the relevant
incoming resources generated (may be given in notes)

Support costs analysed in detail as required by the SORP

Depreciation etc on charitable assets included in
the appropriate fund and activity headings

Gains on disposals treated as incoming resources, losses
treated as depreciation in resources expended

Accounting polices disclose the apportionments of costs between
activities and the details of any estimation techniques
and the basis of multi purpose activity analysis

Are the resources expended analysed as required

Where material, are the costs of generating voluntary income analysed
by activity

Where material , are the costs of fundraising analysed by activity

Charitable expenditure analysed and disclosed in accordance
with SORP, including analysis by activity and analysis of support costs

Grants payable analysed and disclosed in accordance
with SORP, including analysis by activity

Analysis of grants by individuals and institutions and by activity
analysis and explanation - may be given in notes
The disclosure requirements are details and should be worked through
by reference to the SORP

Governance costs should be analysed by nature, and should be
fully explained

The nature and purpose of material transfers between funds should be expl

Other recognised gains and losses should be disclosed as set put in the SO and allocated to the section of the SOFA reserved for them

Impairment loss on non investment assets included in depreciation

By default the profit/loss is shown by VT in other incoming resources When a loss occurs a manual adjustment to the TB/schedules will be necessary to include the loss within the depreciation costs. This is achieved by increasing the depreciation and reducing the written value of the asset so there is a notional nil gain

Non impairment gains and losses on revaluation of non investment assets should be included in the section of the SOFA reserved for them

Gains on non investment assets to be included in other incoming resources

Gains and losses on fixed assets to be treated in accordance with the SORP

Losses on non investment assets to be included as additional depreciation

Gains and losses on investment asset to be disclosed and accounted for in accordance with the SORP

D Balance Sheet Click for full text c

Return to lead schedule

The majority of the disclosure requirements are dealt with in the n
is adopted, there should be compliance with the disclosure require
detail has been correctly computed by the user, and the template c

Does the layout follow the prescribed structure adapted for the circumstances (Table 7)

Comparative figures where relevant

Intangible assets to be disclosed in accordance with FRS10

Tangible fixed assets to be disclosed in accordance with FRS15

Heritage assets to be disclosed separately

Investment assets to be disclosed separately

Programme related investment assets to be disclosed separately

Current assets analysed between stocks and wip, debtors, investments, cash at bank and on hand with subtotal for this group.

Creditors falling due within one year .

A subtotal for net current assets

Total assets less current liabilities

Creditors falling due after one year

Long term debtors if material should be shown separately otherwise show in the notes
(VT does not accommodate this item if it is to be shown in the balance she

Provisions for liabilities and charges

Total net assets

If no entries for both the current and prior year under any category the category may be omitted

For the following special situations refer to the SORP

Defined benefit pension scheme asset/liability

Revaluation reserve

Pension reserve

Positive and negative balances on funds not to be netted off

If a fixed asset is acquired in whole or part by a grant to be shown at full acquisition cost not after netting off . This may be a departure from SSAP 4 in relation to government grants but this is deemed to be the best interpretation of SSAP4 - see appendix to SORP 2.5

When fixed assets have been donated they must be included at the value of the gift shown in the SOFA as a donation

Analyse funds between unrestricted,restricted and endowment
See manual for treatment of endowment funds

E Notes to the accounts Click for full text c

Return to lead schedule

Comparatives where relevant

Accounting policies

Accounting policies should comply with FRS18

Accounting policy for the
basis of preparation of accounts ie in compliance with the SORP
accounting standards,FRSSE (if appropriate) Charities Act or
Companies Act, historic cost basis except for…..

Accounting policy for departures from SORP or standards
giving details required by Para 359

Accounting policy for omission of branches

Accounting policy for incoming resources reviewing all seven
categories in Para 362

Accounting policy for liabilities and resources expended reviewing all
three categories in Para 363

Accounting policies for the recognition of different classes of costs

Accounting policies for the basis and principles of costs allocation

Accounting policies for capitalisation of fixed assets reviewing all
five categories in Para 364

Accounting policies for inclusion of investments reviewing all
three categories in Para 365

Accounting policies should show any departure from SSAP 4 in
order to comply with appendix 2.5 of the SORP

Accounting policy for depreciation, rates ,method and useful lives

Disclose separately investment assets held for investment return
and programme related investments held for charitable activities

Accounting policy for capitalisation of heritage assets
and the measurement basis for inclusion in the accounts

Accounting policies for the basis of inclusion of realised and
unrealised gains in the SOFA

Accounting policy with regard to the structure of funds,describing the nature of the funds and the policy for the transfer between funds and allocations to designated funds , and also the policy for determining designated funds

Accounting policy note for pension costs and liabilities

Accounting policy note for foreign exchange gains/losses

Accounting policy note for exceptional items

Accounting policy note for finance and operating leases

Accounting policy note for irrecoverable VAT

Accounting policy on the basis of valuation of goods in kind and donated services and facilities

Any assets or liabilities not in balance sheet to be disclosed

Description of the sources of material incoming resources analysing between donors etc

Movement on and reasons for deferred incoming resources

Movements on resources held for third parties

Where notified material legacies have not been provided in the SOFA disclose in notes

Analyse gifts in kind and donated services incoming resources by category staff, donated facilities etc)

Analysis and headings of incoming resources sufficiently detailed to give reader an understanding of the charity

Analysis of material incoming resources from government and other public bodies, distinguishing between donor and type of incoming resources
The analysis of government and public items was a formal requirement of the 2000 SORP. Although not formally in the 2005 SORP it is still felt to be good practice in view of para 83

In adopting the SORP 2005 and changing to activity based reporting the comparatives will need restating in accordance with FRS18
An accounting policy note to cover this is included in the accounting policy section of the template

If a designated fund has been established an explanation of why

the fund has been established should be given

Where material provisions have been cancelled
ensure it is correctly accounted for

Analyse grants paid between individuals and institutional

Show total number and total value of grants paid for institutional and individual grants for different charitable purposes

Disclose a sufficient number of institutional grants if more than 50 or all such grants if less than 50, excluding those less than £1000

Disclose name of institution and the number of value of grants given
Analyse between different purposes or the same institution

Analyse grants paid by category of function

Exemption from grants disclosure requires correct procedures

Major items of expenditure on charitable activities should be analysed in accordance with the analysis of incoming resources

Support costs of grants to be quantified and analysed
by activity

Related party transactions - review SORP

Except for trustees remuneration and expenses only disclose material transactions with related party
Trustees benefits and payments to trustees are always material
Trustees includes connected parties to trustees

Disclose Name of related party, descriptions of relationship and interests of the parties, description and amount of transaction outstanding balances , and provisions for doubtful debts at the balance sheet date , any amounts written off in year , and any other relevant factors

Disclose details of trustees' remuneration (always regarded as material no matter how small) analysed by individual

Disclose pension arrangements for trustees

The legal authority for payments to trustees

Note for above sections that related parties and trustees include persons connected with them

If no trustee or person connected with them has received any

remuneration that fact must be stated

If expenses have been reimbursed to trustees the aggregate amount the nature of the expenses analysed over headings and the number of trustees involved must be disclosed . This includes payments to third parties on behalf of trustees

If no trustee or person connected with them has received any expenses that fact must be stated

If indemnity insurance has been purchased from charity funds to indemnify the charity or its trustees, employees or agents against neglect or default this fact and the cost of the insurance should be disclosed
This was a formal requirement of the SORP 2000 but is not explicit in the 2005 SORP. However it is felt to be good practice

Review the SORP regarding disclosure of staff costs

Disclose arrangements with third parties and the cost thereof eg seconded staff. independent employees etc

Disclose total staff costs, salaries, wages employer's NI and pension contributions, numbers of full time equivalent staff and analysed according to the manner in which activities are organised

Show number of employees in bands of £10000 from £60000 upwards. Not applicable if no employee over £60000
Note the definition of earnings for this purpose

Pension details for staff over £60000 should show details required by SORP

If there are no employees with emoluments over £60000 this should be stated

The fees payable to the auditor, independent examiner or reporting accountant should be disclosed analysed between the costs of scrutiny (ie audit etc) and other services such as taxation, advice and accountancy
Other non statutory costs of external scrutiny need not be disclosed
eg accountants for limited companies with less than £90,000 turnover

Review the SORP with regard to ex gratia payments

The amount of any ex gratia payment , the none monetary benefit and any other related expenditure, or waiver of rights to which the charity is entitled should be disclosed and the authority under which the ex gratia payment is made should also be disclosed

Changes in resources applied for fixed assets for charity use should be disclosed if expenditure on fixed assets is material analysed between net movement in funds for year, resources (net of disposals) used on fixed and programme related investment assets and the remaining net balance available for future use

Long term debtors if not shown in balance sheet should be analysed

Where material, long term debtors should be shown on the face of the Bala Sheet *This is not supported by the VT template which will need manual alte*

Fixed asset note to analyse between freehold,leasehold,plant and machinery(including vehicles) fixtures and fittings and equipment and payments on account and assets in the course of construction
This may be varied to meet circumstances
(in VT only three columns are available and a maximum five columns are required under para 203. However, it is unlikely that any charity would have all five categories . It is possible either to manually amend the column headings in VT or to adapt them in line with the final sentence of para 203. Alternatively the fixed asset note could be duplicated with three headings in one note and two in the other or three columns could be adopted combining say plant and fixtures and fittings and then giving the requisite details in narrative)

The fixed asset note should show opening cost or valuation opening depreciation, additions,disposals,revaluations,transfers, impairment , depreciation for year and closing values of cost or valuation and depreciation and other items in Table 8

Difference of cost from market value of fixed assets

Disclose information on heritage assets as required by SORP

If any heritage assets have not been capitalised or valued this should be stated

The amount spent on heritage assets in the year should be disclosed

Where tangible fixed assets have been revalued disclose all the information required by SORP

The methods used in an impairment review to determine net realisable value and value in use should be disclosed , including the details required by para 277 of the SORP

Where investment asset values are not determined by reference to readily available market prices disclose name, qualifications

and position of valuer and how the value was carried out

If market cannot absorb sale, the trustees should summarise the position

All changes in value of investment assets and the opening and closing book values should be shown - see Table 9

Analyse investments by type of investment . There are six categories specified in the SORP each of which is subdivided into UK and non UK assets.
It is unlikely that all 12 categories may arise in real life situations so the VT template provides for the most common situations. Manual amendment may be required in other cases

Details of the structure of the investment portfolio must be given indicating direct and indirect investment in listed securities, specific details of any investments over 5% of the portfolio and any restrictions that apply on the realisation of those assets.

Indicate the value of investments held in each type of fund if not already shown in the overall analysis of assets under para 75(a)

There are specific details required relating to subsidiaries

If material, programme related investments should show similar information to that required for investments

The programme related investments should be analysed between equity, l and other investments and indicate the programme the investments suppor

Unless alternative analysis is more appropriate, debtors should be analysed over the headings shown in para 314

Investments held as current assets should disclose the same details as fixed asset investments

Unless alternative analysis is more appropriate, creditors due within one year should be analysed over the headings shown in para318
Although not required by the SORP , it is usual to disclose VAT and PAYE & NI liabilities as a separate item although these can be combined. Good practice suggests that pension contributions unpaid should be separated out
This will enable the figure to be reconciled to the pension disclosure note

Unless alternative analysis is more appropriate, creditors due after one year should be analysed over the headings shown in para318

Where the charity acts as intermediate agent or as a principal the requirements of paras 3188 and 319 should be reviewed

The treatment of commitments should be reviewed

All material commitments,provisions and charges accrued in the balance sh
should be disclosed in the notes

Similar items not accrued relating to specific charitable projects
should be disclosed where material

Both items above should include the particulars required by para 327
and by para 328

Designated funds relating to intentions to spend and not included as liabiliti
should be separately disclosed

Material guarantees given and the conditions on which such
guarantees may crystallise

Financial derivatives should be disclosed as required

Review the treatment of contingent assets and liabilities

Material contingent assets and liabilities must be disclosed

For the above disclose nature,the uncertainties that may affect the
outcome ,and a prudent estimate of the financial effects, or reasons
why such an estimate is not practicable

If assets secure a loan give particulars of the assets secured
and the amount of the loan or liability and its proportion of the
assets charged

The amounts , interest and repayment terms of any inter fund loans

Loans to trading subsidiaries,interest payable and repayment terms

Consolidated accounts should give the postion of the group as well as the p

Pension disclosures as required by FRS17
Work through the full provisions of paras 443 to 448

The assets and liabilities representing each type of fund

How each fund arose

Restrictions imposed on each fund

Sufficiency of resources in each fund

Liquidity of fund to meet immediate commitments

Explanation of any funds in deficit. There should also be a comment in the trustees' report. Designated funds should never be in deficit

Explanation of material movements in and transfer between funds together with amounts without netting off

Separate statements for each fund may be prepared

Table 2 shows how a funds statement may be preapred

F Cash flow statement Click for full text

Return to lead schedule

Review the application of cash flow statements

Disclose the items suggested in para 355

G Consolidation of subsidiary undertakings Click for full text

Return to lead schedule

Review SORP for treatment of consolidation

Comment on the activities and performance of the charity's subsidiaries

Accounting policies for methods of consolidation and inclusion/omission of subsidiaries

The notes to the consolidated accounts should give the position of the group as well as the parent

If subsidiaries are excluded or consolidated accounts are not prepared this should be explained in terms required by 404

Funds analysis of subsidiairies
Disclose retained funds in charity in a separate balance sheet fund
This will need manual amendment of the template

The notes should state the aggregate amount of the total investment of the charity in its subsidiary showing

name,means of control o particulars of shareholding, how its activities relate to that of the charity, the aggregate amount of its assets, liabilities and funds, a summary of its turnover and expenditure and profit or loss or similar categories for a charity subsidiary)

Similar details to above should be given for minority holdings in the subsidiary

Segmental information when required by para 405

H Joint Ventures and Associate undertakings Click for full text c

Return to lead schedule

The SORP section on Associates and Joint ventures will need to be fully reviewed for the disclosure requirements

I Small Charity exemptions

Some of these exemptions are not available to limited companies. These by being shown in brown text.

None of these exemptions (with the exception of adoption of the FRSSE) statutory audit. If a charity is subject to a voluntary non statutory audit, th not taken of the exemptions.

The SORP gives the following guidance on accounting for smaller c
The exemptions are detailed after these notes.

Appendix 5
Accounting for Smaller Charities
Particular accounting disclosures and the activity basis for the analysi Statement of Financial Activities may not be relevant information for t smaller charities. Similarly, the level of detail provided in the Trustees' Ann on the structure, size and complexity of the charity and be proportionat report. This appendix lists the concessions at the date of publication of this

5.1.1 There are many relatively small charities with very simple st organisations. The vast majority of them will have cash and deposit accour charitable companies (see 5.1.4) these charities will often find that c accounts meet both their needs and those of others who read their accoun summary of money received and money spent during the year and a list of
5.1.2 In England and Wales, charities whose accounts 'form and content' 1993, may choose between preparing accruals accounts and receipts and gross income is not over £100,000.

5.1.3 Scottish Charities whose accounts are prepared under regulatic
(Miscellaneous Provisions) (Scotland) Act 1990, may prepare receipts and
gross receipts are not over £25,000.
5.1.4 Small charitable companies must always prepare accruals accour
concessions.
5.1.5 As this SORP is applicable to accruals accounts, no specific recomr
and payment accounts are provided within this SORP although as explaine
encouraged to analyse their receipts and payments based on the activities
The Charity Commission for England and Wales produces detailed guidanc
accounts.
5.2.1 Any charity (whether or not it is a company) which is under the t
described in the Companies Acts (see Appendix 4), can follow the Finan
Entities (FRSSE) in preparing its financial accounts except where it conflict
case this SORP should be followed. Charities which follow another SORP or
in a format required by other bodies, such as HM Treasury, may find tha
these purposes. The FRSSE is not relevant to charities preparing cas
accounts.
5.2.2 In following the FRSSE, the accounts will meet most of the requireme
However:
(a) The accounts should include a Statement of Financial Activities in pla
statement of total recognised gains and losses.
(b) The principles of fund accounting should be adopted throughout the ac
descriptions of the funds and notes showing the composition of the funds
the balance sheet.
(c) All investments, including investment properties, must be shown at mar
(d) Those foreign exchange gains and losses which may be allowed to be
the FRSSE) must be shown in the gains and losses section of the Statement
Financial Activities.
(e) Those exceptional items which are required to be shown after oper
appropriate place on the Statement of Financial Activities.
(f) If a charity applying the FRSSE prepares consolidated accounts, it sh
practices and disclosures required by accounting standards and the SORP ir

The exemptions for smaller charities in the trustees report

***Rather than specify the exemptions in the Trustees' Report, th
requirements for charities not subject to a statutory audit. If a c
non statutory audit, then it is suggested that advantage is not tak***

***In this template at every point in the trustees' report where
proforma trsutess report indicates the availablity of the exemption***

App 5.4 Trustees' Annual Reports of Smaller Charities in England a
5.4.1 In England and Wales, all registered charities are required to produce
Regulations made under the Charities Act 1993 provide ***for charities tha
audit*** (see Appendix 4 Audit thresholds) to produce an abbreviated Truste
applies to all charities required to produce the report, ***and includes charit***

5.4.2 The minimum content of the abbreviated Trustees' Annual Report is s

Table 11. Contents of the Trustees' Annual Report for a smaller cha
(England and Wales – not subject to a statutory audit)

Details	
Reference and administrative information	
The name of the charity	41
Any other name by which a charity makes itself known	
The charity registration number (or Scottish Charity Number) (if any)	
The company registration number (if applicable)	
The address of the principal office of the charity;	
The names of the charity's trustees or trustee(s) for the charity on the date the report was approved.(where any charity trustee is a body corporate, the names of the directors of that body corporate should also be provided)	41
The names of any other person who served as a charity trustee in the financial year	41(
Governance and Management	
The nature of the governing document and how the charity is (or its trustees are) constituted	44
The methods adopted for the recruitment and appointment of new trustees,	44(b
Objectives and Activities	
A summary of the objects of the charity as set out in its governing document.	47(a)
Summary of the main activities undertaken in relation to those objects.	47(e)
Achievements and Performance	
A summary of the main achievements of the charity during the year	
Financial Review	
Policy on reserves	55(a)
Details of any fund materially in deficit and the circumstances giving rise to the deficit and steps being taken to eliminate the deficit.	55(b)
Funds held as Custodian Trustee	
A description of the assets which they hold in this capacity.	
The name and objects of the charity (or charities) on whose behalf the asse are held and how this activity falls within their own objects.	
Details of the arrangements for safe custody and segregation of such asset from the charity's own assets.	

The exemptions for smaller charities in the financial statements

By contrast with the trustees' report exemptions , where requirements, with regards to the main body of the accounts exemptions.

Where these may apply they are highlighted in green at the appro

App 5.3 Accounting statements of Smaller Charities

5.3.1 The SORP provides a number of concessions for smaller charities tha ***audit*** (see Appendix 4 Audit thresholds). The concessions cover the St notes to the accounts:

(a) In relation to the Statement of Financial Activities, smaller charities do r expended or incoming resources by activity categories within the Stateme instead choose resource classifications to suit their circumstances.

(b) Where a small charity adopts an alternative approach to analysis Activities certain note disclosures may no longer be necessary, for exampl the constituent costs of an activity category or where relevant informat Statement of Financial Activities . The disclosure paragraphs affected by thi

Details Paragraph	**Para**
Analysis of activities that have generated funds	122
Analysis of incoming resources from charitable activities	146
Support Costs analysis	166 - 167
Apportionment of Costs	175 - 176
Breakdown of costs of generating voluntary income	183 - 1
Analysis of fundraising trading costs	186
Analysis of charitable activity costs	191 - 194
Analysis of grantmaking or associated support costs by activity	202, 2
Analysis of governance costs	212
Smaller charities are not required to give details of staff emoluments in bands	236

5.3.2 These concessions are intended to reduce the detail of reportin charities, ***though any such charity wishing to follow the full rec encouraged to do so.***

utiny

0

From 1 April 2020
To 31 March 2021 verified 311010

England & Wales ONLY - Not Scotland

Disclosure checklist and cross reference to the SORP verified 311010

correct procedure Go to main disclosure checklist

Check the Links pa
for a wealth of exte
Links to external reso

charities. Incorporated (ie
ts Accounts

oss the figures up to one year.

rants and other income which is not
eck the definition in the SORP and the

ceeds £500,000 or total gross assets
nd & Wales below). All limited company

s exceed £3.26 million, if the gross

by a professionally qualified examiner,

Wales

an £**25,000**

group. If so different income levels will
udit of the charity and/ or the group is

Links to other parts of the accou
Tab to the relevant Excel worksheets in this
Links Links to external resources page

on may be required. In simple terms, if
then group accounts must be prepared

crutiny under the above headings,

ply. Look at the detailed provisions to
uired. These provisions can be complex

nal scrutiny is permissible.

xemptions available to none statutory
ghlighted in the templates, but in many

TB	Trial Balance entry
Data	Data sheet
Cover	Front page of accounts
Contents	Contents page of acs
Director	Trustees Report
Audit	Independent Examiner's Report
PL	Statement of Financial Activities
BS	Balance Sheet
CF	Cash Flow Statement
Notes	Notes to the accounts
DetailPL2	Detailed schedule to the SOFA
Appendix	Activity analyses per the SORP
Library	Standard texts and explanations
Disclosur	Disclosure checklist
History	Details of amendments to templ
CFworkin	Internal workings for cash flow
Workings	Internal workings for acs
CC31	Independent Examination directi
Or for char	ities in Scotland - see OSCR guic

n, then a review of Section I

8) and cross reference to the text of the SORP

viewed paras 419 to 429

ties

For Scotland - see also the principles set out in Schedule 1 of
The Charities Accounts (Scotland) Regulations 2006
For England & Wales see also the principles set out in s8
The Charities (Accounts and Reports) Regulations 2008

e
PN11 The audit of charities in the UK

evant is to load up the pdf file from the
e can be loaded from the attached link

e that should only
hat there is no conflict with VT.
the full text of the SORP to hand for reference
before completing the full checklist (see section I)
t the disclosure is actually in the accounts
ied
nt to the template will be required
ver the entire requirements of the SORP

Reviewed by **date**

ıs available to some small charities
should be made to the SORP

SORP paragraph	Applicatio	Y/N/ or N/a VT = provided for in VT template

of 2005 SORP

In the application column 'AA' indicates disclosure is ma
Where 'AA' is not shown ,disclosure is only required whe

PN11 The audit of charities in the UK

of 2005 SORP

35/40	**AA**	**VT**
41(a)	**AA**	**VT**
41(a)	**AA**	**VT**

44(a)	**AA**	**VT**
41(b)	**AA**	**VT**
41(b)		**VT**
41(c)	**AA**	**VT**
41(d) & 42	**AA**	**VT**
41(e) & 42	**AA**	**VT**
41(f)	**AA**	**VT**
Cos Act requirement		**VT**
41(g)	**AA**	**VT**
44(b)	**AA**	**VT**
44(b)	**AA**	**VT**
44(c)	**AA**	**VT**
44(d)	**AA**	**VT**
44(e)		**VT**
44(f)	**AA**	**VT**
44(f)	**AA**	**VT**
45	**AA**	**VT**
47(a)	**AA**	**VT**
47(b)	**AA**	**VT**
47(c)	**AA**	**VT**

