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STATUTORY INSTRUMENTS

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**2008 No. 629**

**The Charities (Accounts and Reports) Regulations 2008**

**PART 4**

**SCRUTINY OF ACCOUNTS**

**CHAPTER 2**

**AUDIT OF INDIVIDUAL CHARITY ACCOUNTS**

**Duties of auditor: audit of accounts prepared under Part 7 of the Companies Act 1985**

**25.**—(1) Where individual accounts have been prepared by the charity trustees of a charity which is a company under Chapter 1 of Part 7 of the 1985 Act, the auditor carrying out the audit of those accounts under section 43 of the 1993 Act must make a report on those accounts to the charity trustees which—

- (a) states the name and address of the auditor and the name of the charity concerned;
- (b) is signed by him or, where the office of auditor is held by a body corporate or partnership, in its name by a person authorised to sign on its behalf;
- (c) states that the auditor is a person falling within paragraph (a) or, as the case may be, paragraph (b) of section 43(2) of the 1993 Act;
- (d) is dated and specifies the financial year in respect of which the accounts to which it relates have been prepared;
- (e) confirms that the accounts were not required to be audited in accordance with Part 7 of the 1985 Act;
- (f) specifies that it is a report in respect of an audit carried out under section 43 of the 1993 Act and in accordance with regulations made under section 44 of that Act;
- (g) states whether in the auditor's opinion—
  - (i) the company's individual accounts comply with the requirements of section 226A of the 1985 Act, and in particular whether—
    - (aa) the income and expenditure account gives a true and fair view of the income and expenditure of the charity for the relevant financial year; and
    - (bb) the balance sheet gives a true and fair view of the state of affairs of the charity as at the end of that year;
  - (ii) in any case where the charity has prepared a statement of financial activities in addition to complying with the requirements of the 1985 Act, that statement gives a true and fair view of the charity's incoming resources and application of resources in the relevant financial year;
  - (iii) in any case where the accounts state that they have been prepared in accordance with the methods and principles in the SORP, those methods and principles have been followed;

- (h) where the auditor has formed the opinion that—
    - (i) accounting records have not been kept in respect of the charity in accordance with section 221 of the 1985 Act;
    - (ii) the charity's individual accounts do not accord with those records;
    - (iii) any information contained in those accounts is inconsistent in any material respect with—
      - (aa) any report of the charity trustees prepared under section 45 of the 1993 Act in respect of relevant financial year; or
      - (bb) the report prepared in respect of the relevant financial year under section 234 of the 1985 Act; or
    - (iv) that any information or explanation to which he is entitled under regulation 33 has not been afforded to him,contains a statement of that opinion and of the grounds for forming it.
- (2) The auditor must in preparing his report carry out such investigations as will enable him to form an opinion as to the matters specified in sub-paragraphs (g) and (h) of paragraph (1).