47(d)	**AA**	**VT**
47(e) & 48	**AA**	**VT**
49		**VT**
50		**VT**
51	**AA**	**VT**
53	**AA**	**VT**
53(a)	**AA**	**VT**
53(b)	**AA**	**VT**
53(c)	**AA**	**VT**
53(d)	**AA**	**VT**
55	**AA**	**VT**
55(a)	**AA**	**VT**
55(b)		
57	**AA**	**VT**
59(a)		**VT**
59(b)		**VT**
59(c)		**VT**
398		**VT**

Charities Act 2006	**AA**	**VT**	**For accounting periods commencing or**
25	**AA**		
25	**AA**	**VT**	
Companies Act requirement	**AA**	VT	
31	**AA**	**VT**	

SORP paragraph	**Applicatio**	**Y/N/ or N/a** **VT = provided for in VT template**

of 2005 SORP

60 to 64	**AA**	**VT**	
65 to 72	**AA**	**VT**	
31	**AA**	**VT**	
90			
91		**VT**	
73	**AA**	**VT**	
74 to 76	**AA**	**VT**	
77 to 81	**AA**	**VT**	
117	**AA**	**VT**	

117	**AA**	**VT**
SORP paragraph	**Applicatio**	**Y/N/ or N/a VT = provided for in VT template**
of 2005 SORP		
82 to 93	**AA**	**VT**
82 to 93	**AA**	**VT**
94 to 113	**AA**	**VT**
114	**AA**	**VT**
115	**AA**	**VT**
118	**AA**	**VT**
118	**AA**	**VT**
31	**AA**	**VT**
91	**AA**	**VT**
122	**AA**	**VT**
various sections of SORP	**AA**	**VT**
128		**VT**
128	**AA**	**VT**
129 to 130	**AA**	**VT**
131 & 132	**AA**	**VT**
132	**AA**	**VT**
136	**AA**	**VT**

137 to 139	AA	VT
142		VT
146	AA	VT
218		VT
various sections of SORP	AA	VT
166 & 167 & Table 4	AA	VT
73 & 111 & 169(c) 258 to 261		VT
218(b)		
175 & 176	AA	VT
177	AA	VT
183 & 184	AA	VT
186	AA	VT
191 to 194 & Table 5	AA	VT
193		VT
201 to 209 & Table 6	AA	VT
212	AA	VT

216	**AA**	**VT**
217 to 220	**AA**	**VT**
218(a)		**VT**
218(b)		**VT by manual amendment**
218(c)		**VT**
218(b)		**VT**
217 and 218		**VT**
218(b)		**VT**
219		**VT**

SORP paragraph	**Applicatio**	**Y/N/ or N/a VT = provided for in VT template**

of 2005 SORP

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246	**AA**	**VT**
31	**AA**	**VT**
252	**AA**	**VT**
253 to 278		

279 to 294		**VT**
295 to 307		**VT**
308 to 312		**VT**
313 to 316	**AA**	**VT**
317 to 320	**AA**	**VT**
Table 7	**AA**	**VT**
317 to 320	**AA**	**VT**
317 to 320	**AA**	**VT**
315	**AA**	

eet and a manual adjustment is necessary)

321 to 329	**AA**	**VT**
Table 7	**AA**	**VT**
91	**AA**	**VT**
330 to 332		**VT**
334		**VT**
335		**VT**
Accounting Standards	**AA**	**VT**
255(b) **255(c)**		**VT**
Appendix 2.5		
225(b) & 129(b) **255(c)**		**VT**
247	**AA**	**VT**
SORP	**Applicatio**	**Y/N/ or N/a**

paragraph of 2005 SORP		VT = provided for in VT template
31	AA	VT
356		VT
358	AA	VT
359	AA	VT
360		VT
362	AA	VT
363	AA	VT
363	AA	VT
363	AA	VT
364		VT
365		VT
Appendix 2.5		VT
275		VT
299		VT
294(c)		VT
366		VT

368 & 369	AA	VT
370(a)		VT
370(b)		VT
370(c)		VT
370(d)		VT
370(e)		VT
131 and 136		VT
244		VT
122	AA	VT
114	AA	VT
115		VT
128		VT
129 to 136		VT
118 122	AA	VT
83		VT
92		VT
368		VT

324		**VT**
203		**VT**
195 to 200		**VT**
195 to 200		**VT**
195 to 200		**VT**
195 to 200		**VT**
195 to 200		
89		**VT**
166 and 167	**AA**	**VT**
221 to 233		
226		**VT**
227		**VT**
230(b)	**AA**	**VT**
230(b)	**AA**	**VT**
230(c)	**AA**	**VT**
221 to 233		**VT**
230(d)	**AA**	**VT**

231 & 232	**AA**	**VT**
233	**AA**	**VT**
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234 TO 238	**AA**	
234		**VT**
235	**AA**	**VT**
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238	**AA**	**VT**
239	**AA**	**VT**
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240 to 241		
240		**VT**

244		**VT**
314	**AA**	**VT**
315		
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273		**VT**
274 and Table 8	**AA**	**VT**
276		**VT**
294		
294		**VT**
294		**VT**
277		**VT**
278		**VT**
300		**VT**

301	**VT**
302 & Table 9	**VT**
303 & 304	**VT**
306	**VT**
307	**VT**
401	**VT**
311	**VT**
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318	**VT**
318	**VT**
319 & 320	**VT**

321 to 325		
326		**VT**
326		**VT**
327 & 328		**VT** **VT**
329		**VT**
336		**VT**
339		**VT**
340 to 344		**VT**
345 to 348		**VT**
346		**VT**
349(a)		**VT**
350		**VT**
350		**VT**
400		**VT**
443 to 448		**VT**
75(a)	**AA**	**VT**
75(b)	**AA**	**VT**
75(b)	**AA**	**VT**
75(b)	**AA**	**VT**
75(b)	**AA**	**VT**

75(c)		**VT**
75(d)	**AA**	**VT**
76	**AA**	
Table 2		**VT**

SORP paragraph	**Applicatio**	**Y/N/ or N/a VT = provided for in VT template**

of 2005 SORP

351 to 354		
355		

SORP paragraph	**Applicatio**	**Y/N/ or N/a VT = provided for in VT template**

of 2005 SORP

381 to 406		**VT**
398		**VT**
399		**VT**
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406		
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402		**VT**
405		**VT**
SORP paragraph	**Applicatio**	**Y/N/ or N/a VT = provided for in VT template**

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407 to 408	**VT**

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ırity

Paragraph

(a)
41(a)
41(b)
41(b)
41(c)

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References

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Incorporated charity - Exemp

Client
Code

File Section

Schedule prepared by

Schedule Reference

Incorporated charity - Exempt from

This template is for charities exemp
are for information only

For Scottish Charities

This checklist only applies to limi

Several of the steps in this checklis

This process is sometimes known colloc

Accounting periods commencing before

CC31 and CC32- The Carrying Out of

This process applies to incorporated charitie
the current year or either of the two previou

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Accounting periods commencing on or

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compilation report will be abolished and repl

Asset test

Charity Commissioners' Direction

For accounting periods commencing after 27

At all steps in the accounts production

All references to 'sections' are to sectio

Text in red is by way of explanation and

The preparation of an Accountant's Report
guidelines
Documents CC31 and CC32 appliy to indepe

Disclosure exemptions for entities not s

Click on the following links to the Comn

Certain disclosures are compulsory for statu
ii **The narrative explanation to the dire**
how is an examiner selected and wh
detailed knowledge of this section of

Link to the Charity commission documents -
Narrative explanation to directions
1. Examination and accounting threshold
2. Documentation
3. Understanding the charity
4.Accounting records
5. Comparison with accounting records

For further resources go to the 'Links' worksh

Direction

Examination and accounting thresholds

Direction
Examination and accounting thresholds

1. The examiner shall carry out such specific procedures as are considered necessary to provide a reasonable basis on which to conclude:

(i) that an examination is required under section 43(3) of the Charities Act 1993, and that section 43(2) (audit) of the Charities Act 1993 does not apply to the charity; and
(ii) where the charity is a small company charity, that it is exempt from audit in accordance with section 477 of the Companies Act 2006; and
(iii) where accounts are prepared on a receipts and payments basis under section 42(3) of the Charities Act 1993, that the charity trustees may properly elect to prepare accounts under this sub-section.

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purchased from Sorpaid which enables
independent examination to the highes**

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Direction

Documentation

Direction
Documentation
2. The examiner shall record

the examination procedures carried out and any matters which are important to support conclusions reached or statement provided in the examiner's report.

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Direction

Understanding the charity

Direction
Understanding the charity
3. The examiner shall obtain an understanding of the charity's constitution, organisation, accounting systems, activities and nature of its assets, liabilities, incoming resources and application of resources in order to plan the specific examination procedures appropriate to the circumstances of the charity.

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Direction

Accounting records

Direction
Accounting records

4. The examiner shall review the accounting records maintained in accordance with section 41 of the Charities Act 1993, or, in the case of a charity that is a company, the accounting records maintained in accordance with section 386 of the Companies Act 2006, in order to provide a reasonable basis for the identification of any material failure to maintain such records.

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Direction

Comparison with accounting records

Direction
Comparison with accounting records
5. The examiner shall compare the accounts of the charity with the charity's accounting records in sufficient detail to provide a reasonable basis on which to decide whether the accounts are in accordance with such accounting records.

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purchased from Sorpaid which enables
independent examination to the highes**

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Direction

Analytical procedures

Direction
Analytical procedures

6. The examiner shall carry out analytical procedures to identify unusual items or disclosures in the accounts. Where concerns arise from these procedures, the examiner must seek explanation from the charity trustees. If, after following such procedures, the examiner has reason to believe that in any respect the accounts may be materially misstated then additional procedures, including verification of the asset, liability, incoming resource or application, must be carried out.

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Direction

Form and content of accounts

Direction
Form and content of accounts
7. The examiner shall carry out such procedures as the examiner considers necessary to provide a reasonable basis on which to decide whether or not the accounts prepared under section 42(1) of the Charities Act 1993 comply with the form and content requirements of the 2008 Regulations including their preparation in accordance with the methods and principles set out in the Statement of Recommended Practice: Accounting and Reporting by Charities (the SORP). Or in the case of a charity that is a company, whether or not the accounts are prepared in accordance with sections 396 of the Companies Act 2006, and are prepared in accordance with the methods and principles of the SORP.

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Direction

Accounting policies, estimates and judgements

Direction
Accounting policies, estimates and judgments

8. When accounts are prepared under section 42(1) of the Charities Act 1993, or in the case of a charity which is a company, prepared under section 396 of the Companies Act 2006, the examiner shall review the accounting policies adopted and consider their

consistency with the Statement of Recommended Practice: Accounting and Reporting by Charities (the SORP) and their appropriateness to the activities of the charity. The examiner must also consider and review any significant estimate or judgment that has been made in preparing the accounts.

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Direction

Trustees' Annual Report

Direction
Trustees' Annual Report
9. When accounts are prepared under section 42(1) of the Charities Act 1993, or in the case of a charity which is a company, prepared under section 396 of the Companies Act 2006, the examiner shall compare the accounts to any financial references in the charity Trustees' Annual Report (if any); identifying any major inconsistencies and consider the significance such matters will have on a proper and accurate understanding of the charity's accounts

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Direction

Examiner's Report

Direction
Examiner's report
10. The examiner shall review and assess all conclusions drawn from the evidence obtained from the examination and consider the implications on the report to be made under Regulation 31 of the 2008 Regulations. If the examiner has cause to make a positive statement on any matter arising from the provisions of Regulation 31(h) or 31(i), or to make a statement on any matter arising from the provisions of Regulation 31(j), then the examiner must ensure so far as practicable that the report gives a clear explanation of the matter and of its financial effects on the accounts presented.

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Direction

Statutory Duty to report to the Charity Commission

Statutory duty to report to the Charity Commission

11. Sections 44 and 68A of the Charities Act 1993 place a duty upon the independent examiners of both the non-company and company charities to make a report to the Charity Commission, where in the course of their examination, they identify a matter, which relates to the activities or affairs of the charity or of any connected institution or body, and which the examiner has reasonable cause to believe is likely to be of material significance for the purposes of the exercise by the Commission of its functions under section 8 or 18 of the Charities Act 1993.

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purchased from Sorpaid which enables
independent examination to the highes**

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Neither the 1993 nor the 2006 Acts define g
powers to collect information through the A
scrutiny requirements set by the Acts, must
annually in preparation for the Annual Retur

APPENDIX 1
Calculation of gross income

Gross income is the total recorded income o
resources received as capital (endowment) f
Section 97 of the 1993 Act states that a re
income from all sources including special tru
You should calculate income before deductio
by the Commission when setting the Annu
under section 48 of the 1993 Act. This a
The calculation of income should include:
preparation for the Annual Return process.

• donations (including covenants, gift aid
The definition of gross income (Annual
subscriptions (see note 1 below);

Where accounts are prepared on the accrual
• gross proceeds from the sale of goods or s

the total incoming resources as shown in th
• gross proceeds from fund-raising and othe
SORP) for all funds but excluding the receipt
including any amount transferred to incor
• investment income (including interest, div
available for expenditure.
(Note that the SORP excludes from total in
• other income, which will include:
investments which do not form part of 'gross

• the amount of any unapplied total return
Where accounts are prepared on the receip
during the year should be included (see not
recorded in the statement from all sources e

• when trustees decide to spend expendab
This is because capital receipts are not inc
below).

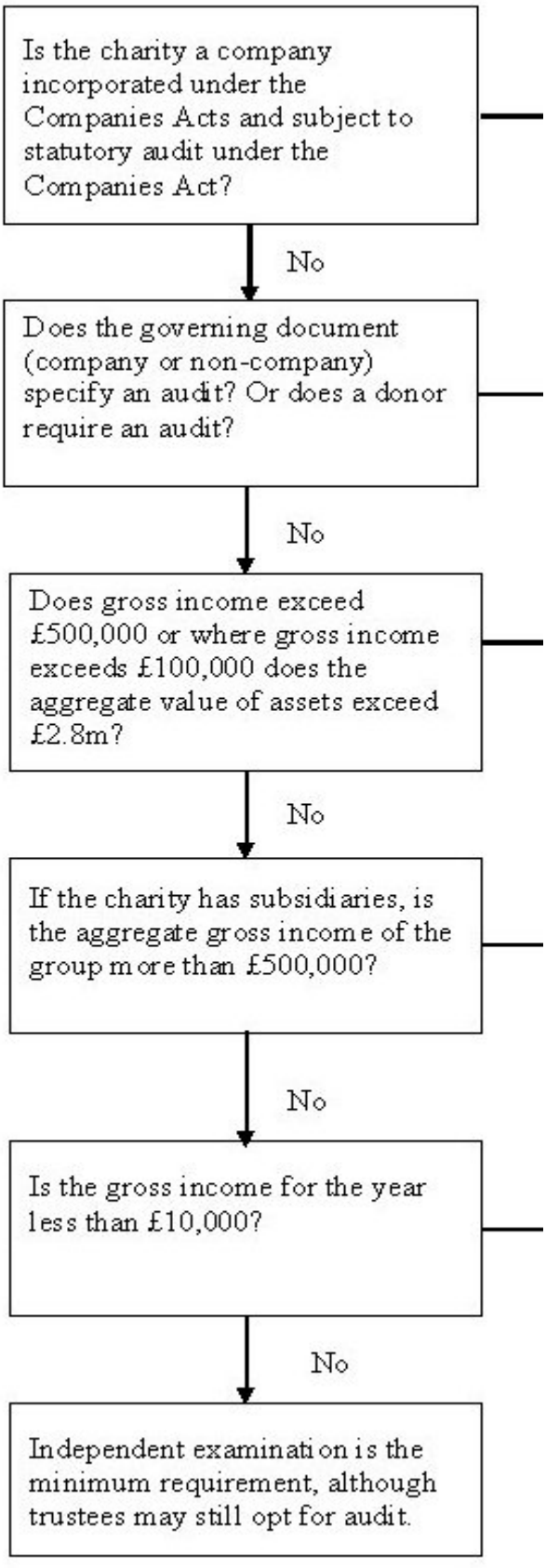
The calculation should exclude the following

The 2005 Regulations (Regulation 8)
• receipt of a loan by the charity;
Appendix 2 – Flowchart for eligibility for
• loan repayments to the charity;
Independent examination of charity acc
• proceeds of sale of investments and fixed
APPENDIX 2
• expenditure on the charity's objects ("functiona
8. An independent examiner who has carrie
• gains or profits on disposal of investments
of the 1993 Act shall make a report to the ch
• unrealised gains or profits on investments

- unrealised gains or profits on investments
- [illegible] assets
- gains arising from the revaluation of fixed

b) is signed by him and specifies any relev
member:

Flowchart: Eligibility requirements



provide all the evidence that would be requ

on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matt

APPENDIX 3

Charities based in England and Wales a

Since the introduction of the Charities and England and Wales which also operate in Sc Charity Regulator (OSCR). Examiners of ch should be familiar with the guidance on the

Examiners should also note that where a m identified the report made to the charity re will determine jointly which regulator takes t

OSCR does not insist on separate Scottish Accounts prepared under the SORP will be a Trustees' Annual Report addresses activities

For cross-border charities that prepare recei that need to be met. The main difference is of Assets and Liabilities' and certain notes t requirements is available on OSCR's website

The Commission will accept receipts and pa and the Trustees' Annual Report. The 'State (including a Statement of Assets and Liab needed because the Scottish requirements preparing receipts and payments accounts.

You can download a 'Receipts and Payments

Trustees and examiners acting for charities view OSCR's website. In particular trustee charity law and note that in all cases where the examiner must be undertaken by a 'qu (Scotland) Regulations 2006 . In addition ac within 9 months of the end of an accounting

Examiners should be aware that in Scotlanc making their report and state in their repc Annual Report prepared by the charity truste

The examiner may prepare a combined exa Example reports provided in this appendix f and Wales and Scotland.

EXAMPLE 3.1: EXAMINER'S UNQUAI REGISTERED WITH THE OFFICE OF T ACCOUNTS)

Independent examiner's report to the t

I report on the accounts of the Trust for the y

Respective responsibilities of trustees and e The charity's trustees are responsible for th an audit is not required for this year unde Regulation 10(1)(a) to (c) of the Charities Ac an independent examination is needed. T

an independent examination is needed. I
undertake the examination by being a qualif

It is my responsibility to:

examine the accounts under section 43 of th
Trustee Investment (Scotland) Act 2005 (the
to follow the procedures laid down in the
43(7)(b) of the 1993 Act; and
to state whether particular matters have cor
Basis of independent examiner's report
My examination was carried out in accordan
is in accordance with Regulation 11 of the
includes a review of the accounting record
with those records. It also includes consid
seeking explanations from you as trustees
provide all the evidence that would be requ
the accounts present a 'true and fair view'
below.

Independent examiner's statement
In connection with my examination, no matt

(1) which gives me reasonable cause to beli

to keep accounting records in accordance w
and Regulation 4 of the 2006 Accounts Regu
to prepare accounts which accord with the
the 1993 Act and section 44(1)(b) of the 200
have not been met; or

(2) to which, in my opinion, attention should
to be reached.

Name:
Relevant professional qualification or body:
Address:
Date:

EXAMPLE 3.2: UNQUALIFIED REPORT (F
PREPARING RECEIPTS AND PAYMENTS A
Independent examiner's report to the t
I report on the accounts of the Trust for the

Respective responsibilities of trustees and e
The charity's trustees are responsible for th
an audit is not required for this year unde
Regulation 10(1)(d) of The Charities Accoun
that an independent examination is needed.

It is my responsibility to:

examine the accounts under section 43 of
Trustee Investment (Scotland) Act 2005 (the
to follow the procedures laid down in the
43(7)(b) of the 1993 Act; and
to state whether particular matters have cor
Basis of independent examiner's report
My examination was carried out in accordan
is in accordance with Regulation 11 of the

is in accordance with Regulation 11 of the
includes a review of the accounting record
with those records. It also includes consid
seeking explanations from you as trustees
provide all the evidence that would be requ
the accounts present a ‘true and fair view’
below.

Independent examiner’s statement
In connection with my examination, no matt

(1) which gives me reasonable cause to beli

to keep accounting records in accordance w
and Regulation 4 of the 2006 Accounts Regu
to prepare accounts which accord with the a
the 1993 Act and section 44(1)(b) of the 200
have not been met; or

(2) to which, in my opinion, attention should
to be reached.

Name:
Relevant professional qualification or body:
Address:
Date:

**EXAMPLE 3.3: EXAMINER’S UNQUALIF
WITH OSCR)**
Independent examiner’s report to the t
I report on the accounts of the company for

Respective responsibilities of trustees and e
The trustees (who are also the directors of
the preparation of the accounts. The truste
43(2) of the Charities Act 1993 (the 1993
(Scotland) Regulations 2006 (the 2006 Acco

Having satisfied myself that the charity
independent examination, it is my responsib

examine the accounts under section 43 of
Investment (Scotland) Act 2005 (the 2005 A
to follow the procedures laid down in the
43(7)(b) of the 1993 Act; and
to state whether particular matters have cor
Basis of independent examiner’s report
My examination was carried out in accordan
is in accordance with Regulation 11 of the
includes a review of the accounting record
with those records. It also includes consid
seeking explanations from you as trustees
provide all the evidence that would be requ
the accounts present a ‘true and fair view’
below.

Independent examiner’s statement
In connection with my examination, no matt

(1) which gives me reasonable cause to beli

(1) which gives me reasonable cause to be

to keep accounting records in accordance w
the 2005 Act; and
to prepare accounts which accord with the a
Companies Act 2006 , section 44(1)(b) of the
which are consistent with the methods and
and Reporting by Charities
have not been met; or

(2) to which, in my opinion, attention should
to be reached.

Name:
Relevant professional qualification or body:
Address:
Date:

Appendix 4 Example Examiner's Report

APPENDIX 4
Example examiner's reports
***These example reports are provided
complies with the 2008 Regulations. T
may come across in their work.***

An 'unqualified report' means that at the e
has come to their attention that leads them
report were not met. However where there
Regulations reported by the examiner then t

Please note the new requirement, where t
confirm their qualification(s) that permit the

In exceptional circumstances, the Commis
instead of an audit. The 2008 Regulations re
place of an audit and the date of the Commi

By far the majority of charities are trusts or
incorporated under the Companies Acts. Tho
charities' or 'charitable companies' for th
examiner's report is different to that of
guidance. If in doubt check the Governing D
and articles of association and will have bee

The example examiner's reports are:

4.1 Unqualified report for a non-company
payments accounts).

4.2 Unqualified report for a charitable compa

4.3 Qualified report where a non-company
separately identify restricted funds.

4.4 Qualified report where a non-company
properly maintain accounting records.

4.5 Qualified report where a non-company c
funds were properly spent. (A statutory du
example report in **Appendix 5**.)

4.6 Qualified report where a charitable cor
SORP.

EXAMPLE 4.1: EXAMINER'S UNQUALIFIE
Independent examiner's report to the t
I report on the accounts of the Trust for the y

Respective responsibilities of trustees and ex
The charity's trustees are responsible for th
an audit is not required for this year under
independent examination is needed.

It is my responsibility to:

examine the accounts under section 43 of th
to follow the procedures laid down in the
43(7)(b) of the 1993 Act; and
to state whether particular matters have cor
Basis of independent examiner's report
My examination was carried out in accordar
examination includes a review of the accou
presented with those records. It also include
and seeking explanations from you as truste
provide all the evidence that would be requ
the accounts present a 'true and fair view'
below.

Independent examiner's statement
In connection with my examination, no matt

(1) which gives me reasonable cause to beli

to keep accounting records in accordance wi
to prepare accounts which accord with the a
the 1993 Act

the 1993 Act
have not been met; or

(2) to which, in my opinion, attention should
to be reached.

Name:
Relevant professional qualification or body:
Address:
Date:

EXAMPLE 4.2: EXAMINER'S UNQUALIFIE
Independent examiner's report to the t
I report on the accounts of the company for

Respective responsibilities of trustees and e

The trustees (who are also the directors of
the preparation of the accounts. The truste
43(2) of the Charities Act 1993 (the 1993 A
gross income exceeded £250,000 and I am
of (named body).

Having satisfied myself that the charity
independent examination, it is my responsib

examine the accounts under section 43 of th
to follow the procedures laid down in the
43(7)(b) of the 1993 Act; and
to state whether particular matters have cor
Basis of independent examiner's report
My examination was carried out in accordar
examination includes a review of the accou
presented with those records. It also include
and seeking explanations from you as truste
provide all the evidence that would be requ
the accounts present a 'true and fair view'
below.

Independent examiner's statement
In connection with my examination, no matt

(1) which gives me reasonable cause to beli

to keep accounting records in accordance wi
to prepare accounts which accord with the
section 396 of the Companies Act 2006 and
Practice: Accounting and Reporting by Chari
have not been met; or

(2) to which, in my opinion, attention should
to be reached.

Name:
Relevant professional qualification or body:
Address:
Date:

EXAMPLE 4.3: EXAMINER'S QUALIFIE
RECEIPTS AND PAYMENTS ACCOUNTS (N
Independent examiner's report to the t
I report on the accounts of the Trust for the y

Respective responsibilities of trustees and e:
The charity's trustees are responsible for th
an audit is not required for this year (under
independent examination is needed.

It is my responsibility to:

examine the accounts under section 43 of th
to follow the procedures laid down in the
43(7)(b) of the 1993 Act; and
to state whether particular matters have cor
Basis of examiner's statement
My examination was carried out in accordar
examination includes a review of the accou
presented with those records. It also include
and seeking explanations from you as truste
provide all the evidence that would be requ
the accounts present a 'true and fair view'
below.

Independent examiner's qualified statement
The trustees have prepared receipts and pa
within those accounts. At the end of one ch
but the money was banked together with
received. The accounts show the expendi
amounted to £2,837. The trustees pointed c
weekly banking of £1,275 but they have nov
and banked separately.

In connection with my examination, no othe
my attention:

(1) which gives me reasonable cause to beli

to keep accounting records in accordance wi
to prepare accounts which accord with the a
the 1993 Act
have not been met; or

(2) to which, in my opinion, attention should
to be reached.
Name:
Relevant professional qualification or body:
Address:
Date:

EXAMPLE 4.4: EXAMINER'S QUALIFIED
ACCOUNTS PROPERLY (NON-COMPANY C
Independent examiner's report to the t
I report on the accounts of the Trust for the y

Respective responsibilities of trustees and e:
The charity's trustees are responsible for th
an audit is not required for this year under

an audit is not required for this year under
independent examination is needed.

It is my responsibility to:
• examine the accounts under section 43 of
• to follow the procedures laid down in the
43(7)(b) of the 1993 Act; and
• to state whether particular matters have c

Basis of examiner's statement
My examination was carried out in accordar
examination includes a review of the accou
presented with those records. It also include
and seeking explanations from you as truste
provide all the evidence that would be requ
the accounts present a 'true and fair view'
below.

Independent examiner's qualified statement
The trustees have prepared receipts and pay
£36,873 however no records have been ke
made and cash balances were retained unb
award of £10,000. The majority of the expe
withdrawals using a charity debit card but f
play equipment, there are no records of vo
with receipts for only £41,732 leaving £44,2

In connection with my examination, no othe
my attention, apart from accounting records
of the 1993 Act:

(1) which gives me reasonable cause to l
accounts which accord with the accounting
Act have not been met; or

(2) to which, in my opinion, attention should
to be reached.
Name:
Relevant professional qualification or body:
Address:
Date:

**EXAMPLE 4.5: EXAMINER'S QUALIFIEI
CHARITY)**
Independent examiner's report to the t
I report on the accounts of the Trust for the y

Respective responsibilities of trustees and e
The charity's trustees are responsible for th
an audit is not required for this year under
independent examination is needed.

It is my responsibility to:

examine the accounts under section 43 of th
to follow the procedures laid down in the
43(7)(b) of the 1993 Act; and
to state whether particular matters have cor
Basis of examiner's statement
My examination was carried out in accordar
examination includes a review of the accou
presented with those records. It also include
and seeking explanations from you as truste
provide all the evidence that would be requ
the accounts present a 'true and fair view'
below.

Independent examiner's qualified statement
In connection with my examination, no mat
believe that, in any material respect, the rec

to keep accounting records in accordance wi
to prepare accounts which accord with the a
of the 1993 Act
have not been met.

The accounts disclose the payment of a mat
in country X. The trustees explained that a
gave the funds to a representative of XXX
how the funds were used and were not able
from XXX partner organisation. A concern e
evidence available to inform the donor of its

No other matter has come to my attention i
should be drawn in order to enable a proper

Name:
Relevant professional qualification or body:
Address:
Date:

EXAMPLE 4.6: EXAMINER'S QUALIFIED
(COMPANY CHARITY)
Independent examiner's report to the t
I report on the accounts of the company for

Respective responsibilities of trustees and e
The trustees (who are also the directors of

The trustees (who are also the directors of
the preparation of the accounts. The truste
43(2) of the Charities Act 1993 (the 1993 Ac

Having satisfied myself that the charity
independent examination, it is my responsib

examine the accounts under section 43 of th
to follow the procedures laid down in the
43(7)(b) of the 1993 Act; and
to state whether particular matters have cor

Basis of independent examiner's report
My examination was carried out in accordar
examination includes a review of the accou
presented with those records. It also include
and seeking explanations from you as truste
provide all the evidence that would be requ
the accounts present a 'true and fair view'
below.

Independent examiner's qualified statement
The accounts do not fully comply with com
sheet and notes are present but instead c
expenditure account, only a profit and loss a
the balance sheet are the funds analysed b
funds held is detailed in the notes to the acc
at the year-end.

In connection with my examination, apart f
fully compliant with the accounting requirem
principles of the Statement of Recommend
come to my attention:

(1) which gives me reasonable cause to
accounting records in accordance with sectic

(2) to which, in my opinion, attention should
to be reached.

Name:
Relevant professional qualification or body:
Address:
Date:

Appendix 5 Further advice for examiners
Note from Sorpaid - many of these defi
Accounting Standard or professional gu

APPENDIX 5
Further advice for examiners – identifyi

Introduction

The examiner's statutory duty to report m
section 11 of this guidance. This appendix
matters that may be reportable to the Comm

A decision to report a matter to the Commi
matter is likely to be of material significanc
has to consider the matter identified from th
or an exhaustive list of all matters of 'mat
deciding whether a matter identified is rep
matters to report and is only expected to d
matter is reportable.

Minor breaches of trustees' obligations or i
assets are not normally reportable unless th

The Commission recognises that reaching a
task particularly for volunteer examiners wh

There are a number of questions the examin

Is this a matter which causes you, the exam
Is this a matter the Commission is likely to n
Is this a matter the Commission needs to kn
Are charity funds or the safety of beneficiari
The examiner should check whether the r
guidance which are always regarded as rep
range of matters which the Commission inv
on our website.

If after going through these steps the exar
being of 'material significance' it can be he
not to report will remain with the examine
examiners but we cannot make the decis
discussion will not remove the need for a r
significance.

Where a matter is identified which is potent
or circumstances. The examiner does not
doubt but the examiner needs to have suf
reportable matter does exist or has occurre
help establish their concern but only to the
for their belief about the reportable matter.

It is also important for the examiner to reme
report. An independent examination is not
examiner to look at a limited number of thi
examination are set by the Directions and
examiner must not do is ignore a matter id
material significance.

Matters suggesting dishonesty or fraud
funds or assets – criminal activity within
already been reported to the police. Certa
considered, for example, large or regular c
purposes of the charity, falsifying of accour
of personal bank accounts to hold charity fu
where the end recipient cannot be identifiec
the accounts and seeking explanations for u

Failure(s) of internal controls, incl
significant loss or misappropriation o
funds being put at major risk – althoug
failures or risks may still become apparent
kept, expenditure regularly taking place wit
credit cards, store cards, e-cards or cash un
never or rarely meeting to administer the
accounting records or in obtaining a general

Matters leading to the knowledge or s
for money laundering or such funds are
is a conduit for criminal activity – wh
accountancy service under contract, and s
2007 and any guidance issued by their prof
reportable can be a difficult judgment. To b
that evidence is tentative. Simple speculatio
sufficient grounds to form a suspicion. It i
laundering – but matters that would require
refusal by trustees to explain an unusual tra
concerns about the honesty, integrity, or ide
large or regular donations that require the c
of the UK or to buy goods or services from th
loans from an unknown or unverified source
asked to repay by cheque or bank transfer t
request by a donor to return funds by ch
account';
'loaning' of the charity's bank account to en
making money transfers inside or outside of
illogical transactions or routing of funds thro
unusual investment or property transactions

Matters leading to belief or suspicion t
involved in or used to support terrorism
where a concern arises examiners should re
website . Where the concern relates to the
check whether it is a proscribed organisati
that are indicative of money laundering activ
Evidence suggesting that in the way the
beneficiaries, the charity's beneficiaries hav
examiner is not expected to act as an inspe
state of the beneficiaries. Whilst examiners
of how the charity operates, for example f
complaints or concerns. Examiners may, fo
charity, a criminal investigation or an inve
necessary eligibility checks on trustees or
guidance on protecting children may be help

Significant or recurring breach(es) of e
examiner is not expected to be a legal expe
or isolated administrative errors that do n
reportable. However, if the amounts involve
administration of the charity. At the extrem
making the charity effectively a sham or th
with the charity or a disregard for legislativ
unauthorised remuneration or benefits for s
paid to provide services to a charity, other
in law are followed and the payment disclos
A deliberate or serious breach of an order

including suspending a charity trustee, pro
particular terms involving significant charit
regulatory powers to protect the assets or r
consent on particular terms. If, for exan
administration of a charity or funds are bei
undertaken on a basis that is contradictory t

**Any notification or matters reported
matters that the examiner is aware
categories of reportable matters** – The
matter, for example, a refusal to provide inf
magnitude that the examiner is unwilling t
falls within the categories of reportable matt
Trustees are separately required to notify th
requiring the filing of a serious incident repo
the year or as part of their Annual Return
serious incident reports, not the examiner's
have had cause to make a serious incident r
examiner should ask for a copy and if it is
the examiner's understanding of what has
remedy the matter of which they are aware.

An example letter, reporting a matter of ma
An example letter is also provided of a m
category of 'material significance' but wher
report believing the information to be releva

**Example report arising from a legal du
Commission (a sample discretionary re**
This example provides additional informatio

Whitetree
White Town Lane
White Whitterington
Well County
WW1 3ZZ

The Complaints Team Manager
Charity Commission Direct
PO Box 1227
LIVERPOOL L69 3UG

September 15 2009

Dear Sir

Matter of material significance to be brought
I am making a report to you in accordance
which I believe is of material significance to
Charities Act 1993.

The income of ABC Trust to the year ending
AB Donor Trust of £75,000 to fund a planne
course of my examination I discovered th
occasions taking these funds with him in th
XXX a partner organisation. Neither Mr CD r
any field reports or other evidence as to how

The trustees remain confident in Mr TZ who
facilities run by XXX partner organisation si

facilities run by xxx partner organisation gi
the trustees have sought to obtain field repo
journeyed to neighbouring Y Country and hi
may now require the return of these funds l
money was spent.

Having completed my examination of the a
these matters.

Yours faithfully

Mr A Doubt

Example report: A discretionary report

Whitetree
White Town Lane
White Whitterington
Well County
WW1 3ZZ

The Complaints Team Manager
Charity Commission Direct
PO Box 1227
LIVERPOOL L69 3UG

September 15 2009

Dear Sir

Matter of relevance to the functions of the C

I am making a report to you in accordance
which I believe is of relevance to you in the

Whilst carrying out the independent examin
trustee, Mr Long Service, an honorarium of
no power in its constitution to make the pay
payment, which is above the level of £1,0
charity law. I understand the trustees have
the matter.

Having completed my examination of the a
the payment is shown in the accounts and
necessary to provide a proper understandin

Yours faithfully

Mr A Doubt

Appendix 6 Glossary of terms

APPENDIX 6
Glossary of terms

1993 Act

This means the Charities Act 1993.

2006 Act

This means the Charities Act 2006

2008 Regulations

This means the Charities (Accounts and Rep

Accounting policies

Those principles, bases, conventions, rules
events are reflected in the accounts thr
liabilities, gains, losses and changes or mo
where judgment is required in recording the
Accounting policies should be relevant and
information presented in the accounts.

Accounting standards

Accounts which are intended to show a true
by the Accounting Standards Board. These
familiar, comprise a number of 'Statemer
Standards' (FRS) and 'Urgent Issues Taskforc

Accruals basis

This concept requires the effects of transa
accounts for the period in which they occur,
made. This concept is central to the recogni

This term has been used to describe accour
the 1993 Act. Such accounts should be pre
comprise:

a statement of financial activities;
a balance sheet; and
notes to the accounts.
Such accounts should be prepared on a bas
fair view and are consistent with accounti
accruals.

Bank reconciliation

A bank reconciliation is a statement which r
balance shown in the accounts by adjustin
that have been written but not presented a
prior to the closing bank balance date.

Charity trustees

Charity trustees are defined by section 9
governing document, are responsible for t
charity. In the charity's governing docum
members, governors, or directors, or they m

Control accounts

Control accounts form part of the nominal le
control function for sales, purchases, payrol
control the total amounts invoiced and cash
balance on such accounts can be reconci
payment has not been received.

Directors

Directors are one or more persons over th
company. The directors form a Board of dire
responsible for managing the company's a
legally liable for their actions. The trustees c

Endowment

Endowment funds are a form of restricted fu
Income generated from the capital can be s
represent property held as endowment for
endowment is a fund where the trustees do
a fund where the trustees have the option to
spending income funds.

Evidence

This phrase is used in Appendix 5 in determ
and should be reported. Evidence is the info
examination. The sources of evidence avai
analytical review, the explanations given in
procedures that prove necessary and the ch

Form and content

Form and content refers to the statutory re
be contained in the accounts.

Fraud

The Fraud Act 2006 established a definitio
failure to disclose information, or abuse of
is acting dishonestly and is seeking to gain f

Going concern

The concept requires the charity to prepare
for the foreseeable future. The going conce
trustees intend, to cease operational activiti

Governing document

The governing document of a charity is any
to be administered. It may be a trust d
conveyance, Royal Charter, Scheme of the
the provisions contained in the governing dc

Letter of engagement

A letter addressed to the charity trust
responsibilities of the charity trustees and th
include matters such as fee arrangements
statutory work to be undertaken by the exa
the content of any such letter should be agr

Materiality (material)

Materiality is the judgement by the examin
the reader's understanding of the accounts.
error or misstatement.

Members

Members of a charity are those persons or
of the charity. The governing documents se
and responsibilities of members and the
company law the members of a company ar
and are also those persons who become n
members. Company law and the articles of
and removing members, the role and res
governance of the charitable company.

Misappropriation

This term is used in Appendix 5 and means t
someone's own use.

Misstatement

This term used in Direction 6, analytical
materially misstated by the inclusion of an
wrong or by the omission of an item that sh

Nominal ledger

Nominal ledger, or general ledger, is an
contains the accounting transactions for
transactions that have been processed over
and financial accounts prepared. Smaller ch
analysed cash book normally in an analysed

Payroll summaries

Computerised or manual records indicating
employers' national insurance and other
contributions to defined benefit or defined c

Professional audit

An audit is undertaken by a person who is e
auditor has to express his or her profess
accordance with UK auditing standards.

Receipts and payments basis

This phrase has been used to describe acc
comprise:

a receipts and payments account; and
a statement of assets and liabilities.
Such accounts do not purport to show a 'tru
money received and paid during the year a
liabilities at the end of the year.

Restricted income funds

Restricted income funds are funds that the
Restricted income funds are subject to sp
authority (eg in a public appeal) or created
charity.

SORP

The Statement of Recommended Practice –
out the recommended practice for the pu
accounts of a charity on an accruals basis
charities preparing receipts and payments a

Statutory audit

Where the term statutory audit is used this
where the charity's gross income and/or as
appointment as auditor of a company, or a
Regulations.

Trial balance

The trial balance is the simple listing of
maintained within the charity's manual reco

Terrorism

Under Part II of the Terrorism Act 2000, the S
he/she believes (is concerned with terrori

he/she believes is concerned with terror
participates in acts of terrorism, prepares
concerned in terrorism either in the UK or ab

Unrestricted funds

Unrestricted funds are funds which the tru
purposes. Unrestricted funds may also conta
for a particular purpose; these earmarked fu
part of the unrestricted funds, though they
accruals accounts are prepared, or as part
prepared.

Working papers

Working papers are the written or computer
of work undertaken, kept by the examiner t
they posed and the answers they had to the
review, and copies of any records that may b

The introduction to and narrative expla in pages 1 to 14 of CC31

Introduction: what is this guidance abo

To maintain public confidence in the work
scrutiny of their accounts. Provided a charit
exceeds £100,000 its gross assets are not r
simpler and less expensive form of external

An independent examination is a simpler fo
beneficiaries, stakeholders and the public

beneficiaries, stakeholders and the public
reviewed by an independent person. For
examination will also be an option for elig
gross income of more than £10,000 will have

Trustees are responsible for deciding wheth
selecting and appointing the independent e
to know about independent examination ar
make the examination effective. Trustees,
independent examination involves before
understanding what is involved, trustees
explanations ready to assist the examiner to

The second part of this guidance, the Direc
examiner. Whether acting as a volunteer or
and they must follow certain steps in carryir
particular matters once they have finishe
guidance takes the examiner through the
every stage.

Whilst in most cases the examiner will be re
a qualified accountant to carry out a proper
ability and knowledge to follow the Direction
is required by the Regulations. Where gross
be a member of a listed body listed in the Cl

Where accruals accounts are prepared the
accounting and to be familiar with the 'St
Charities (2005)', otherwise known as the SO
experience to carry out a competent examir
if the charity is preparing accruals accounts.

Examiners are therefore recommended to r
Directions for independent examination, the
about carrying out their work.

To which accounting periods does this g
This guidance has been updated for change
introduced by the Charities Act 2006 (the 2
(the 2008 Regulations) and should be app
eligible small charitable companies incorpo
after 1 April 2008. The references provided
apply from 6 April 2008.

Guidance for trustees: what to prepare
who can do it and how to go about appo

What to prepare? The requirement to prep
Trustees should read Charity Reporting and
requirements for a Trustees' Annual Repor
Details are also provided about the informat

Small charities, which are not charitable
receipts and payments accounts or accrual
Receipts and payments accounts offer a s
Receipts and payments accounts are simply
year reconciling cash and bank balances he
any other assets or liabilities at the year en
Receipts and Payments Accounts Pack (CC1
receipts and payments accounts, the statem

receipts and payments accounts, the statem
a worked example using the pack called 'St

All charitable companies must prepare accr
of more than £100,000 in a financial yea
accordance with the SORP. However, regist
their own SORP and should use that instea
unlikely to be eligible for independent exam

Accruals accounts are not simply a form o
received by the year end) and creditors (mo
must also include the cost or valuation of a
of investments, the impairment of functio
example, accounting for pension arrange
accounting than receipts and payments an
Board in accounting standards and interpre
also comply with the accounting requiremen

For charities not requiring a statutory audit,
company charities and our publication Ac
accounts, Trustees' Annual Report and exam
For both company and non-company chariti
our website.

What is an independent examination?
Independent examination was introduced
trustees of smaller charities to opt for this si

An independent examination provides an ex
with the relevant ability and experience, exc
of one of the bodies listed in the 1993 Act
form of scrutiny than an audit and provides
out. What the examiner must do is set out ir
the 2008 Regulations.

An examiner, in their report, is only require
things have not been done by the charity. T
The examiner is not acting as an auditor and
to test the internal financial controls operati

An examination involves a review of the
accounts presented with those records. It a
unusual items or disclosures identified. It is
an item in the accounts is checked against
necessary where significant concerns are
explanations cannot be obtained from the tr

In the examiner's report, the examiner is c
come to their attention as a result of the e
requirement than that of an audit. An audit
statement of opinion on the accounts. In pa
accounts show a 'true and fair view'.

Where a significant concern relating to th
understanding of the accounts remains u
examiner's report come to the examiner's a
(see Direction 10). If a matter is identified
likely to consider using our enquiry powers
on that matter to the Commission in additio

The legal framework: What are the thre
The thresholds for independent examination
of any changes. The thresholds detailed b
calculated in accordance with the Commissi

For non-company charities with accountir
charitable companies established under cor
2008, the thresholds for statutory audit are:

gross income of more than £500,000; or
gross assets of more than £2.8 million where
Unless gross income exceeds £100,000 the
chart in Appendix 2 sets out the steps for c
examination.

Charities below these thresholds for audit m
governing document requires otherwise. Th
the gross income for the year in question is

Where the gross income of the charity exce
2006 Act introduced a new requirement for
listed in the 1993 Act and are also set out in

This guidance also applies to small charitab
2008 which are not required to have a sta
audit exemption under company law may o
same basis as non-company charities, their
their accounts still remains subject to com
appropriate.

What is the legal framework for an inde
The 1993 Act made provisions for regulati
Annual Reports and the duties of charity auc
the 2008 Regulations and apply to accoun
provides for some form of independent scru
short of a full requirement for an audit for t
registered with the Commission and those cl

The 2006 Act introduced a new legal du
Commission where, during the course of the
activities or affairs of the charity, or of any
believe that the matter is likely to be mate
guidance explains the legal duty, gives guid
out a report.

Where can I find the Regulations?
The 1993 Act, the 2006 Act and the 2008 R
and 2006 Act are available from Office of
available on-line.

Checking for other external scrutiny re
Having checked whether the charity's gros
there are a number of additional points for t
work.

An audit may be needed for other reasons ir

under the charity's governing document
governing document – see Appendix 2);

under another statutory or regulatory regi
charities; or
a requirement placed on the charity by a fur
Trustees may also choose an audit if they p
work an audit involves and due to develop
aware that an audit is likely to be considerat

Charities that are incorporated under compa
articles may include an audit requirement. I
with the additional accounting and report
charitable companies are responsible for
incorporate the Trustees' Annual Report, cor

Who can carry out an independent exar
Section 43(7)(a) of the 1993 Act allows th
appointment of an independent examiner. T
taken all the steps they need to take in or
examiner should also consider the following

The independent examiner
The charity trustees should take steps to
therefore consider carefully the suitability of

An independent examiner as described in s
reasonably believed by the charity trustees
competent examination of the accounts". O
be a person who is a member of one of the
rules of that body to undertake the role of in

Institute of Chartered Accountants in Englan
Institute of Chartered Accountants of Scotlar
Institute of Chartered Accountants in Ireland
Association of Chartered Certified Accountar
Association of Authorised Public Accountants
Association of Accounting Technicians
Association of International Accountants
Chartered Institute of Management Accounta
Institute of Chartered Secretaries and Admir
Chartered Institute of Public Finance and Acc
Fellow of the Association of Charity Indepen
Charity trustees are entitled to pay reasona
if they are unable to obtain the services of
pay such remuneration and regard it as a pr

An independent person
Independence is important because this mea
close personal relationships with the trustee
For an examiner to be independent that in
might inhibit the impartial conduct of the ex
work and so the person who is the charity's
not mean an examiner cannot be a membe
added quality of personal enthusiasm and fa

Where a potential independent examiner
congregation, provided they have not been
charity, for example by serving on a con
connected with the charity trustees, then r
necessary ability, experience and qualificati
in an annual general meeting would not pr

although active participation in the administ

Whether a connection with the charity affec
the following persons will not normally be cc

a) the charity trustees or anyone else who is

b) a major donor to or major beneficiary of t

c) a child, parent, grandchild, grandparent, l
of any person who falls within sub-paragrapl

Requisite ability
In the House of Lords' debate on the Chariti
examiner must obviously be competent for
methods, but he need not be a practising
society managers, local authority treasurers
examiners".
The quality of the evidence of ability which i
receipts and payments basis or an accruals

It is recommended that trustees of chariti
selecting a person who is a member of one
person, who demonstrates a good unde
knowledge of the SORP.

The majority of charities have a gross inc
company law, are able to prepare simple
straightforward and provides a simple altern
smaller charities. Knowledge of accounting
payments accounts.

While previous experience will be very helpf
with financial awareness and numeracy skill
they have read and understood this guida
accounts.

Whether receipts and payments accounts
familiarity with the certain basics principle
restricted) and capital funds (permanent an
of trustees, and the role of the charity's gov
refer to our publication The Essential Trustee

Some charities have a trading subsidiary wh
out commercial trading in order that any p
gross income of the group, ie the gross ir
eliminating intra group transactions), exce
prepare group accounts. Where the aggreg
prepared and audited.

If group accounts were prepared below th
examination of those accounts would be o
contained in this publication although the pr
charity and the examiner. For more informa
SORP and for details of the preparation thres
(CC15a).

Charity trustees should also satisfy themselv
the charity in question which might include t

an involvement in the financial administratic
acted successfully as an independent exami
relevant practical experience in accountancy

Selection procedures
Before appointing an examiner, we recom
confirm that:

they are satisfied as to their independence f
where accruals accounts are prepared tha
undertake their work including knowledge of
they have met any requirements (for examp
an examiner; and where appropriate
they hold professional indemnity insurance.
Where appropriate, the trustees may ask
qualifications and this is particularly releva
1993 Act or accounts prepared on an accrua

By obtaining this assurance, whether by e-r
trustees can demonstrate they have paid pr
ability and practical experience". Where th
letter of engagement setting out the ba
engagement should recognise, and not limit

Whilst not all examiners have to hold a profe
a person suitable for the circumstances of
guidance concerning the requisite ability rec

Charity trustees should discuss fully with
expectations. They should ensure that the p
familiar with the Charity Commission's Di

provide an independent examiner's report. V
1993, the examiner should also be convers
accounts and the SORP.

Where the charity is a small company, the e
Companies Act 2006 as to the form and c
SORP.

Charity trustees who follow these guidelines
any references, can be satisfied that they
ability and experience to undertake a compe

A competent examination is one that is c
Directions for independent examination.

Timely filing of the Trustees' Annual Re
Where the charity's gross income exceed
Commission. The trustees are responsible fo
with the independent examiner's report is s
end. Trustees of charitable companies shou
months of the financial year end and may fir

The trustees should agree a timescale for
Annual Report, accounts and supporting re
enough to allow the examination to be com
the filing deadline.

If the trustees want the independent exami
examiner as part of the engagement. If the
before the deadline for filing expires setting
likely date filing will be made.

Guidance for the examiner: what is involve
independent examination?

Preparatory work
It is important that examiners understand t
have the necessary ability and experience t
to understand what is involved. The first ste
trustees have to do, and describes what
independent examination.

Members of professional bodies are recom
certificate to accept the appointment, wheth
professional body may differ in its requireme

When charging a fee, examiners should als
services and so must be conversant with, ar
of the Proceeds of Crime Act 2002. These pr
fee, whether a member of a professional bo
for further sources of information, refer to Ap

Familiarity with the Directions and the
The 2008 Regulations and Directions are ma
those charities currently excepted from re
requirements for the content of the indep
consistently applied. The Directions are mad
understand what is involved, each Direction
do. The guidance that follows each Directio

meet the requirements of the Directions.

The purpose of this guidance is to help exa
what they have to do and what they have t
this guidance before starting an independen

The examiner's report

The examiner's role is an important one an
also gives the examiner an opportunity to
concern. The examiner's report, which is ad
the law.

The examiner's report must meet all the rec
provided in Appendix 4 are not mandatory a
covers all the requirements of the 2008 Reg
are set out in Regulation 31 of the 2008 Re
be considered when making a report.

The independent examination report for a c
that of a non-company charity because it m
2006. The examiner of a charitable com
accounting requirements of small companies

Where the trustees have opted to prepare
accounts and any examination would be bas
charity law. The examiner will need to dev
voluntary examination of group accounts rec
accounting standards and consolidation pr
group's aggregate gross income exceeds £
accounts must be audited.

The first part of the examiner's report con
charity is eligible for independent examinati

the name of the charity and period covered
eligibility of the charity for an independent e
that the examiner has followed the Direction
the examiner's responsibility to note if par
attention;
the basis of the examiner's report, which h
involved;
where the trustees have obtained a dispens
examiner refers to this fact; and
the examiner's name, address and any relev
exceeds £250,000, the qualification held wh

The second part of the report confirms whet
Unlike an audit there is no opinion given
examiner confirms whether or not anything

proper accounting records have not been ke
records have not been kept;
the accounts do not accord with such record
where accounts are prepared on an accrua
under the 2008 Regulations or if a charitab
consistent with the SORP; and
any matter which the examiner believes s
understanding of the accounts.

Matters that the examiner must report inclu

material expenditure or action contrary to tr
failure by trustees to provide information an
evidence that accounts prepared on an ac
Report and in the case of a charitable compa
The examiner's report must be signed by th
company may be added, the appointment of
company. Where an electronic submission is
copy with a typed signature.

Exercising judgement
The examiner's work involves exercising juc
obtained when preparing their report. This
which are important terms for the examiner
as to the relevance of a matter to their repor

Material/ materiality: Materiality is the ju
misstated would affect the reader's underst
importance of the item, error or misstateme
the effect is material to how an item or tra
policy does not conform with the SORP, th
applied to transactions or items in the acco
the accounts.

In this guidance materiality is used in conn
the underlying judgements, accountancy po
accounts.

Significant: This is a term that is used in t
the analytical review carried out by the exar
report. With resp ect to accounting record
complete or the extent to which missing
Regarding the analytical review, it requires
significant in terms of its size or importanc
the examiner has made in their review is s
amounts or minor matters will not be signi
pervasive. Often significance can only be
review or has finished their work and is re
matter can be significant even if it's not mat

Material significance: This is a particular
material significance to the Commission. Th
significance to the regulatory functions of th
to be material are listed in section 11 of this

What are the expectations of the Commissio

The Commission expects all examiners to ha
their ability and to make their examiner's re
out their work to be alert to any matters of r

The Commission is aware that volunteer ex
the benefit of the sector. In the event of a
carried out by a volunteer, the Commissio
proportionate in our approach when consid
has acted honestly. This stance is consistent
do not have particular professional skills.

Where the examiner is charging a fee or re
expect these services to be provided to a pr

expect those services to be provided to a pr

will demonstrate appropriate technical know
are prepared;
carry out their work fully in accordance with
will be well placed, by virtue of their abilit
material significance to the Commission.
For charities with a gross income exceeding
an accountancy body listed in the 1993 Act
skill and expertise required in examining
Commission expects the examination of t
standard. Our expectation is that the examir

will demonstrate appropriate technical know
carry out their work fully in accordance with
will be well placed, by virtue of their ability
matters of material significance to the Comr
Overview of the Charity Commission's Direct
What are the expectations of the Comm
The Commission expects all examiners to h
their ability and to make their examiner's re
out their work to be alert to any matters of r

The Commission is aware that volunteer ex
the benefit of the sector. In the event of a
carried out by a volunteer, the Commissio
proportionate in our approach when consid
has acted honestly. This stance is consistent
do not have particular professional skills.

Where the examiner is charging a fee or r
expect those services to be provided to a pr

will demonstrate appropriate technical know
are prepared;
carry out their work fully in accordance with
will be well placed, by virtue of their abilit
material significance to the Commission.
For charities with a gross income exceeding
an accountancy body listed in the 1993 Act
skill and expertise required in examining
Commission expects the examination of t
standard. Our expectation is that the examir

will demonstrate appropriate technical know
carry out their work fully in accordance with
will be well placed, by virtue of their ability
matters of material significance to the Comr

Overview of the Charity Commission's D
The Charity Commission's Directions provi
duties of the examiner must be met. There a
out an examination of accrual accounts and
accounts. In addition, all examiners shoul
attention which give rise to a legal duty to re

Although only examiners of accounts prepa
Report for consistency with the accounts,
Trustees' Annual Report helpful in undertaki

Resources to assist trustees, the prepare
The Commission has a number of publicatio
freely available from our web site. These ar
are listed in Appendix 7.

The Charity Commission's Directions co

an explanation of the objective of each of th
guidance on the circumstances which give ri
guidance on operational procedures and m
Directions.
The Directions (which must be followed) are
print below. As with any guidance, the exam
that may arise in the course of examinatio
context of their work.

All references to 'sections' of the Charities A
of the 1993 Act, as amended by the Charitie
of the Companies Act 2006 as they apply fro

Although only examiners of accounts prepa
Report for consistency with the accounts,
Trustees' Annual Report helpful in undertaki

Resources to assist trustees, the preparers o
The Commission has a number of publicatio
freely available from our web site. These ar
are listed in Appendix 7.

The Charity Commission's Directions
Set out below are:

an explanation of the objective of each of th
guidance on the circumstances which give ri
guidance on operational procedures and m
Directions.
The Directions (which must be followed) are
print below. As with any guidance, the exam
that may arise in the course of examinatio
context of their work.

All references to 'sections' of the Charities A
of the 1993 Act, as amended by the Charitie
of the Companies Act 2006 as they apply fro

Direction

pt from external scrutiny

HAWA

0

B Planning

B 2 Indeper

external scrutiny

verified 31101

t from external scrutiny so the following notes

England & Wales ON

Or for charities in Scotland - see OSCR guidance

ited companies which are also Charities

t are required either by statute or by professional guidelines

quially as a Compilation Report

e 27/02/07

an Independent Examination :- Checklist for incorporated charities

s whose gross income as defined (ie NOT turnover) on an annualised basis is between £90,
s years, then the charity is subject to audit and this process cannot apply.

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after 27/02/07

£500,000 on a temporary basis only. When the Companies Act 2006 is brought into force
laced by Corporate Independent Examinations. When the figure of £250,000 is referred to be

S

/02/07, even if the gross income is below £500,000 an audit is still required if gross assets e

process reference should be made to the Reporting Accountant's checklist.

ns of the Charities Act 1993 or the Charities Act 2006 - depending on the context

l is not a part of the text of CC31 or CC32

can only be carried out by a qualified accountant and is subject to statutory requirements ur
ndent examinations for accounting periods commencing on or after 1st April 2008

subject to statutory audit

nissioners' directions

tory audits, but there are exemptions available to none statutory audits (which includes Rep

ctions covers what is an independent examination, who can do it, hat qualifications and experience are required and so on, and a CC31 is essential to the effective conduct of an examination

CC32 Directions & Guidance to Examiners from 01/10/08

6. Analytical procedures

7. Form and content of accounts

8. Accounting policies, estimates and judgements

9. Trustees' Annual Report

10. Examiner's Report

11. Statutory duty to report to the Charity Commission

Appendices

1. Calculating gross inc

2. Flowchart for eligibil

3 Charities Based in En

4. Example examiner's

5. Identifying matters c

Sample lett

6. Glossary of terms

neet

Guidance

Notes and cross r

Note that all incorporated accounts must be accruals accounts - receipts and payments accounts are not permissible.

Guidance

L.1 Trustees may elect for independent examination (under section 43(3)) and for non-company charities only, the preparation of receipts and payments accounts (under section 42(3)). For either election to be valid, the charity must be within the relevant income bands specified by legislation.

The examiner should take reasonable steps to confirm:

the charity's gross income for the financial year or aggregate value of assets does not exceed the threshold for independent examination. If gross income exceeds £500,000 or gross income exceeds £250,000 and the aggregate value of assets (before deduction of liabilities) exceeds £3.26 million then an audit is required;

where the charity is a parent charity with one or more subsidiaries (eg. a trading company) that the aggregate gross income of the parent charity and its subsidiaries after consolidation adjustments does not exceed £500,000 as above this threshold group accounts will be required which will require an audit;

where the charity operates branches and these branches are part of the charity (and are not separately registered charities) that any income received by the branches has been included in the gross income of the charity;

if receipts and payments are being prepared, that the charity is not a company incorporated under company law and that the gross income received in the period is less than £250,000;

whether the gross income exceeds £25,000 because below this threshold no examination is required by law;

whether the charity's governing document requires any form of professional audit; and

whether any grant condition demands an audit of the accounts.

L.2 Carrying out these procedures at an early stage should prevent the work of the examiner being duplicated by professional audit which would add to the expense for the charity. Where the charity is not eligible for independent examination the accounts should be referred back to the trustees to appoint an auditor where the threshold is exceeded or to consider a voluntary

Return to main menu

**If gross income e
requires that a 'p
carried out. The
qualifications an
requirements are i**

- **Institute of Chart**
- **Institute of Chart**
- **Institute of Chart**
- **Association of Ch**
- **Association of Au**
- **Association of Ac**
- **Association of Int**
- **Chartered Institu**
- **Institute of Chart**
- **Chartered Institu**
- **a Fellow of the As**

**The 2006 Act rem
required that, eve
below the audit t
accounts audited
independent exam
financial years. T
commencing befor**

Appendices

1. Calculating gross inc

examination where the charity's gross income is below £25,000.

1.3 Gross income for threshold purposes should be calculated in accordance with the methods set out in **Appendix 1**. If accounts are prepared on the accruals basis then the level of income should be considered on the accruals basis. Where accounts are prepared on the receipts and payments basis then the level of income should be considered on the basis of money actually received. Examiners should also familiarise themselves with the various other threshold bands and their effect on the accounting procedures for charities.

1.4 The examiner should consider at an early stage of the examination the level of income disclosed by the accounting records and by the trial balance. The examiner does, however, need to remain alert to any additional information which may come to attention during the course of the examination which indicates that an income threshold has been crossed.

1.5 The reasonable steps taken to confirm the income of the charity and the outcome of that research should be documented in accordance with Direction 2.

1.6 Where the trustees have requested and obtained in advance from the Commission approval for an independent examination instead of an audit, the examiner should obtain a copy of the approval letter from the Commission and make reference to it in the examiner's report.

1.7 The thresholds for audit, independent examination and for receipts and payments accounts are kept under review. The Government has provided for a review of these thresholds following the Charities Act 2006 and consequently it is important to confirm the thresholds that apply. It is therefore recommended that prior to the independent examination taking place that the thresholds are confirmed. Details of all current thresholds can be found by viewing the accounting our website's publication pages.

Return to main menu

ore extensive electronic working paper file which can be an examiner to fully document all aspects of the work of an t professional standards.

paid.com

Guidance

Notes and cross r

Guidance

applies to all forms

2.1 The examiner's working papers should provide details of the work undertaken and support any conclusions reached, and record any matters of judgment (see Direction 8) which may arise. Working papers should normally be retained by the examiner for six years from the end of the financial year to which they relate, and would include:

Return to main menu

include:

a communication with the trustees which confirms their appointment as the independent examiner. Independent examiners charging a fee or receiving any form of payment should prepare a letter of engagement;

a letter of engagement, where appropriate, from the independent examiner to the trustees, together with evidence that this has been accepted by the trustees (for example, a copy of the engagement letter signed by a representative of the trustees);
relevant information extracted or obtained from the governing document, trustees' meeting minutes and a record of discussions with the charity trustees and the charity's staff;

notes as to how any areas of concern have been resolved, including meetings with trustees and charity staff, together with details of any verification procedures used;

where verification procedures have been used, details of checks or vouching carried out during the examination, with conclusions reached and any areas of concern identified;

where items are added together as a single entry in the accounts, schedules showing the breakdown of accounting items that have been aggregated for accounts disclosure purposes;

copies of any trial balance and the accounts;
the Trustees' Annual Report where accruals accounts are prepared (recommended but not required for receipts and payments); and

in exceptional circumstances, copies of any written assurances that the examiner required of the trustees confirming amounts included within the accounts.

2.2 Where the examiner has cause to resign or is unable to complete their independent examination, they should consider the circumstances carefully and decide if there is a duty to report to the Commission, for example, if they have been prevented from completing the examination or have been obstructed by trustees or charity staff in carrying out their examination. Even if there is no duty to report, the examiner may decide that they have identified matters which they wish to report because they consider them to be relevant to the work of the Commission. Further guidance on reporting matters to the Commission is provided in **section 11** and **Appendix 5**.

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3.1 For a proper examination to be carried out it is important for the examiner to have an understanding of what the charity is aiming to do and how it goes about doing it. The examiner will need to know about the operations, structure and objectives of the charity. This understanding will help the examiner to plan their independent examination by identifying major projects and important activities of the charity, possible problems or concerns and to provide background to their analytical review. The steps taken by an examiner would normally include:

consideration of the governing document of the charity, paying particular attention to the charity's objects, powers and obligations;
consideration of any matters which would give rise to a statutory duty to make a report to the Commission (see **section 11** and **Appendix 5** for guidance);
discussions with trustees and, where appropriate, the charity's staff, to understand the activities, structure, aims and objectives by which the charity seeks to achieve its objects;
discussions with the trustees and, where appropriate, the charity's staff, about the activities of the charity in order to gain an insight into any special circumstances and problems affecting the charity;
reviewing the minutes of trustees' meetings to find out about details of major events, plans, decisions and changes to the trustee body; and
obtaining details of the accounting records maintained and methods of recording financial transactions.

3.2 Normally a discussion with one of the trustees and the person who prepared the accounts should provide all the information or explanations required. However if during the independent examination a lack of formal trustee meetings, or of an absence of minute keeping or appropriate record keeping, or over-reliance on a key individual, is identified then the examiner may need to confirm or discuss significant matters with two or more of the trustees and/or members of the charity's staff to gain the necessary background information for the examination.

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4.1 The charity trustees are responsible for maintaining the

accounting records. This is an important responsibility and an absence of well organised and complete accounting records gives rise to a significant risk of misstatement and loss from fraud, theft, or the misapplication of charitable funds.

4.2 The examiner is required to review the accounting records with a view to identifying any material failure to maintain such records in accordance with the trustees' legal duty. A simple review should indicate whether records or vouchers have been kept to support the accounts and whether they appear reasonably complete. Further evidence of the completeness of those records may come from any vouching undertaken following the analytical review. For trustees of non-company charities their duty is under section 41(1) of the 1993 Act. For trustees (normally the directors) of charitable companies their legal duty is under section 386 of the Companies Act 2006.

4.3 The review procedures are not aimed at identifying the occasional omission or insignificant error, but at any gross failure to maintain records in a manner consistent with statutory requirements.

4.4 Accounting records should be well organised and capable of ready retrieval and analysis. The records may take a number of forms, for example book form, loose-leaf binder or computer records.

4.5 The accounting records should:

be up to date;
be readily available; and
provide the basic information from which the financial position can be ascertained, not only at the year end, but also on any selected date.

4.6 The accounting records should contain:

details of all money received and expended, the date, and the nature of the receipt or expenditure; and
details of assets and liabilities.

4.7 Smaller charities do not have to maintain nominal ledgers to record assets and liabilities, and in such instances the requirements can generally be met by maintaining a simple record of transactions and files for unpaid invoices and amounts receivable. A record of stocks and fixed assets is also generally necessary to meet the accounting requirements.

4.8 Charitable companies are required by section 386 of the Companies Act 2006 to maintain accounting records that contain:

entries from day-to-day of all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place; and
a record of the assets and liabilities of the company.

4.9 Charitable companies dealing in goods must also maintain stock records, the particular requirements for which are set out in section 386(4) of the Companies Act 2006.

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5.1 It is necessary to compare the accounts with the underlying accounting records to be satisfied that the accounts properly show what income the charity has received and how it has spent its charitable funds and where transactions relate to restricted or endowment funds that these have been properly recorded and identified in the accounts.

5.2 Where accounts are prepared on the accruals basis, all balances in the accounts will need to be compared with the trial balance or any nominal ledger maintained.

5.3 Where accounts are prepared on the receipts and payments basis, a direct comparison with the cash records of the charity should be carried out if no nominal ledger is kept. Records for receipts and payments accounts may amount to bank statements, a file of receipts and invoices, and a simple listing of transactions in a book, or on paper, or entries in a spreadsheet of amounts paid and received with an explanation by each amount.

5.4 Where entries for transactions are not made directly into the nominal ledger, test checks will also be necessary of the posting of entries from books of prime entry (eg cash book, any sales or purchase ledgers or other day books recording transactions) to the trial balance itself. Similar checks are necessary even where accounting records are maintained by using computer accounting packages.

5.5 A review of bank reconciliations, payroll summaries and control accounts prepared will provide a useful check as to the completeness of posting from books of prime entry.

5.6 There is no requirement for accounting entries to be checked against source documents (eg invoices, supplier statements, purchase orders, gift aid records etc) unless concerns arise during the course of the examination or following the analytical review (Direction 6) which cannot be resolved by seeking explanations or the explanations given are insufficient.

5.7 Whilst the charity trustees are responsible for the preparation of accounts, on occasion the examiner may also prepare the statutory

accounts on behalf of the trustees. The preparation of accounts will not generally impinge on independence provided the examiner ensures that the requirements of the Directions are met and provided that:

the accounting records have been maintained by another person; and the examiner has had no direct involvement in the day-to-day management or administration of the charity.

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6.1 The analytical review is an important part of the independent examination. For receipts and payments accounts the analytical review involves comparing the analysis of the cash received and the cash spent in the current year with the previous year to identify any significant changes from year to year. For accruals accounts the analytical review involves both the Statement of Financial Activities and the balance sheet with the analysis comparing both the income and the expenditure and the movement in balance sheet values in the current year with the previous year. The examiner of accruals accounts will be looking for material values which require review.

6.2 It is important that the examiner looks carefully at the accounts to see if they reveal any significant or unusual items, unexpected fluctuations, or inconsistencies with other financial information. It is important the analytical review is documented carefully in the examiner's working papers.

In carrying out the analytical review, steps taken would normally include:

comparing the accounts with those for comparable prior periods;

comparing the accounts with any budgets or forecasts that have been produced;

considering whether incoming resources are consistent with known fundraising sources, for example the history of cash collections or fundraising events, grants received, income from trading, or income from the sale of donated goods;

considering whether the spending of charitable resources is consistent with the payroll details and the activities and the objects

consistent with the payroll details, and the activities and the objects of the charity - it is important to have obtained a proper understanding of the nature of the charity's activities and affairs for this aspect of the review to be successful;

considering whether the liabilities and current assets disclosed are consistent with the scale and type of activities undertaken, or in the case of receipts and payments accounts whether all significant assets and liabilities are listed;

considering whether fixed assets investments are producing income consistent with the nature of assets held;

considering whether any tangible fixed assets held are consistent with the scale and type of activities undertaken by the charity;

and where accruals accounts are prepared confirming with the trustees that they are satisfied the charity is a going concern and that there are no post balance sheet events requiring adjustments to be made to the accounts or disclosure in the notes to the accounts.

6.3 Where analytical review procedures identify any unusual items, unexpected fluctuation or inconsistency then explanations should be sought from the charity trustees or, where appropriate, the charity's staff.

6.4 Only if the explanations provided by the charity trustees, or where appropriate the charity's staff, do not satisfy the examiner, will additional procedures be necessary. It is important to document in the working papers what items the examiner has found which require further explanation or review and any additional procedures undertaken to confirm those items or matters. Such procedures may include:

physical inspection of a tangible fixed asset;
verification of title to an asset;
inspection of third party documentary evidence (eg invoice, contract or agreement) to verify an expense or liability or to confirm an amount of income received or receivable;
third party certification of a bank balance, or other asset held including the custody of investment certificates; and
checking of a post year end receipt or payment to confirm recoverability of a debt or the amount of a liability.

6.5 A comprehensive list of analytical procedures, and of additional procedures where concerns arise, is beyond the scope of this publication, and will to an extent be an area in which the examiner will need to exercise judgment and to draw on experience as to what is reasonable given the size and nature of the charity's activities.

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7.1 By far the majority of non-company charities have a gross ncome below £100,000 and are eligible to prepare receipts and payments accounts. A minority of charities, those with a gross ncome in excess of £100,000 and all charitable companies rrespective of their income, should prepare accruals accounts in accordance with the SORP. On occasion the examiner may encounter eceipts and payments accounts which are accompanied by a balance sheet instead of a Statement of Assets and Liabilities. Provided that no non-cash items have been put through the receipts and payments accounts the examiner should treat those accounts as eceipts and payments accounts, otherwise the accounts should be egarded as accruals accounts and should be examined accordingly.

7.2 The 2008 Regulations draw heavily on the recommendations of the SORP. Where accruals accounts are prepared the examiner will equire access to the SORP and an understanding of its principles to ensure compliance with the 2008 Regulations.

7.3 Where accounts are prepared under section 42(1) (the accruals basis), the 2008 Regulations require the accounts to be prepared in accordance with the method and principles of the SORP. The SORP equires all charities preparing accruals accounts to prepare a Statement of Financial Activities, balance sheet, and accompanying notes to the accounts. Charities eligible for independent examination enjoy greater flexibility and Appendix 5 of the SORP details all the concessions that are available for smaller charities preparing accruals accounts.

7.4 The 2008 Regulations concerning the content of accounts do not apply to the accounts of charitable companies. The accounts of charitable companies must be prepared in accordance with section 396 of the Companies Act 2006. The trustees of a charitable company must prepare accounts to give a 'true and fair' view and this will generally involve compliance with accounting standards and the SORP. Financial Reporting Standard 18, Accounting Policies equires particular disclosures to be made and explanations to be provided where a SORP has not been followed.

7.5 The examiner should review accruals accounts in sufficient detail to be able to identify any significant non-compliance with the 2008 Regulations and the methods and principles of the SORP. This will nvolve a review of the format of the Statement of Financial Activities and Balance Sheet and the inclusion of necessary notes to the accounts. These review procedures should be sufficiently detailed to enable the examiner to decide whether or not any non-compliance with the 2008 Regulations or the SORP should be identified in the

examiner's report.

7.6 A set of compliant accounts in the SORP format is available for non-company charities in our Accruals Accounts Pack (CC17).

7.7 For charitable companies, section 396 of the Companies Act 2006 requires the preparation of individual accounts. In the case of not-for-profit undertakings, including charities, the Companies Act 2006 section 474(2) substitutes an income and expenditure account for the profit and loss account. In addition a balance sheet is required and additional information is to be provided in the notes. The SORP requires all charities preparing accruals accounts to prepare a Statement of Financial Activities, balance sheet, and accompanying notes to the accounts. A charitable company will therefore usually submit a Statement of Financial Activities that incorporates an income and expenditure account, it may however opt to submit both an income and expenditure account and a Statement of Financial Activities. In such cases the examiner will review the two statements for consistency.

7.8 The 2008 Regulations do not specify the form and content of accounts prepared on a receipts and payments basis. The Commission does provide pro forma layout for such accounts in our Receipts and Payments Accounts Pack (CC16).

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8.1 Receipts and payments accounts report cash book transactions in the period and so are not affected by this Direction. If accounts are prepared on the receipts and payments basis under section 42(3), the only fundamental accounting concept which applies is that of consistency of presentation within the accounts. Accounting policies and judgmental issues have less relevance since the receipts and payments account is simply a factual record of money actually received and spent. The statement of assets and liabilities is a simple schedule of information.

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8.2 Further guidance as to the form and content of receipts and payments accounts can be found in the notes included in our

payments accounts can be found in the notes included in our Receipts and Payments Accounts Pack (CC16).

8.3 Accounts prepared on an accruals basis involve the use of accounting policies that determine how transactions and events are reflected in accounts and estimates. Judgement may be necessary to arrive at monetary values to be included in accounts, for example the length of time over which an asset is to be depreciated.

8.4 Where accounts are prepared under section 42(1) (the accruals basis) or under the Companies Act 2006 section 396 the trustees prepare accounts to give a 'true and fair' view, the accounting policies adopted, and also any estimates or judgments made in preparing the accounts, may have a material effect on both the financial activities and state of affairs disclosed by the accounts. Such matters therefore require careful consideration by the examiner although the examiner does not have to form an opinion on whether the accounts give a 'true and fair' view.

8.5 The examiner should be satisfied that accounts are prepared on a basis consistent with the going concern assumption and accruals concept, and evaluate the accounting policies adopted and applied for appropriateness to the activities of the charity and consistency with the SORP. The accounting policies adopted should ensure a relevant, reliable, comparable and understandable accounts presentation.

8.6 Where the accounts are not prepared on a going concern basis, the examiner should consider the alternative basis upon which they are prepared and ensure that the basis of preparation is adequately disclosed in the accounting policies section of the notes to the accounts.

8.7 The examiner should evaluate whether the accounting policies adopted are consistent with the methods and principles set out in SORP. Where the accounting policies are not consistent with the SORP this should be drawn to the attention of the charity trustees and if the affect on the accounts is material, the matter should be reported in the examiner's report unless corrected.

8.8 Where accounts are produced under the Companies Act the trustees must prepare the accounts to give a 'true and fair' view. However, the examiner is not required to provide an opinion as to whether the accounts give a 'true and fair' view. Where accounting policies are not consistent with the SORP, this should be drawn to the attention of the charity trustees by the examiner, and the item(s) in question, if the inconsistency is material, should be reported in the examiner's report unless corrected.

8.9 The SORP requires a departure from its recommendations to be explained in the notes to the accounts of both company and non-company charities. A departure is only justifiable if it is necessary in order to give a 'true and fair' view and such circumstances will be rare. In the case of a departure the examiner will need to check that the explanation required by the SORP has been provided. Where a material departure has not been adequately justified or explained, the examiner should make a comment in their report.

8.10 The examiner must evaluate the reasonableness of any

estimates or judgments made in preparing the accounts where these are material to the accounts. Matters that may require consideration include:

transfers to or from restricted fund accounts;

valuation of gifts in kind;

valuation of fixed asset investments where no market prices exist;

estimates resulting from transactions not being fully recorded in the accounting records; and

where an activity based approach has been adopted, the allocation of costs between the various expenditure categories of the Statement of Financial Activities.

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9.1 If accounts are prepared on the receipts and payments basis under section 42(3) there is no requirement placed on the examiner to consider the Trustees' Annual Report. The examiner may, nevertheless, find the annual report a useful guide to the activities of the charity.

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9.2 The Trustees' Annual Report (or for a charitable company the combined trustees' and directors' report) provides a report of the charity's activities during the financial year. Our publication Charity Reporting and Accounts: The Essentials April 2008 (CC15a) sets out the information that should be contained in the Trustees' Annual Report and the legal requirements concerning the Trustees' Annual Report that apply to both company and non-company charities are set out in the 2008 Regulations.

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9.3 Procedures should be directed at identifying inconsistencies between the Trustees' Annual Report and the accounts which are misleading or which contradict the financial information contained in the accounts. For example, a review should identify where amounts stated in the Annual Report are not consistent with those in the accounts or the nature or scale of activities described are inconsistent with the level of activity disclosed in the accounts. The level of reserves stated in the Annual Report should be consistent with amounts disclosed in the charity's balance sheet.

9.4 Where inconsistencies are identified which are significant, this should be drawn to the attention of the charity trustees. If no appropriate amendment is made to the Annual Report then details of the matter should be provided in the examiner's report.

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10.1 The examiner's report is the outcome of an independent examination and is addressed to the trustees. It either confirms that all the matters the examiner is required to review as set out by the 2008 Regulations have been met, or identifies which requirements have not been met, together with any matters that need reporting for the benefit of the reader's understanding of the charity's accounts. The examiner needs to consider carefully the conclusions drawn from their examination, and the impact of these conclusions on their report. Appendix 4 provides illustrative examples of independent examiner's reports.

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10.2 The 2008 Regulations set out the legal requirements for an independent examiner's report. An independent examination is not an audit and the examiner is required to consider a limited number of specified matters in their report and to confirm that nothing has come to their attention in the course of their examination which leads them to conclude that certain requirement have not been met. The report provides 'negative' assurance requiring the examiner to give an opinion only on a matter where they have found that a requirement has not been met. The matters to be reported on are listed in paragraph 10.4.

10.3 The first part of the examiner's report is a factual statement. In their examiner's report the examiner must state:

the examiner's name and address and the name of the charity concerned;

the financial year in respect of which the accounts to which the report relates have been prepared, and where the charity is a charitable company, that the accounts do not require an audit in accordance with Part 16 of the Companies Act 2006;

if the gross income exceeds £250,000, the qualification which enables him or her to act as an independent examiner;
any relevant professional qualification the examiner holds;

in the event of the independent examination being allowed by dispensation in place of an audit, the date when the Commission dispensed with the requirement for an audit;

that the report provided relates to an independent examination carried out under section 43 of the 1993 Act and that the examination has been conducted in accordance with the Directions given by the Commission.

10.4 After making these statements, the examiner must then state whether or not any matter has come to attention, in connection with the examination, which gives reasonable cause to believe that in any material respect:

accounting records for non-company charities have not been kept in accordance with section 41 of the Charities Act 1993; or
where the charity is a charitable company, the accounting records have not been kept in accordance with section 386 of the Companies Act 2006; or

the accounts do not accord with the accounting records; or
where the accounts are prepared on an accruals basis for a non-company charity under section 42(1) of the Act 1993 and those accounts do not comply with the requirements of the 2008 Regulations setting out the form and content of charity accounts (Charity accounts consist of a Statement of Financial Activities and balance sheet and are prepared in accordance with the methods and principles set out in the Statement of Recommended Practice); or

where the accounts are prepared for a charitable company, the accounts do not comply with section 396 of the Companies Act and the methods and principles of the SORP.

10.5 Where any of the above matters have been identified, and the failure is considered material, there should be a clear explanation of the nature of the failure and, where it can be estimated its financial effects on the accounts.

10.6 Where the concern relates to non-compliance to the form and content of the accounts or material inconsistency with the SORP, the matter should be raised first with the charity trustees to seek the necessary amendment to the accounts.

10.7 The examiner in the second part of the report is also required to state whether or not any matter has come to their attention in connection with the examination to which, in the examiner's opinion, attention should be drawn in the report to enable a proper understanding of the accounts to be reached. It is expected that

only significant matters will be reported. Where accruals accounts are prepared attention is drawn to matters which are material to the accounts. These matters should be brought to the attention of the charity trustees first with a view to seeking an amendment or adjustment to the accounts but if concerns remain the matter should be addressed in the examiner's report. Where reported the matter concerned should be fully explained together with the financial effects on the accounts.

10.8 There is also a requirement to provide a statement if the following specific matters have become apparent to the examiner during the course of the examination:

any material expenditure or action which appears not to be in accordance with the trusts of the charity;

any failure to be provided with information and explanation by any past or present trustee, officer or employee that is considered necessary for the examination; and

in the case of accruals accounts any material inconsistency between the accounts and the Trustees' Annual Report and, in the case of a charitable company with the director's report.

10.9 In order to identify any material expenditure or activities undertaken outside the objects of the charity, an understanding of the stated objects of the charity, as set out in its governing document, is necessary. Small or immaterial levels of expenditure on purposes outside of the objects of the charity will not generally be included in the examiner's report. Material expenditure, or significant actions, contrary to the trusts of the charity would be a major concern and details should be included on the examiner's report. The examiner need not carry out specific checks or procedures to identify such breaches, but such matters when identified must be included in the examiner's report. The examiner will also need to consider whether a separate report of the matter needs to be sent to the Commission. This separate duty is explained fully in section 11 of this guidance.

10.10 Any failure to be provided with information and explanations may seriously hamper an examination. If information and explanations requested are not provided to the examiner's satisfaction this fact must be included in the examiner's report. A refusal to provide information or explanations is a serious matter and a separate report to the Commission may again be necessary (see section 11 of this guidance).

10.11 In the case of accounts prepared on an accruals basis any major inconsistency between the accounts and the Trustees' Annual Report may give rise to misunderstanding. This should be brought to the attention of the charity trustees with a view to the amendment of the discrepancy. If the trustees decline to agree to change their Annual Report or where concerns still exist this must be stated in the examiner's report.

10.12 For NHS charities independently examined by an examiner appointed by the Audit Commission or the Auditor General for Walesthe examiner has equivalent reporting duties that are set out in Regulation 32 of the 2008 Regulations.

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11.1 In addition to making an examination report on the accounts, the examiner has a separate legal responsibility to report to the Charity Commission if a matter of material significance to the regulatory functions of the Commission is identified. This duty applies to both company and non-company charities which are registered with the Commission and to charities which are currently excepted from registration with the Commission.

11.2 It is important to emphasise there is neither a legal duty nor an expectation that the examiner will actively go looking for matters of material significance that need to be reported. However, where the examiner comes across such matters as part of their work, they must make a report to the Commission. Normally the matter will relate to the year the examiner is reporting upon and the examiner is not required to review the previous year's accounts and records. However, where a matter comes to light relating to a previous financial year which would give rise to a duty to report, then the examiner should still make a report.

11.3 The Commission and The Office of the Scottish Charity Regulator (OSCR) have agreed a shared list of 8 matters of material significance that should always be reported by an independent examiner. These matters of material significance are set out below:

Matters suggesting dishonesty or fraud involving a significant loss of, or a major risk to, charitable funds or assets.
Failure(s) of internal controls, including failure(s) in charity governance, that resulted in a significant loss or misappropriation

governance, that resulted in a significant loss or misappropriation of charitable funds, or which leads to significant charitable funds being put at major risk.
Matters leading to the knowledge or suspicion that the charity or charitable funds have been used for money laundering or such funds are the proceeds of serious organised crime or that the charity is a conduit for criminal activity.
Matters leading to belief or suspicion that the charity, its trustees, employees or assets, have been involved in or used to support terrorism or proscribed organisations in the UK or outside of the UK.
Evidence suggesting that in the way the charity carries out its work relating to the care and welfare of beneficiaries, the charity's beneficiaries have been or were put at significant risk of abuse or mistreatment.
Significant or recurring breach(es) of either a legislative requirement or of the charity's trusts.
A deliberate or serious breach of an order or direction made by a charity regulator under statutory powers including suspending a charity trustee, prohibiting a particular transaction or activity or granting consent on particular terms involving significant charitable assets or liabilities.
Any notification or matter reported to the trustees on resigning as independent examiner or matter that the examiner is aware of on resignation or ceasing to act that falls within the categories of reportable matters set out above.
11.4 Volunteer independent examiners may not encounter these situations very often when reviewing the accounts of charities and so to help them, and to help all examiners, some illustrative examples are provided in Appendix 5 of matters of material significance and where they may be identified in the course of the examiner's work.

11.5 The examiner must make a report to the Commission only if in the course of their independent examination they identify a matter which they have reasonable cause to believe is likely to be of material significance for the purposes of the exercise by the Commission of its formal inquiry powers under section 8 or 18 of the Charities Act 1993.

11.6 The duty to report relates to information or evidence obtained from the examiner's work undertaken in fulfilling the Commission's Directions or whilst acting in the capacity of the examiner of a charity. A reporting requirement would not arise from minor breaches of trustees' obligations, or isolated administrative errors that are unlikely to jeopardise the charity's assets or amount to misconduct or mismanagement.

11.7 The duty to report applies to the examiner who must make a report whether or not the matter has already been notified to other regulators or agencies and whether or not the trustees have already advised the Commission, for example, by making a serious incident report. In any event the examiner must keep the particular matters of material significance in mind as they carry out their examination.

11.8 Where the matter to be reported concerns terrorism then the matter must be immediately reported to the Police before the examiner makes their report to the Commission.

11.9 Where the matter to be reported concerns money laundering

11.9 Where the matter to be reported concerns money laundering, those examiners who are charging a fee are providing an accountancy service and so are governed by the Money Laundering Regulations and should advise the Serious Organised Crime Agency in the first instance. However, it is not expected that notifying the Commission, itself a regulator, will give rise to a 'tipping off' offence.

11.10 In preparing to make their report to the Commission of a matter of material significance, the examiner should gather together the relevant information or evidence about the matter and make a note of the significant concern(s) identified. The examiner may find it helpful to discuss the matter first with the trustees unless the matter concerns the honesty or integrity of the trustees. In particular, matters that involve terrorism or money laundering must always be immediately reported to the police or Serious Organised Crime Agency and care exercised to ensure risks of 'tipping off' do not arise.

11.11 There should not be delay in sending a report to the Commission as the duty to report is immediate. However, the Commission recognises that the examiner will need some time to consider the information or evidence identified and where appropriate to seek clarification or further explanation from the trustees. Where the trustees wish to explain the actions they have taken or propose to take this may be appended to the examiner's report.

11.12 Where a reporting duty arises the examiner should report the matter either by email or in writing to the Complaints Team Manager, Charity Commission Direct, PO Box 1227, Liverpool, L69 3UG. The email or letter should be headed 'Independent Examiner reporting a matter of material significance' and should provide the following information:

the examiner's name and contact address, telephone number and/or email address;
the charity's name and registration number (if applicable);
a statement that the report is made in accordance with section 44A of the Act 1993;
under which of the eight headings of reportable matters (see paragraph 11.3) the report is being made;
describe the matter giving rise to concern and the information available on the matter reported, where possible, provide an estimate of the financial implications;
where the trustees are attempting to deal with the situation, a brief description of any steps being taken by trustees of which the examiner has been made aware;
if the report concerns terrorist, money laundering or other criminal activity whether you have notified the Serious Organised Crime Agency and/or Police as appropriate; and
if the report concerns the abuse of vulnerable beneficiaries whether you have informed the Police and/or Social Services.

11.13 Section 44 of the 1993 Act also provides a discretionary power or right for the examiner to make a report to the Commission where the examiner becomes aware of a matter, where there is reasonable cause to believe the matter is likely to be relevant to the exercise of any of the Commission's functions. This is a very broad right and enables the examiner to advise the Commission of any matters that may be relevant to the Commission's functions

any matters that may be relevant to the Commission's functions but where the matter does not fall clearly within the category of being of material significance. This right might be used by an examiner, for example, where a matter has been identified that the examiner believes the Commission's input is necessary for its resolution.

11.14 It is not appropriate to give a list of issues where this discretionary power might be used because it is widely drawn and there is no obligation on the examiner to make a report. Examiners are encouraged not to report small or insignificant matters, particularly where such matters have been satisfactorily resolved internally or the matter can be resolved by the examiner through discussion with the trustees in the first instance.

11.15 Where the examiner is exercising their discretion to report a matter, the examiner should report either by email or in writing to: The Complaints Team Manager, Charity Commission Direct, PO Box 1227, Liverpool, L69 3UG.

The examiner should:

state the charity's name and registration number (if applicable);

state the examiner's name and contact address, telephone number and/ or email address;

state that the report is made using the examiner's power of discretion to report a matter relevant to the work of the Commission in accordance with section 44A of the Act 1993;
describe the matter and the examiner's view of its relevance to the work of the Commission, and, where possible, provide an estimate of the financial implications; and

where the trustees are attempting to deal with the situation, give a brief description of any steps being taken by the trustees of which the examiner is aware.

11.16 Appendix 5 provides further advice, particularly for volunteer examiners, on matters of material significance that may be reportable to the Commission. Appendix 5 also provides examples of how a letter to the Commission might be set out where a reportable matter is identified or where the examiner chooses to exercise their discretionary power or right to report a matter. Where a report is made to the Commission under these provisions, the examiner cannot be held to be in breach of any duty to the trustees or the charity, for example, breach of confidence. The examiner enjoys legal protection in relation to the information or opinions contained in the report made to the Commission.

ore extensive electronic working paper file which can be an examiner to fully document all aspects of the work of an t professional standards.

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gross income, consequently the Charity Commission, in exercising its nnual Return process and for the administration of the reporting and t interpret the definition of gross income. The definition is reviewed n process, 1993 Act s48(1).

Return to main menu

of the charity in all unrestricted and restricted income funds but not funds nor capital gains in an income fund.

ference to the gross income of a charity: "means its gross recorded usts". This broad definition is interpreted for administrative purposes n of any costs or expenses.

al Return requirements and making the Annual Return regulations administrative definition of gross income is reviewed annually in

Note that 'gro turnover. It in goods and ser consideration services provid

So accountanc market value included in expenditure. S free by a local

This point is o implications f requirements

donations and related tax reclaims) grants, gifts, legacies, and

Return 2008)

basis 'gross income' should be calculated as:

services in furtherance of the charity's objectives;

e Statement of Financial Activities (prepared in accordance with the er activities undertaken for generating funds;

of any endowment; **and**

me funds during the year from endowment funds in order to be vidends, related tax reclaims and rents); and

coming resources gains on revaluation of fixed assets or gains on s income' for these purposes.)

allocated or transferred to unrestricted or restricted income funds pts and payments basis 'gross income' is simply the total receipts e 2 below); and

excluding the receipt of any endowment.

le capital they should include the amount spent as "other income". luded as income when they first come into the charity (see note 1

from income:

Return to main menu

r independent examination

counts

assets which are used for the purpose of

l fixed assets");

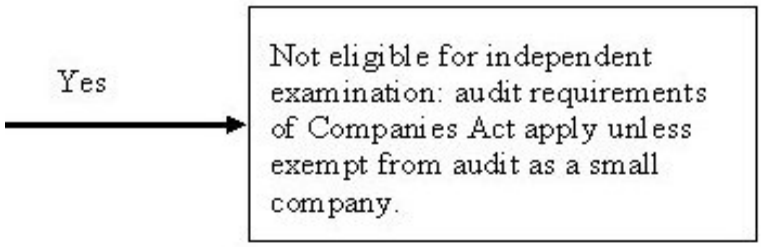
d out an examination of the accounts of a charity under section 43

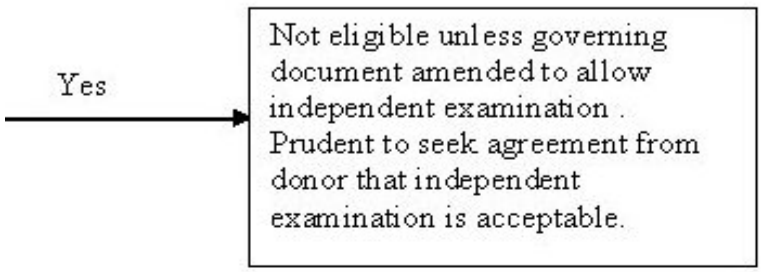
s and functional fixed assets;

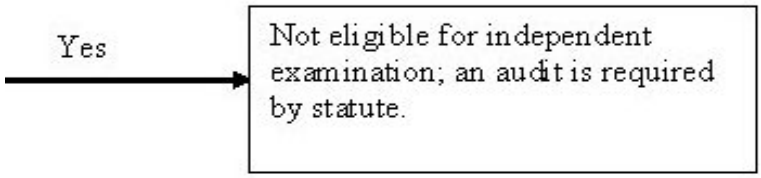
arity trustees which:

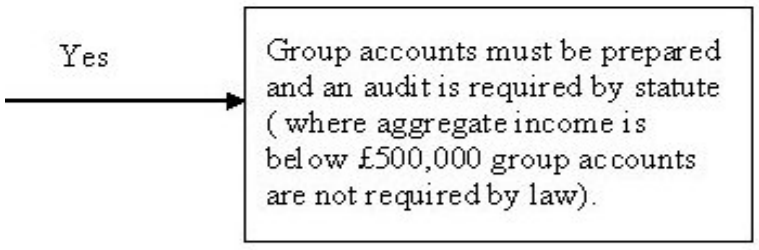
ts for independent examination

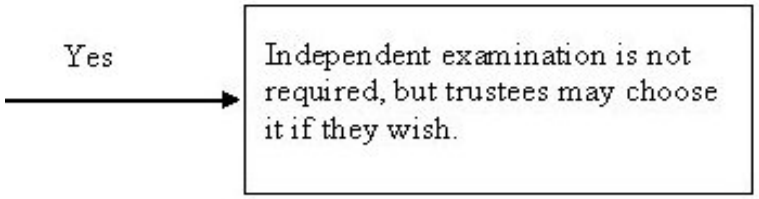
ant professional qualifications or professional body of which he is a











er has come to my attention:

& Wales also operating in Scotland

lso operating in Scotland

l Trustee Investment (Scotland) Act 2005, some charities based in cotland may now also need to register with the Office of the Scottish arities also operating in Scotland, which are registered with OSCR, accounting framework issued by OSCR.

atter of material significance (**see section 11 and Appendix 5)** is gulator should be forwarded to both the Commission and OSCR who he matter forward.

accounts where accruals accounts are prepared under the SORP. ccepted for filing in both jurisdictions provided some narrative in the in Scotland.

pts and payments accounts there are some additional requirements s that a 'Statement of Balances' is prepared instead of a 'Statement o the accounts are required. Further guidance on Scottish accounting e.

ayments accounts that meet Scottish requirements for the accounts ment of Balances' should however be titled 'Statement of Balances ilities)' for filing with the Commission. No additional changes are meet or exceed the requirements for charities in England and Wales

Work Pack' produced by OSCR from their website.

which are also registered in Scotland are strongly recommended to s should ensure the examiner meets the requirements of Scottish e accruals accounts are prepared by a charity registered with OSCR, ualified independent examiner' as defined in the Charities Accounts counts of charities registered in Scotland must file them with OSCR year.

l the examiner is always required to review the Annual Report when ort if there is a material difference between the accounts and the ees.

mination report that satisfies the requirements of both jurisdictions. or both company and non-company charities that operate in England

LIFIED REPORT (FOR A NON-COMPANY CHARITY ALSO HE SCOTTISH CHARITY REGULATOR PREPARING ACCRUED

rustees of "ABC" Trust
ear ended 30 April 2009, which are set out on pages 00 to 00.

xaminer
he preparation of the accounts. The charity's trustees consider that r section 43(2) of the Charities Act 1993 (the 1993 Act) or under counts (Scotland) Regulations 2006 (the 2006 Regulations) and that he charity is preparing accrued accounts and I am qualified to

ied member of (named body).

ne Charities 1993 Act and under section 44(1)(c) of the Charities and
2005 Act);
general Directions given by the Charity Commission under section

me to my attention.

ce with the general Directions given by the Charity Commission and
e Charities Accounts (Scotland) Regulations 2006. An examination
s kept by the charity and a comparison of the accounts presented
leration of any unusual items or disclosures in the accounts, and
concerning any such matters. The procedures undertaken do not
ired in an audit and consequently no opinion is given as to whether
and the report is limited to those matters set out in the statement

er has come to my attention:

eve that in any material respect the requirements:

ith section 41 of the 1993 Act and section 44 (1)(a) of the 2005 Act
lations; and
accounting records and comply with the accounting requirements of
)5 Act and Regulation 8 of the 2006 Accounts Regulations.

be drawn in order to enable a proper understanding of the accounts

OR A NON-COMPANY CHARITY ALSO REGISTERED WITH OSCR
CCOUNTS)
rustees of "DEF" Trust
year ended 30 April 2009, which are set out on pages 00 to 00.

xaminer
ne preparation of the accounts. The charity's trustees consider that
r section 43(2) of the Charities Act 1993 (the 1993 Act) or under
ts (Scotland) Regulations 2006 (the 2006 Accounts Regulations) and

the Charities 1993 Act and section 44(1)(c) of the Charities and
2005 Act);
general Directions given by the Charity Commission under section

me to my attention.

ce with the general Directions given by the Charity Commission and
a Charities Accounts (Scotland) Regulations 2006. An examination

s kept by the charity and a comparison of the accounts presented
leration of any unusual items or disclosures in the accounts, and
concerning any such matters. The procedures undertaken do not
ired in an audit and consequently no opinion is given as to whether
and the report is limited to those matters set out in the statement

er has come to my attention:

eve that in any material respect the requirements

ith section 41 of the 1993 Act and section 44 (1)(a) of the 2005 Act
lations; and
accounting records and comply with the accounting requirements of
)5 Act and Regulation 9 of the 2006 Regulations

be drawn in order to enable a proper understanding of the accounts

IED REPORT (FOR A COMPANY CHARITY ALSO REGISTERED

rustees of "WXY Charitable Company"
the year ended 30 April 2009, which are set out on pages 00 to 00.

xaminer
the company for the purposes of company law) are responsible for
es consider that an audit is not required for this year under section
Act) or under Regulation 10 (1)(a) to (c) of The Charities Accounts
unts Regulations) and that an independent examination is needed.

is not subject to audit under company law and is eligible for
ility to:

the 1993 Act) and section 44(1) (c) of the Charities and Trustee
ct);
general Directions given by the Charity Commission under section

me to my attention.

ce with the general Directions given by the Charity Commission and
e Charities Accounts (Scotland) Regulations 2006. An examination
s kept by the charity and a comparison of the accounts presented
leration of any unusual items or disclosures in the accounts, and
concerning any such matters. The procedures undertaken do not
ired in an audit and consequently no opinion is given as to whether
and the report is limited to those matters set out in the statement

er has come to my attention:

eve that in any material respect the requirements

with section 386 of the Companies Act 2006 and section 44(1)(a) of

accounting records, comply with the accounting requirements of the
e 2005 Act and Regulation 8 of the 2006 Accounts Regulations; and
principles of the Statement of Recommended Practice: Accounting

be drawn in order to enable a proper understanding of the accounts

s

Return to main menu

to help examiners set out their reports in a way which
he examples cover a number of situations that an examiner

nd of their examination the examiner is able to report that nothing
n to believe that one or more of the specific matters on which they
are concerns or non-compliance with the requirements of the 2008
:he report is described as 'qualified'.

he charity's income is greater than £250,000, for the examiner to
m to be eligible to undertake the examination.

ssion may permit an independent examination to be carried out
equire the examiner to disclose in their report if the examination is in
ssion's dispensation.

**The report she
produce a repor**

**a) complies wit
reports**

**b) complies w
standards and
covered in a rep**

**but will need n
with these guid**

unincorporated associations and only a small number are charities
ose charities set up under the Companies Acts are termed ‘company
ne purposes of this guidance and because of company law the
the majority of charities, termed ‘non-company’ charities in this
Document of the charity, as a company charity has a memorandum
n issued with a company number by Companies House.

charity (applicable to both accruals accounts and receipts and

any.

charity preparing receipts and payments accounts had failed to

charity preparing receipts and payments accounts had failed to

harity has made a cash payment overseas without evidence that the
uty to report to the Commission arose and was reported with the

mpany had prepared accounts which were not consistent with the

D REPORT (FOR A NON-COMPANY CHARITY)
rustees of “ABC” Trust
year ended 30 April 2009, which are set out on pages 00 to 00.

xaminer
ne preparation of the accounts. The charity’s trustees consider that
section 43(2) of the Charities Act 1993 (the 1993 Act) and that an

ne 1993 Act;
general Directions given by the Charity Commission under section

me to my attention.

nce with the general Directions given by the Charity Commission. An
nting records kept by the charity and a comparison of the accounts
es consideration of any unusual items or disclosures in the accounts,
ees concerning any such matters. The procedures undertaken do not
ired in an audit and consequently no opinion is given as to whether
and the report is limited to those matters set out in the statement

er has come to my attention:

eve that in any material respect the requirements:

ith section 41 of the 1993 Act; and
accounting records and comply with the accounting requirements of

be drawn in order to enable a proper understanding of the accounts

D REPORT (FOR A COMPANY CHARITY)
rustees of “WXY Charitable Company”
the year ended 30 April 2009, which are set out on pages 00 to 00.

xaminer

the company for the purposes of company law) are responsible for
es consider that an audit is not required for this year under section
Act) and that an independent examination is needed. The charity’s
qualified to undertake the examination by being a qualified member

is not subject to audit under company law and is eligible for
ility to:

ıe 1993 Act;
general Directions given by the Charity Commission under section

me to my attention.

ıce with the general Directions given by the Charity Commission. An
nting records kept by the charity and a comparison of the accounts
es consideration of any unusual items or disclosures in the accounts,
ees concerning any such matters. The procedures undertaken do not
ired in an audit and consequently no opinion is given as to whether
and the report is limited to those matters set out in the statement

er has come to my attention:

eve that in any material respect the requirements:

ith section 386 of the Companies Act 2006; and
e accounting records, comply with the accounting requirements of
with the methods and principles of the Statement of Recommended
ties

be drawn in order to enable a proper understanding of the accounts

D REPORT - FAILURE TO IDENTIFY A RESTRICTED FUND
NON-COMPANY CHARITY)
rustees of "ABC" Trust
year ended 30 April 2009, which are set out on pages 00 to 00.

xaminer
ne preparation of the accounts. The charity's trustees consider that
section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an

ne 1993 Act;
general Directions given by the Charity Commission under section

me to my attention.

nce with the general Directions given by the Charity Commission. An
nting records kept by the charity and a comparison of the accounts
es consideration of any unusual items or disclosures in the accounts,
ees concerning any such matters. The procedures undertaken do not
ired in an audit and consequently no opinion is given as to whether
and the report is limited to those matters set out in the statement

:
yments accounts but have not separately identified restricted funds
nurch service a special appeal was held for a mission to Samarkand
the routine collection and no separate record kept of the amount
ture on the mission to Samarkand was separately identified and
out that the banking for that service was £1,978 against an average
v put in place a protocol to ensure that any appeals are now counted

r matter except that referred to in the above paragraph has come to

eve that in any material respect the requirements:

ith section 41 of the 1993 Act; and
accounting records and comply with the accounting requirements of

be drawn in order to enable a proper understanding of the accounts

REPORT - FAILURE TO PREPARE RECEIPTS AND PAYMENTS
CHARITY)
rustees of "DEF" Trust
year ended 30 April 2009, which are set out on pages 00 to 00.

xaminer
ne preparation of the accounts. The charity's trustees consider that
section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an

section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an

the 1993 Act;
general Directions given by the Charity Commission under section

ome to my attention.

nce with the general Directions given by the Charity Commission. An
nting records kept by the charity and a comparison of the accounts
es consideration of any unusual items or disclosures in the accounts,
ees concerning any such matters. The procedures undertaken do not
ired in an audit and consequently no opinion is given as to whether
and the report is limited to those matters set out in the statement

yments accounts and the accounts show cash received in the year of
ept to match the record of the donations received to the bankings
anked. The only written record retained is a letter advising a grant
nditure was made in cash from retained unbanked cash or via cash
ew receipts were kept. Aside from invoices for utilities and rent and
olunteer or other expenses. Total cash spent amounted to £86,000
68 of payments without any supporting records.

r matter except that referred to in the above paragraph has come to
having not been maintained properly in accordance with section 41

believe that in any material respect the requirements to prepare
records and comply with the accounting requirements of the 1993

be drawn in order to enable a proper understanding of the accounts

O REPORT - A MATTER TO BE REPORTED (NON-COMPANY

rustees of “ABC” Trust
year ended 30 April 2009, which are set out on pages 00 to 00.

xaminer
ne preparation of the accounts. The charity’s trustees consider that
section 43(2) of the Charities Act 1993 (the 1993 Act)) and that an

ıe 1993 Act;
general Directions given by the Charity Commission under section

ıne to my attention.

ıce with the general Directions given by the Charity Commission. An
ınting records kept by the charity and a comparison of the accounts
es consideration of any unusual items or disclosures in the accounts,
ees concerning any such matters. The procedures undertaken do not
ired in an audit and consequently no opinion is given as to whether
and the report is limited to those matters set out in the statement

tter has come to my attention which gives me reasonable cause to
quirements:

ith section 41 of the 1993 Act; and
accounting records and to comply with the accounting requirements

erial restricted grant of £x to the XXX partner organisation operating
trustee took the funds over in US dollar currency in a suitcase and
partner organisation. However the trustees were unable to explain
to provide evidence by way of receipt or letter of acknowledgment
exists that the grant may have to be repaid because of the lack of
use.

n connection with my examination to which, in my opinion, attention
understanding of the accounts to be reached.

REPORT – NOT COMPLIANT WITH SORP AND COMPANIES ACT

rustees of “WXY Charitable Company”
the year ended 30 April 2009, which are set out on pages 00 to 00.

xaminer
the company for the purposes of company law) are responsible for

the company for the purposes of company law) are responsible for
es consider that an audit is not required for this year under section
t) and that an independent examination is needed.

is not subject to audit under company law and is eligible for
ility to:

ne 1993 Act;
general Directions given by the Charity Commission under section

me to my attention.

nce with the general Directions given by the Charity Commission. An
nting records kept by the charity and a comparison of the accounts
es consideration of any unusual items or disclosures in the accounts,
ees concerning any such matters. The procedures undertaken do not
ired in an audit and consequently no opinion is given as to whether
and the report is limited to those matters set out in the statement

:
pany law and are not consistent with the Charities SORP. A balance
of a Statement of Financial Activities incorporating an income and
account has been prepared. In neither the profit and loss account nor
between unrestricted and restricted funds. The amount of restricted
counts and relates to a public collection with balance of £x remaining

rom the matter referred above indicating that the accounts are not
nents of section 396 of the Companies Act and with the methods and
ed Practice: Accounting and Reporting by Charities, no matter has

believe that in any material respect the requirements to keep
on 386 of the Companies Act 2006 have not been met; or

be drawn in order to enable a proper understanding of the accounts

identifying matters of material significance

nitions are quite simplistic and when in doubt the underlying
uidance should be referred to .

ng matters of material significance

natters of material significance to the Commission is explained in
‹ provides further advice, particularly for volunteer examiners, on
nission.

ssion will always involve the use of judgement based on whether a
ce to the Commission's regulatory functions. In effect the examiner
ne regulator's perspective. This guidance is not meant as a checklist
erial significance' that may arise but as an aid to the examiner in
ortable. Remember the examiner is not expected to go looking for
lo their best and to act reasonably and honestly when deciding if a

isolated administrative errors that do not pose risk to the charities
ey are so frequent as to amount to misconduct or mismanagement.

a conclusion as to whether a matter is reportable can be a difficult
o do not hold professional accountancy qualifications.

ıer can consider to help reach a conclusion:

iner, significant concern?
eed to investigate?
ow about in order to regulate the sector?
es or the public at significant risk?
matter falls within the 'eight matters' listed in section 11 of this
ortable by the Commission. It can also be helpful to understand the
estigates and summaries of completed inquiry cases can be viewed

miner is still unsure if the Commission would regard the matter as
lpful to discuss the matter with us. The final decision of whether or
r but we at the Commission are willing to discuss the matter with
ion for you. It's also important to remember that any telephone
eport to be submitted by the examiner if the matter is of material

www.charitycommissio

ially reportable we recommend the examiner to record the key facts
need to produce a body of evidence that proves a matter beyond
ficient information to give a 'reasonable cause to believe' that the
d. This may mean the examiner may have to do some extra work to
extent necessary to satisfy themselves there is a reasonable cause

ember that they do not have a duty to look specifically for matters to
as rigorous as an audit and the 2008 Regulations only require the
ngs as part of their examination. The procedures for carrying out an
l explained in the guidance that follows each Direction. What the
entified whilst acting as a charity's examiner which is likely to be of

d involving a significant loss of, or a major risk to, charitable
or involving the charity should be reported even if the matter has
in examination procedures may also highlight risks that should be
ash drawing without adequate explanation, expenditure not for the
ıting records, significant failure to keep accounting records, the use
ınds or the unusual use of agents to make payments for the charity
d. Reviewing accounting records, comparing accounting records with
nusual items may identify these matters.

uding failure(s) in charity governance, that resulted in a f charitable funds, or which leads to significant charitable
h the examiner is not required to consider internal controls certain during the examination, for example, if accounting records are not nout authority, pre-signing of cheques, unusually high level of use of supported by receipts or without apparent business need or trustees charity. These matters might be identified through the review of understanding of how the charity operates.

uspicion that the charity or charitable funds have been used e the proceeds of serious organised crime or that the charity
nere a fee is charged, the examiner is likely to be providing an o the examiner should consider the Money Laundering Regulations essional body. For volunteer examiners knowing when a suspicion is e reportable a suspicion should be based on some evidence, even if on that a charity may be involved in money laundering would not be s not possible to give a definitive list of the indicators of money further consideration include:
nsaction;
ntity of trustees;
harity to transfer those funds to a nominated party inside or outside ne donor or a named third party;
e, at a zero, low or commercial rate of interest, which the charity is o the donor or a third party;
neque or bank transfer because they were 'paid from the wrong

able deposits or transactions by other third parties or individuals;
the UK on behalf of a third party in return for a fee;
ugh a series of bank accounts;
without a clear investment purpose or rationale.

hat the charity, its trustees, employees or assets, have been n or proscribed organisations in the UK or outside of the UK –
ead our Operational Guidance OG 96 Charities and Terrorism on our support of a particular organisation (in cash or otherwise) you can on on the Home Office website at www.homeoffice.gov.uk. Factors vity identified should also be considered.
charity carries out its work relating to the care and welfare of e been or were put at significant risk of abuse or mistreatment – The ector nor to attempt to interpret the physical, emotional or spiritual do not consider internal controls they will have general knowledge rom trustees' minutes, or they may become aware of a pattern of r example, identify information concerning legal action against the stigation or concern raised by another regulator or agency or that staff are not being carried out. Where concerns are identified our oful.

ither a legislative requirement or of the charity's trusts - The rt and as previously stressed minor breaches of trustees' obligations ot pose risk to the charities assets or reputation are not normally ed are large or recurring then this can indicate a concern about the e, activities could be unconnected with the purposes of the charity nere might be large expenditure for a purpose clearly unconnected e requirements or an unwillingness to rectify a breach, for example, ervice as a trustee (trustees may claim proper expenses and may be than for their services as a trustee, provided the procedures set out ed in accruals accounts).
or direction made by a charity regulator under statutory powers

hibiting a particular transaction or activity or granting consent on able assets or liabilities – On occasions the Commission will use its eputation of a charity or a particular transaction will be subject to a nple, a suspended trustee is known to still be involved in the ing expended when assets are frozen or a significant transaction is o the consent given then this should be reported.

to the trustees on resigning as independent examiner or of on resignation or ceasing to act that falls within the

e duty to report cannot be avoided by resigning as examiner. If a formation necessary for the examination or a concern arises of such o continue then the examiner should consider whether the matter ters identified above.

ne Commission of matters which fall within the categories of matter rt. These serious incident reports are made by trustees either during to the Commission. It is the trustees' responsibility to make these duty, but the examiner may find it helpful to ask the trustees if they eport. If a serious incident report has been made by the trustees the a matter of material significance make their own report setting out happened and any action the trustees have taken or are taking to

aterial significance to the Commission, is provided in this appendix. natter which is not considered by the examiner to fall within the e the examiner has chosen to exercise the power or right to make a nt to the Commission's functions.

ty to report a matter of material significance to the Charity eport follows)

n which relates to the example examiner's report 4.5 in Appendix 4.

sample letters to comm

t to your attention concerning ABC Trust, charity number 1XXX700 with section 44A of the Charities Act 1993 to advise you of a matter o you in the exercise of your functions under section 8 or 18 of the

30 April 2009 was £242,876 and included a restricted grant given by ed project in country X to assist in the relief of poverty. During the at Mr CD, a trustee of the charity, travelled to country X on 10 e form of US dollars in a suitcase and gave these funds to Mr TZ of nor the other trustees have any receipt from Mr TZ nor do they have v the money was used.

o they say they have known for at least a year and believe that the

ve great benefit to the poor of country X. Following my examination
orts from Mr TZ but have been advised that he is unavailable, having
s date of return is uncertain. There is a concern that AB Donor Trust
because the charity has insufficient records to demonstrate how the

ccounts I provided a qualified independent examiners report due to

of a matter likely to be relevant to the Charity Commission

harity Commission concerning WWZ Trust, charity number 1XXX900

with section 44A of the Charities Act 1993 to advise you of a matter
exercise of your functions under the Charities Act 1993.

ation of WWZ Trust I noted that the trustees had awarded a retiring
£1,500 in recognition of his 40 years of trusteeship. The charity had
ment and the trustees confirmed that they had not realised that the
00 at which prior Commission approval is required, is contrary to
now contacted Charity Commission Direct to ask for your advice on

ccounts, I provided an unqualified independent examiner's report as
I did not consider further explanation in my examiner's report was
g of the accounts given the relatively small amount involved.

orts) Regulations 2008 No.629

and practices that specify how the effects of transactions and other
ough the recognition, measurement and presentation of assets,
vements in funds. They are supplemented by estimation techniques
value of incoming and outgoing resources and assets and liabilities.
reliable and allow comparability and understandability of financial

and fair view should conform to certain standards issued or adopted
standards, with which professional accountants are expected to be
nts of Standard Accounting Practice' (SSAP), 'Financial Reporting
ce Abstracts' (UITF abstracts).

ctions and other events to be reflected, as far as possible, in the
and not, for example, in the period in which any cash settlement is
tion of balance sheet assets and liabilities.

ıts prepared in accordance with the requirements of section 42(1) of
pared by the trustees to show a 'true and fair view'. The accounts

is of accounting policies that enable the accounts to give a true and
ing standards and the accounting concepts of going concern and

econciles the balance at the bank as at the statement date, with the
g the closing bank balance for transactions, for example, cheques
ınd bankings that have been made but not credited, effected on or

7 of the 1993 Act and are the people who, under the charity's
he general control and management of the administration of the
ent they may be called trustees, managing trustees, committee
ay be referred to by some other title.

edger in manual or computer accounting systems and are used as a
l and on occasions for cash. In the case of sales or purchase ledger
ı received or paid against invoices are posted to such accounts. The
led to purchases invoiced but unpaid or sales invoices for which

ıe age of 18 who are responsible in law for the operations of the
ectors which constitutes the decision making body and the Board is
affairs. Directors have specific duties under company law and are
of a charitable company are its directors.

ınd where trustees are legally required to invest or retain the capital.
pent. Normally these funds will represent investments but may also
use by the charity. There are two forms of endowment. Permanent
not have the power to spend the capital. Expendable endowment is
o spend the capital, under certain circumstances, in the same way as

ining whether a matter is of material significance to the Commission
ormation or facts gathered by the examiner during the course of the
lable include the accounts, the accounting records, the examiner's
ı answer to questions, matters established through any verification
arity's other records, for example minutes of trustee meetings.

quirements as to disclosures, analysis and information which should

n of fraud. Fraud can be committed by way of false representation, position where the intention is that the person committing the fraud from the fraud or cause another party loss as a result of the fraud.

accounts on the basis that it will continue in operational existence rn basis applies to accounts prepared unless it is necessary, or the es, wind up or liquidate the charity.

document setting out the charity's purposes and, usually, how it is eed, constitution, memorandum and articles of association, will, Commission, or other formal document. The trusts of a charity are ocument(s) of the charity.

tees from the independent examiner detailing the accounting ne statutory responsibilities of the independent examiner. It may also , proposed timetables for the examination and details of any non- miner. The purpose of the letter is to reduce misunderstanding and eed in writing with the charity trustees.

er as to whether any information omitted or misstated would affect Materiality depends on the size, amount or importance of the item,

class of persons defined in the governing document as the members ets out the process for appointing and removing members, the role place membership has in the governance of the charity. Under e the initial subscribers of a company's Memorandum on registration nembers and whose name is entered in the company's register of association of the company will set out the process for appointing sponsibilities of members and the place membership has in the

to apply or use money or assets owned by the charity dishonestly for

procedures, and means whether in any respect the accounts are item or aspect of the accounts that is factually incorrect, in error, or ould properly be included in the accounts .

accountancy term for the manual or computerised record which
the period. The ledger contains the detailed history of all the
a defined period of time from which a trial balance can be extracted
harities may not maintain a nominal ledger but instead maintain an
columnar form with income shown separately from expenditure.

g by named employee, the gross salary paid, employers' tax and
employee related costs (eg healthcare plan costs or employer's
ontribution pensions), where applicable.

eligible under the 1993 Act and is normally a registered auditor. The
sional opinion as to whether the accounts are 'true and fair' in

ounts prepared under section 42(3) of the 1993 Act. The accounts

ue and fair view'; instead they should provide a factual summary of
nd a statement providing information as to the charity's assets and

e trustees are able to spend on particular purposes of the charity.
ecific trusts which may be declared by the donor(s) or with their
through a legal process, but are still within the wider objects of the

Accounting and Reporting by Charities, issued in March 2005, sets
rpose of preparing the Trustees' Annual Report and for preparing
s. The accounting recommendations of the SORP do not apply to
ccounts.

refers to the requirement in charity law for an audit to be carried out
ssets exceed the relevant threshold by a person who is eligible for
person approved by the Commission in accordance with the 2008

the closing balances on all of the separate individual accounts
rds or computerised records.

Secretary of State has the power to proscribe any organisation which

sm". An organisation is "concerned in terrorism" if it commits or for terrorism, promotes or encourages terrorism, or is otherwise broad.

stees are able to spend at their discretion for any of the charity's ain part of the unrestricted funds which the trustees have earmarked unds are called designated funds. Such designated funds are legally may be reported separately in the balance sheet or notes, where of unrestricted funds, where receipts and payments accounts are

rised records, such as notes of explanations received and schedules o record what they have done, what they have found, the questions ose questions. Working papers will include the examiner's analytical be relevant to the examination. The examiner

nation of the directions and guidance as included

ut and who should read it?

of charities, charity law requires most charities to have an external y's gross income is not more than £500,000, or where gross income more than £2.8 million, then charity law allows trustees to choose a scrutiny called an independent examination.

orm of scrutiny than an audit but it still provides trustees, funders, with an assurance that the accounts of the charity have been

with an assurance that the accounts of the charity have been
financial years starting on or after 1 April 2008, independent
ible small charitable companies. Also charitable companies with a
e to have an examination for the first time.

er to have an independent examination instead of an audit and for
xaminer. The first part of this guidance explains what trustees need
ıd what they must do and provides some recommendations to help
and in particular the Honorary Treasurer, need to know what an
they opt to have an examination in place of an audit. By
can have their accounting records, Annual Report, accounts and
complete their work in a timely way.

ctions and the appendices provide the essential information for the
being paid a fee for their work, the role of the examiner is important
ıg out the examination and make a report to the trustees setting out
d their examination. There is a process to be followed and this
Directions, their reporting duties and provides practical advice at

eviewing receipts and payments accounts and so will not need to be
independent examination, the examiner still needs a certain level of
ıs set out in this guidance and to set out their report in the way that
income is more than £250,000 charity law requires the examiner to
ıarities Act 1993 (the 1993 Act).

examiner needs to have an up to date understanding of accruals
tatement of Recommended Practice: Accounting and Reporting by
ORP. The law requires that the examiner has the requisite ability and
ıation and greater accountancy skills and knowledge will be needed

ead this guidance to find out what they must do to comply with the
content of their report, and for practical guidance about how to go

guidance apply?
s in the scrutiny (independent examination and audit) arrangements
006 Act) and the Charities (Accounts and Reports) Regulations 2008
lied to the examination of accounts of non-company charities and
ɔrated under company law for accounting periods beginning on or
to company law are to sections of the Companies Act 2006 as they

, what is an independent examination, the legal framework,
ɔinting an examiner

ɔare an Annual Report and accounts
Accounting: The Essentials April 2008 (CC15a) to find out about the
t and options for preparing accounts and their external scrutiny.
ion update form or Annual Return to be filed with the Commission.

companies registered with Companies House, can prepare either
s accounts provided their gross income does not exceed £100,000.
imple and flexible alternative to more complex accruals accounts.
an analysed record of the cash received and spent in the financial
ld at the beginning and end of the year together with a schedule of
ıd known as a 'Statement of Assets and Liabilities'. Our publication
16) provides a pro forma layout for the trustees' annual report, the
ıent of assets and liabilities and the examiner's report. There is also

George's Youth Club' on our website.

uals accounts as must all non-company charities with gross income
ır. Charities preparing accruals accounts must generally do so in
ered social landlords and higher and further education bodies have
ıd but the size of these organisations is usually such that they are
ination.

f cash accounts plus debtors (money owed to the charity but not
ney owed by the charity but not paid by the year end) because they
ssets, depreciation of fixed assets, provisions, the market valuation
nal assets and other accounting adjustments and disclosures, for
ements. Accruals accounting is a much more complex form of
d follows the accounting rules set out by the Accounting Standards
ted by the SORP for the charity sector. Charitable companies must
ıts of the Companies Act 2006.

the SORP offers a number of concessions and to assist smaller non-
ccruals Accounts Pack (CC17) provides pro forma layout for the
ıiner's report which when completed fully meets legal requirements.
es, there are also several worked examples of accruals accounts on

oy Part 6 of the 1993 Act and Section 43 of the 1993 Act allows
mpler form of external scrutiny in place of an audit.

ternal check on the accounts and can be carried out by any person
cept where the gross income exceeds £250,000, when only members
can undertake the examination. An examination is a less onerous
less assurance in terms of the depth of work which is to be carried
ı the Directions and the content of the examiner's report is set out in

d to confirm that no evidence has been found that suggests certain
This form of 'negative assurance' is a more limited form of scrutiny.
d so is not required to plan the work, for example, to identify fraud or
ng in the charity.

accounting records kept by the charity and a comparison of the
ılso involves a review of the accounts and the consideration of any
important to note that verification and vouching procedures, where
an original document such as an invoice or a receipt, only becomes
identified from the work of the examiner, or where satisfactory
ustees.

ɔnly required to provide a statement on specific matters that have
xamination procedures specified in the Directions. This is a simpler
tor is required to build up a body of evidence to support a positive
ırticular, an auditor is required to form an opinion as to whether the

ıe accounts arises that the examiner considers important to the
ınresolved or other matters arise that must be included in the
ttention, then consideration will be needed as to how this is reported
which is of material significance to the Commission where we are
(see Appendix 5) the examiner also has to make a separate report
ı to the examiner's report attached to the accounts.

esholds for independent examination?

are subject to review and this guidance will be updated in the event below were in place as at 1 April 2008. Gross income should be on's guidance, as set out in Appendix 1.

ng periods commencing on or after 27 February 2007, and for mpany law with accounting periods commencing on or after 1 April

e gross income is more than £100,000 in the financial year.
n the gross asset threshold of £2.8 million does not apply. The flow letermining whether an individual charity is eligible for independent

ay normally opt for an independent examination unless the charity's ere is normally no requirement for any independent scrutiny where £10,000 or less.

eeds £250,000 and the charity is not subject to statutory audit, the r the examiner to be a member of a listed body. These bodies are the 'Selection of Examiners' section of this guidance.

le companies for accounting periods commencing on or after 1 April atutory audit. Although charitable companies which are eligible for pt for an independent examination in place of a charity audit on the duty to maintain accounting records, and the form and contents of npany law. The guidance refers to the Companies Act 2006 where

ependent examination?

ons governing the form and content of charity accounts, Trustees' ditors and independent examiners. These requirements are set out in nting periods commencing on or after 1 April 2008. The 1993 Act tiny for the accounts of all but the smallest charities, but this will fall he majority of charities. The legal framework applies to all charities harities currently excepted from registration.

uty for independent examiners to make a written report to the eir examination, they become aware of a matter which relates to the connected institution, or body, and they have reasonable cause to erial to the Commission in the exercise of its inquiry functions. This ance on what must be reported and provides examples of how to set

egulations apply to England and Wales only. Copies of the 1993 Act Public Sector Information's website. The 2008 Regulations are also

quirements

ss income and gross assets are below the charity audit threshold, the trustees to consider before the examiner is appointed and starts

ncluding a requirement:

for an audit (although the trustees may be able to amend the

me, such as those relating to registered social landlords and NHS

ıder or lender.
refer the higher level of assurance that it provides. Due to the extra
›ments in International Standards on Auditing, trustees need to be
›ly more expensive than an independent examination.

ıny law will have a memorandum and articles of association and the
f the charity is a company then the examiner will need to be familiar
ing requirements that apply to small companies. The trustees of
ensuring that the content of the director's report, which can
nplies with the requirements of the Companies Act 2006.

nination? How to select your examiner
e Commission to issue guidance to charity trustees regarding the
rustees should read the following sections to ensure that they have
der to properly select and appoint their examiner. The prospective
guidelines prior to accepting the appointment.

ensure that a competent examination takes place and they will
a prospective independent examiner.

section 43(3)(a) of the 1993 Act is "an independent person who is
to have the requisite ability and practical experience to carry out a
nce a charity's gross income exceeds £250,000, the examiner must
following bodies listed in the 1993 Act and should be allowed by the
dependent examiner:

d and Wales
ıd

ıts
s

ants
ıistrators
countancy
dent Examiners
ble remuneration to an independent examiner for their services and
a competent examiner on a voluntary basis, should be prepared to
oper cost of administering the charity.

ans that the examiner is not influenced, or perceived to be, by either
es or by day to day involvement in the administration of the charity.
dividual should have no connection with the charity trustees which
amination. An examiner cannot independently review his or her own
s book-keeper cannot be the charity's examiner. However this does
r or supporter of the charity and often some involvement brings an
ımiliarity to the role of examiner.

is a member of the charity, for example a member of a church
involved in the day-to-day decision making or administration of the
nmittee or sub-committee convened by the charity, and are not
ıormally they may act as an examiner, subject to their having the
ion required. Also the right to take part or attendance as a member
eclude the examiner from conducting an independent examination

ration of the charity through tabling resolutions would.

cts independence will depend upon the particular circumstances but onsidered to be independent:

s closely involved in the administration of the charity;

he charity; or

brother or sister, spouse, civil partner, business partner or employee n (a) or (b) above.

es Bill which led to the 1993 Act, it was stated that “an independent the task that he is to do and he must be familiar with accounting accountant. We have in mind ... people such as bank or building s or retired accountants. They would all be suitable as independent

s required will depend upon whether the accounts are prepared on a basis, and the size and nature of the charity’s transactions.

es preparing their accounts on an accruals basis should consider of the accountancy bodies listed in the 1993 Act, or similarly skilled erstanding of accountancy principles, accounting standards and

ome below £100,000 and, unless constituted as a company under receipts and payments accounts. This form of accounting is very ative to accruals accounts that fully meets the legal requirements of standards and the SORP is not required to examine receipts and

ful, where receipts and payments accounts are prepared, any person
ls should be competent to act as an independent examiner provided
nce and apply it when reviewing a set of receipts and payments

s or accruals accounts are prepared, the examiner needs some
es including the different types of income funds (unrestricted and
d expendable endowment), the nature of trusts, the responsibilities
erning document. For more information about the duties of trustees
e: What you need to know (CC3) concerning the duties of trustees.

ich is often registered as a company under company law and carries
rofits made can be Gift Aided to the charity. Unless the aggregate
ncome of the charity together with that of any subsidiaries (after
ed the statutory threshold of £500,000 there is no requirement to
gate gross income exceeds £500,000 the group accounts must be

is threshold then they would be non-statutory accounts and any
n a voluntary basis and not covered by the Directions or guidance
inciples could be applied by a contractual arrangement between the
ation on group accounts please refer to the relevant section of the
shold to Charity Reporting and Accounting: The Essentials April 2008

ves that prospective examiners have practical experience relevant to
that person having:

on of a charity of a similar nature; or
ner on previous occasions for such charities; or
y or commerce.

mend that the trustees should ask the prospective examiner to

rom the charity and its trustees;
t they believe they have the necessary ability and experience to
f the SORP;
ple, a practising certificate) of their own professional body to act as

an examiner to give details of their experience, accreditation, or
nt where the examiner has to be a member of a body listed in the
ls basis are being examined.

mail, letter, or where a fee is charged in the engagement letter, the
oper regard to the requirement to select an examiner with “requisite
e examiner is charging a fee the trustees should be notified by a
sis on which the examiner has agreed to act. These terms of
, the examiner’s statutory duties.

essional accountancy qualification, the trustees must always appoint
the charity and the trustees should ensure that the Commission’s
quired of the examiner for accruals accounts has been followed.

h the prospective examiner the work of the charity and their
rospective independent examiner has a copy of this guidance and is
rections to independent examiners and understands the duty to

*W*here accruals accounts are prepared under section 42(1) of the Act
ant with the 2008 Regulations as to the form and content of those

examiner should also be aware of the accounting requirement of the
ontent of those accounts in addition to having familiarity with the

and gain suitable assurances from prospective examiners, and from
have taken all reasonable steps to appoint an examiner with the
etent independent examination of their accounts.

conducted with reasonable skill and care in accordance with the

port and accounts

s £10,000 charities must file their report and accounts with the
r ensuring that their Trustees' Annual Report and accounts, together
submitted to the Commission within 10 months of the financial year
uld note that the filing with Companies House is required within 9
nd it convenient to file with the Commission at the same time.

completion of the examination with the examiner. The Trustees'
ecords and information should be provided to the examiner early
npleted and for the accounts to be approved by the trustees before

ner to deal with filing then this should be agreed in writing with the
filing is likely to be late the trustees should alert the Commission
out the circumstances, the action the trustees are taking, and the

d, what do I have to do and what do I do once I have finished my

he nature of their role and are satisfied before they start that they
o undertake a competent examination. It is important for examiners
p is to read the first section of this guidance which sets out what the
an independent examination is and what the thresholds are for

mended to check whether they are required to hold a practising
ner charging a fee or acting as a volunteer. The requirements of each
ents for a practising certificate and professional indemnity insurance.

so be aware that they are considered to be providing accountancy
d comply with the Money Laundering Regulations and the provisions
ovisions apply to anyone who carries out accountancy services for a
dy or not. The Commission is not the regulator for this area of law;
opendix 7.

Regulations

andatory and apply to examinations of both registered charities and
egistration. The 2008 Regulations and Directions ensure that the
endent examiner's report and the processes examiners follow are
le by the Charity Commission under powers given in the 1993 Act. To
is followed by additional explanatory guidance setting out what to
n is not mandatory but is recommended to help ensure examiners

miners understand what is involved in undertaking an examination, o report. It is recommended that examiners take some time to read t examination.

d their report provides assurance about certain specific matters and draw the attention of the reader of the accounts any matters of dressed to the trustees, must contain all the information required by

quirements of the 2008 Regulations. The example examiner's reports and the examiner can develop their own wording provided the report gulations. The specific reporting duties of the independent examiner gulations. Direction 10 and related guidance sets out what needs to

charitable company incorporated under company law is different to ust also consider the accounting requirements of the Companies Act pany will therefore need some understanding of the additional s.

group accounts on a voluntary basis these will be non-statutory sed on agreement between the charity and the examiner rather than velop their own form of report based on the work undertaken. Any quires a high level of accountancy skill including an understanding of inciples. Where group accounts are required by law because the £500,000 then independent examination is not an option as such

firms a number of factual matters that assure the reader that the on and that the examiner has followed the Directions. In particular:

by the accounts;
examination as opposed to an audit;
s;
ticular matters set out in the 2008 Regulations have come to their

helps the reader of the report to understand what the examination

sation to have an independent examination instead of an audit, the

vant professional qualification held and, if the charity's gross income ich enables them to act as the examiner.
her or not particular matters were identified during the examination. on whether the accounts give a 'true and fair' view; rather the has come to attention to indicate that:

pt, or in the case of a charitable company that adequate accounting

s;
ls basis they fail to comply with relevant accounting requirements le company with section 396 of the Companies Act 2006 or are not

should be drawn to the attention of the reader to gain a proper

de:

ıe trusts of the charity;
d explanations to which the examiner is entitled; and
:cruals basis are materially inconsistent with the Trustees' Annual
any the directors' report.
ıe examiner in their own name. Whilst the name of a partnership or
f an examiner relates to the individual rather than the partnership or
made to the Commission, it may be an image of the original or be a

dgement in carrying out their work and in accessing the information
guidance uses terms material, significant and material significance
r to understand as these terms will inform an examiners judgement
rting duties. These are explained in more detail below.

dgement by the examiner as to whether any information omitted or
:anding of the accounts. Materiality depends on the size, amount or
ent. An accounting policy is sometimes described as material where
nsaction is recognised, measured or disclosed in accounts. Where a
e examiner has to consider whether the effect of that policy when
unts is so material as to affect the presentation or understanding of

ection with accruals accounts and requires the examiner to look at
olicies, or basis for amounts that are material in the context of the

this guidance in connection with the keeping of accounting records,
ıiner and in describing the considerations that affect the examiner's
ds, significance is the extent to which the records found are not
information creates doubt about the adequacy of record keeping.
s the examiner to think about whether a matter or an amount is
e to require explanation. For the report, it is whether a finding that
ignificant enough to need inclusion in the examiner's report. Small
ficant but can become significant if their occurrence is frequent or
assessed when the examiner has either carried out the analytical
flecting about what has been found and is preparing the report. A
:erial in term of its amount alone.

term used in the statutory definition of the duty to report matters of
ıis requires an understanding of those matters that are of material
ıe Commission. Those matters that the Commission always consider
guidance with further guidance provided in Appendix 5.

ın of the examiner?

ave read this guidance and followed the 10 Directions to the best of
eport honestly. The Commission expects the examiner when carrying
ıaterial significance which they are also under a duty to report.

aminers, who are not charging a fee, are giving their time freely for
concern arising about the adequacy of an independent examination
ɔn will take into account the nature of the voluntary role and be
ering any failure in the examination process provided the examiner
with the view the Courts take of volunteers who act as trustees who

eceiving payment they are providing accountancy services and we
ofessional standard and our expectation is that a paid examiner:

ofessional standard and our expectation is that a paid examiner:

vledge, including familiarity with the SORP where accruals accounts

the Directions; and
y and experience, to fulfil their statutory duty to report matters of

£250,000 in England and Wales the examiner must be a member of
:. In setting this threshold Parliament recognised the higher level of
these larger charities. Consequently whether paid or not, the
hese larger charities to have been carried out to a professional
ner:

ledge, including familiarity with the SORP;
the Directions; and
, experience and qualification, to fulfil their statutory duty to report
nission.
tions

nission of the examiner?

ave read this guidance and followed the 10 Directions to the best of
eport honestly. The Commission expects the examiner when carrying
material significance which they are also under a duty to report.

aminers, who are not charging a fee, are giving their time freely for
concern arising about the adequacy of an independent examination
on will take into account the nature of the voluntary role and be
ering any failure in the examination process provided the examiner
with the view the Courts take of volunteers who act as trustees who

eceiving payment they are providing accountancy services and we
ofessional standard and our expectation is that a paid examiner:

vledge, including familiarity with the SORP where accruals accounts

the Directions; and
y and experience, to fulfil their statutory duty to report matters of

£250,000 in England and Wales the examiner must be a member of
:. In setting this threshold Parliament recognised the higher level of
these larger charities. Consequently whether paid or not, the
hese larger charities to have been carried out to a professional
ner:

ledge, including familiarity with the SORP;
the Directions; and
, experience and qualification, to fulfil their statutory duty to report
nission.

Directions

de the procedural basis or framework to define how the reporting
are 10 specific Directions that the examiner must address in carrying
l 7 Directions applying to the examination of receipts and payments
d consider if matters of material significance have come to their
eport to the Commission.

red on an accruals basis are required to review the Trustees' Annual
examiners of receipts and payments accounts may still find the
ng their examination.

ers of accounts and the independent examiner
ons, designed to specifically to assist in the preparation of accounts,
nd other publications that may be of particular help to the examiner

nsist of

e 10 Directions;
ise to a legal duty to make a report to the Commission; and
ethods which will help examiners to meet the requirements of the

e reproduced in bold print, with explanatory guidance set out in light
ples given and procedures suggested cannot meet all circumstances
on and judgment will need to be exercised by all examiners in the

Act 1993 in the Directions and guidance which follow are to sections
es Act 2006. The references provided to company law are to sections
om 6 April 2008.

red on an accruals basis are required to review the Trustees' Annual
examiners of receipts and payments accounts may still find the
ng their examination.

f accounts and the independent examiner
ons, designed to specifically to assist in the preparation of accounts,
nd other publications that may be of particular help to the examiner

e 10 Directions;
ise to a legal duty to make a report to the Commission; and
ethods which will help examiners to meet the requirements of the

e reproduced in bold print, with explanatory guidance set out in light
ples given and procedures suggested cannot meet all circumstances
on and judgment will need to be exercised by all examiners in the

Act 1993 in the Directions and guidance which follow are to sections
es Act 2006. The references provided to company law are to sections
om 6 April 2008.

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From 1 April 2020
To 31 March 2021

Reviewed by

ndent Examiner's checklist

0

LY - Not Scotland

for a wealth of external resources

Links to external resources page

Links to other parts of the accounts production file

Tab to the relevant Excel worksheets in this template

Links	Links to external resources page
TB	Trial Balance entry
Data	Data sheet
Cover	Front page of accounts
Contents	Contents page of acs
Director	Trustees Report
Audit	Independent Examiner's Report
PL	Statement of Financial Activities & I&E ac
BS	Balance Sheet
CF	Cash Flow Statement
Notes	Notes to the accounts
DetailPL2	Detailed schedule to the SOFA
Appendix	Activity analyses per the SORP
Library	Standard texts and explanations
Disclosure	Disclosure checklist
History	Details of amendments to templates
CFworking	Internal workings for cash flow
Workings	Internal workings for acs
CC31	Independent Examination directions 2008

Or for charities in Scotland - see OSCR guidance

000 and £250,000. If the gross income was over £250,000 in

some time in late 2007, the reporting accounts procedure or low change it to £500,000

xceed £2.8 million

nder the Companies Act (section 249) and under professional

n the Accountant's Reports). The exemptions are highlighted

ome
ity for independent examination
gland & Wales also operating in Scotland
reports
f material significance
ers to Commission under Appendix 5

reference to file documentation

applies to all forms of account

xceeds £250,000, then the Charities Act 2006 rofessional' independent examination must be Examiner must hold one of the following d meet whatever practisiing certificate mposed by the relevant body:-

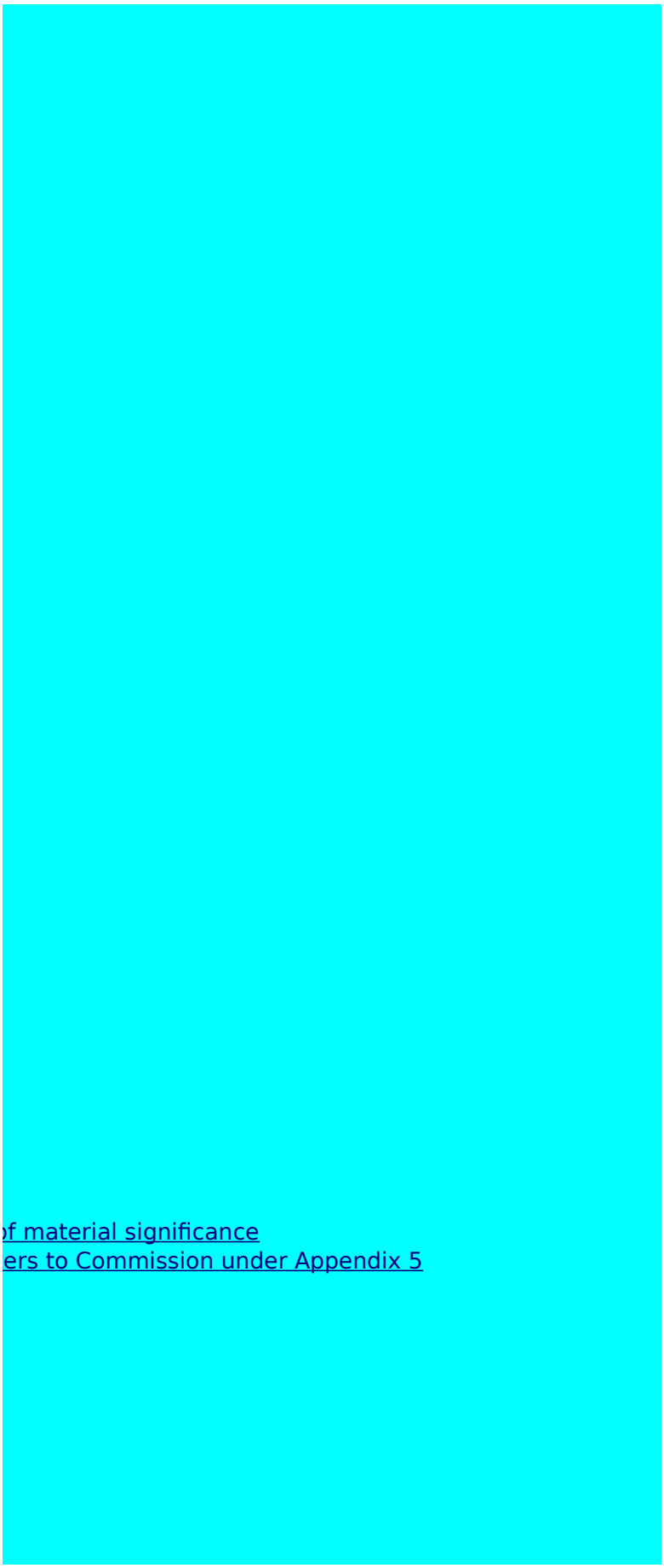
ered Accountants in England and Wales
ered Accountants of Scotland
ered Accountants in Ireland
artered Certified Accountants
thorised Public Accountants
counting Technicians
ernational Accountants
te of Management Accountants
ered Secretaries and Administrators
te of Public Finance and Accountancy; or
ssociation of Charity Independent Examiners.

oves the "2 year rule" requirement. This rule n if the charity's income (and expenditure) was hreshold in the current year, it must have its if its income or expenditure exceeded the ination threshold in either of the two preceding The old rule appplies to accounting periods e 27th February 2007

ome

reference to file documentation

of account



of material significance
ers to Commission under Appendix 5

reference to file documentation

applies to all forms of account

of material significance
ers to Commission under Appendix 5

reference to file documentation

applies to all forms of account

reference to file documentation

of account

reference to file documentation

applies to all forms of account

reference to file documentation

applies to accruals accounts - not to receipts and payments accounts

reference to file documentation

accounts - not to
nts accounts

reference to file documentation

accrual accounts,
s and payments
xaminer may find
ful guide

identify major
- this differs
udit requirement
t the report is
the acs

ain menu

reference to file documentation

all forms of account

ain menu

et in this template if correctly utilised should t that :-

h these directions and guidance for unqualified

with all current professional guidelines and good practice in relation to the matters to be port

nodification for qualified reports in accordance elines and the examples shown in Appendix 4

reference to file documentation

of account

ss income' is not the same as
ıcludes the notional value of
vices provided in kind, for no
or at a discount, ecluding
ded by volunteers.

y fees provided at less than a
would be grossed up and
gross income and in
similarly with rooms provided
authority etc etc

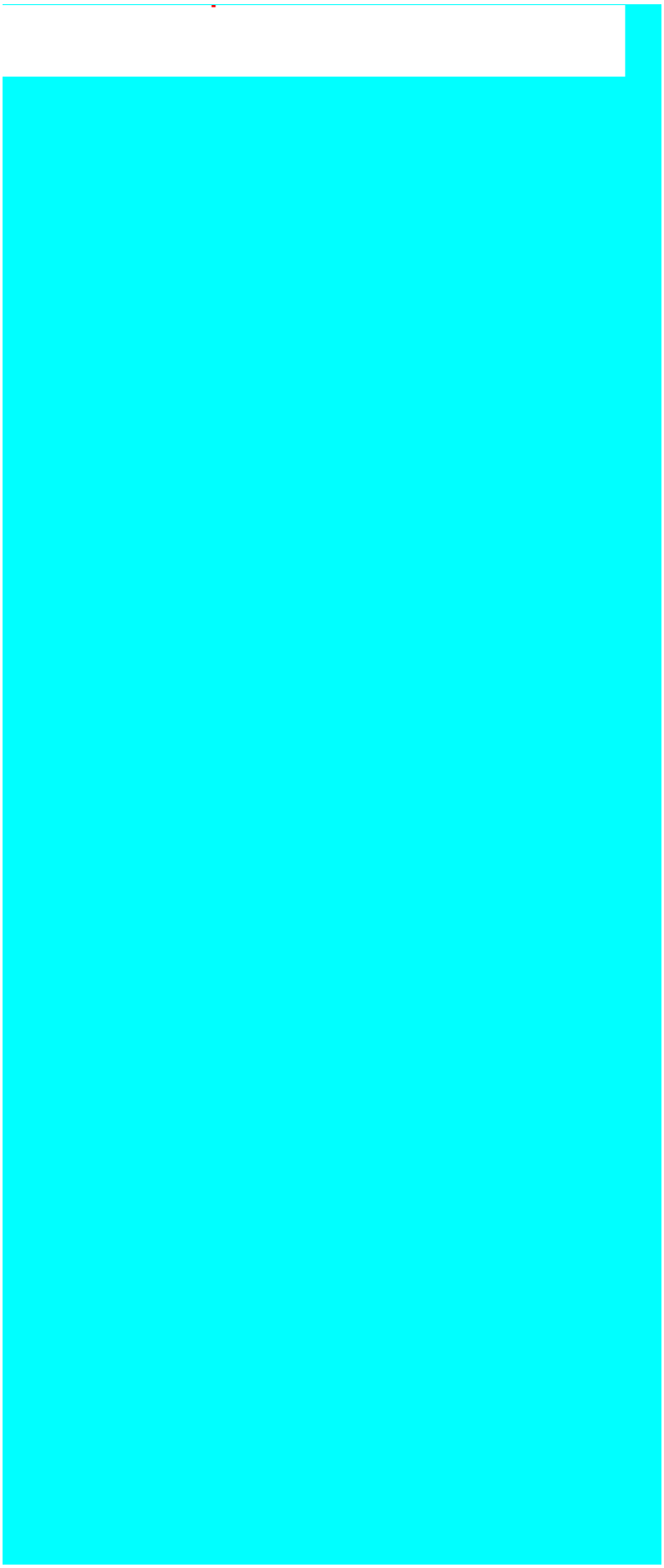
ften overlooked and can have
for a number of threshold

et in this template if correctly utilised should
t that :-

h these directions and guidance for unqualified

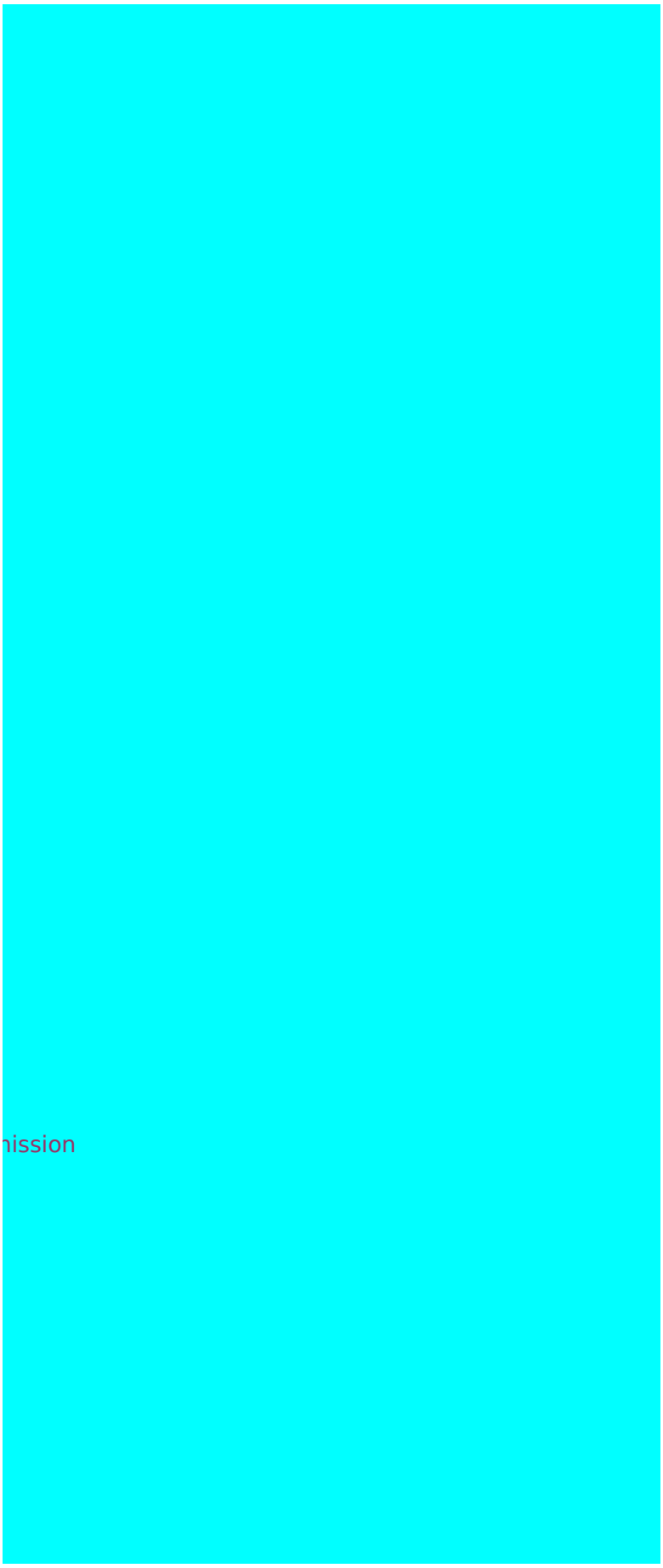
ıith all current professional guidelines and good practice in relation to the matters to be ɔort

ıodification for qualified reports in accordance elines and examples





n.gov.uk/investigations/inquiryreports/inqreps.asp


nission

Template h
Version 11

Company
Type

Method
Version
Copyright

Cleared

Sep 1999

Sep 1999

Sep 1999

Sep 1999

Sep 1999

Sep 1999

Feb 2000

Feb 2000

Feb 2000

Oct 2000

Oct

10/01

Mar 2002

May 2002

Dec 2002

November 2

05/05

11/06

12/06

01/07

02/07

06/07

06/08

07/08

05/08
05/09

10/09

12/09

03/10

11/10

istory - Type Charities

Change

HAWA
Small company adopting the Financial Reporting Standard for Smaller Entities (effective March 2000)
Trial balance to be entered manually
Version 5 - October 2000
VT Software Limited 1995-2000

Notes/ Comments/ Outstanding points

For advice on using this workbook, click on the Template Instructions button at the right-hand end of the VT toolbar, choose the VT Final Accounts Help Topics command from the Help menu, or refer to the printed user guide.

The words *applicable to small companies* are no longer required in the audit opinion and have been removed

Exceptional year 2000 software modification costs added to the Operating profit note

Exceptional costs associated with introducing the Euro added to the Operating profit note

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Exceptional year 2000 software modification costs added to the Operating profit note

Exceptional costs associated with introducing the Euro added to the Operating profit note

The words *(effective March 2000)* have been added to the reference to the FRSSE in the audit report

The words *and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000)* have been added to the Accounting Policies note in both the full and the abbreviated accounts.

The reference to the FRSSE at the foot of the full balance sheet has been removed

No changes

Revised for dividends ac

Revised to incorporate the requirements of the SORP 2001

Revision to treatment of capital reserves to comply with requirements of the Charity Commissioners that all funds should be carried forward on the SOFA

Further analysis available between restricted and unrestricted funds in the balance sheet including revaluation reserve and capital reserve

Inclusion of schedule of grants made and investment income received in detailed P&L

Inclusion of designated funds

Inclusion of a statement of total recognised gains

Inclusion of detailed reconciliation of all funds to balance sheet

Inclusion of suggested wordings in the trustees report that can be edited or selected to meet appropriate circumstances. These have been extracted from real life situations, but with all items that might identify the charity deleted.

Certain headings in the trustees report have been expanded . The method of election of trustees has been added to comply with recent SORP requirements

Examples of common situations have been given in the trustees report

Those items in the trustees report that are only mandatory in certain circumstances can now be autohidden. Those that are always mandatory cannot be so hidden

Comments have been added in the trustees report highlighting mandatory matters of disclosure. These can be edited out

A new section showing trustees in office at the date the accounts are approved has been added to comply with the SORP

A new section has been added to the trustees' report detailing adequacy of funds

Minor changes have been made to the text of trustees responsibilities, and a specific declaration of compliance has been added

Intangible incoming resources have been provided for to cover such items as seconded salaries

Gains on disposals of fixed assets is now included above the line as other incoming resources. If there are losses this line will have to be cut and pasted into the expenditure section

The option under the SORP has been taken to include an additional line in the SOFA for 'net incoming resources available for charitable applications'

The accounting policy notes have been adapted to cover a number of common situations, and can be modified to meet particular situations by editing.
Care should be taken when editing as certain phrases are mandatory

New accounting policy notes have been added to cover fund structures polices, investment policies,pension contributions,foreign exchange gains and losses, exceptional items , unrealised and realised gains, stocks and work in progress,charitable expenditure, investment property,inalienable assets and investments.

The note about indemnity insurance for trustees has been reworded

The notes relating to deferred funds and to third party funds have been laid out in a different manner consistent with corporate charity requirements

National insurance contributions have been analysed out in the staff note

The pensions disclosure relating to employees has been developed

The explicit negative statements relating to no trustees' remuneration and expenses have been included

There is now an analysis of assets and liabilities by type of fund

The headings on the fixed asset note have been expanded. If material the SORP requires analysis between fixtures,fittings and equipment on the one hand and plant and machinery and vehicles on the other. It may be necessary to amend the headings of the columns to meet particular circumstances

The fixed asset note has been modified to include the requirements of paras 223 and 230 of the SORP

The investment note has been expanded and has been more automated than before However, there are specific situations not covered by the standard note and reference should be made to the SORP

Amounts due from subsidiary and associated undertakings can now be accommodated

within the debtors and creditors notes, but manual entry will have to be made to extract the figure from debtors or creditors

Reminder re disclosure of security is given under the loans note

This Charities Statement of Recommended Practice (SORP) is applicable to all accounting per beginning on or after 1 April 2005. Early adoption is encouraged.

Any depreciation other than charitable expenditure (not common) will have to be manually entered

The statement of trustees' responsibilities has now been amended to comply with the suggested form in Practice Note 11 The Audit of Charities issued by the APB

Certain items on the data sheet have been eliminated as they are redundant as the information is also entered via the Trial Balance

Accounting policy notes modified to improve disclosure re para 36A Sch CA1985

Audit report modified to comply with present best practice

003 updates made to disclosures in notes to comply with developing practice

Revised to incorporate the requirements of the SORP 2005
Revised to include specific references to the SORP when relevant
Extracts from the SORP are included in the SORP worksheet
Greater use of text boxes, particularly in the trustees' report to facilitate editing
Greater use of flags such as '**INSERT**' to indicate where data should be input
Autohidden advisory notes to indicate the statutory source and explanation of disclosure requirements that can be used as a disclosure checklist.
Approval' and 'Review' boxes attached to the autohidden advisory notes
Revised to comply with the 2005 FRSSE
Links to various web based technical resources

This involved a major rewrite to meet the objectives as stated by the Charity Commission in their statement on the SORP (see SORP worksheet)

correct error in formula of movement of funds note

Library of standard texts updated

adjustments made to improve the autohide facility

adjustments made to the audit reports to comply with best practice

Library of sample texts extended and hyperlinks to it improved

correct error in formula of movement of funds note

Revisions to wording of reports etc

corrections to a reported error on the autohide on the investment note

Incorporated compilation report template converted to independent examination
Updated for the Charities Act 2006
Updated for the Companies Act 2006
Updated for the FRSSE 2007
Updated for the SORP 2005 revision in 2008
Layout of detailed schedule to SOFA improved
The above changes cover the transitional period from the old legislation to the new and will be further revised when the transitional period has ended

Modify the Examiner's Report to comply with Reg 31 of the 2008 Regulations
Correct error on reporting of legacies received
correct the transfer of comparative figures
change to the accounting policy note on the statutory basis of accounts preparation
change to the description of incoming resources under accounting policies
reference to irrecoverable VAT included in expenditure accounting policy
minor change to the reference to the FRSSE and FRS1
add automatic cross cast to the movements of funds note

Updated to include all aspects of CC31 June 2008 Directions and Guidance from the Charity Commission
Layout of detailed schedule to SOFA modified
Links to external resources updated
Complying with the new 'public benefit requirement' in the trustees' report
Disclosure checklist updated
Update to include the modifications to the SORP in June 2008
Changed the wordings of the balance sheet information to reflect Companies Act 2006 changes which apply to accounting poeriods commencing on or after 6th April 2008

Updated with new thresholds for accounting periods ending on or after 06/04/09
Greater clarity on disclosures on trustees' report
Revised exemption limits

Company number inserted in Balance Sheet in anticipation of new regulations

Statement of directors' responsibilities
1985 changed to *2006* and the word *proper* changed to *adequate*

All transitional information between old and new legislation removed
Help system improved to allow all SORP and legal material to be viewed via comments
Formal reports updated to accord with latest requirements

Correcting error in inclusion of professional fees in Detailed summary
as notified to us by a user

Revision of the guidance on audit exemption

Updated throughout for the Guidance to Scottish Charities issued by OSCR

Updated the Guidance covered in CC31 and CC32

Update the guidance for the trustees report

Updated the external links page

Made minor textual alterations to the statutory reports

The Home Page instructions were updated

Updated the Examiner's reports

Altered the 'look' of many elements without changing the substance

Check the Links page
for a wealth of external resources
Links to external resources page

Links to other parts of the accounts produc

Tab to the relevant Excel worksheets in this template

Links	Links to external resources page
TB	Trial Balance entry
Data	Data sheet
Cover	Front page of accounts
Contents	Contents page of acs
Director	Trustees Report
Audit	Independent Examiner's Report
PL	Statement of Financial Activities & I&E ac
BS	Balance Sheet
CF	Cash Flow Statement
Notes	Notes to the accounts
DetailPL2	Detailed schedule to the SOFA
Appendix	Activity analyses per the SORP
Library	Standard texts and explanations
Disclosure	Disclosure checklist
History	Details of amendments to templates
CFworking	Internal workings for cash flow
Workings	Internal workings for acs
CC31	Independent Examination directions 2008

Or for charities in Scotland - see OSCR guidance

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ction file

HAWA
Workings
at 31 March 2021

Normally no entries should be made to these pages as the integrity of the c

Intangible fixed assets previous years	**£**
Goodwill:	
Cost	
B/fwd	-
Additions	-
Disposals	-
C/fwd	-
Amortisation	
B/fwd	-
Provided during the year	-
On disposals	-
C/fwd	-
Net book value	-
Net book value b/fwd per current year trial balance	-

The workings below form the basis for the Fixed asset note. Whenever AutoHide is t
or off the appropriate columns below are re-copied to the Notes sheet.

Tangible fixed assets

	Freehold Land and buildings £	**Leasehold Land and Buildings £**	**Plant, Machinery & Vehicles £**
Cost			
At 1 April 2020	-	-	-
Additions	-	-	-
Disposals	-	-	-
Surplus on revaluation	-	-	-
At 31 March 2021	-	-	-
Depreciation			
At 1 April 2020	-	-	-
On disposals	-	-	-
Surplus on revaluation	-	-	-
Charge for the year	-	-	-
At 31 March 2021	-	-	-
Net book value			
At 1 April 2020	-	-	-
At 31 March 2021	-	-	-

Tangible fixed assets previous year

	Land and buildings £	Leasehold Land and Buildings £	Plant, Machinery & Vehicles £
Cost			
At 1 April 2020	-	-	-
Additions	-	-	-
Surplus on revaluation	-	-	-
Disposals	-	-	-
At 31 March 2021	-	-	-
Depreciation			
At 1 April 2020	-	-	-
Charge for the year	-	-	-
Surplus on revaluation	-	-	-
On disposals	-	-	-
At 31 March 2021	-	-	-
Net book value	-	-	-

The workings below form the basis for the Investments note. Whenever AutoHide is or off the appropriate columns below are re-copied to the Notes sheet.

Investments

	Listed Investments £	#	Unlisted Investments £
Cost			
At 1 April 2020	-		-
Additions	-		-
Disposals	-		-
At 31 March 2021	-		-

Investments previous year

	Listed Investments £	#	Unlisted Investments £
Cost			
B/fwd	-		-
Additions	-		-
Disposals	-		-
C/fwd	-		-

data in the accounts may be affected

urned on

	Total £
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	Total £
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turned on

	Total £
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	-

	Total £
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	-
	-
	-
	-