

SCHEDULE 3

Regulation 9

Receipts and Payments Accounts

PART 1

Information to be shown on the receipts and payments account and on the statement of balances

1. In respect of every amount required to be shown in the receipts and payments account and in the statement of balances, the corresponding amount for the financial year immediately preceding that to which the receipts and payments account and statement of balances relate.

2. The receipts and payments account shall set out the total receipts and payments for the financial year in sufficient detail as may reasonably enable a proper appreciation of the transactions and the excess of receipts over payments or payments over receipts for that year and shall distinguish between restricted, unrestricted, expendable endowment or permanent endowment funds.

3. The following receipts in particular, if any, shall be shown separately:–

- (a) donations;
- (b) legacies;
- (c) grants;
- (d) receipts from fundraising activities;
- (e) gross trading receipts;
- (f) income from investments other than land and buildings;
- (g) rents from land and buildings;
- (h) gross receipts from other charitable activities;
- (i) proceeds from sale of fixed assets; and
- (j) proceeds from sale of investments.

4. The following payments in particular, if any, shall be shown separately:–

- (a) expenses for fundraising activities;
- (b) gross trading payments;
- (c) investment management costs;
- (d) payments relating directly to charitable activities, detailing material items;
- (e) grants and donations relating directly to charitable activities;
- (f) governance costs relating to–
 - (i) audit or independent examination;
 - (ii) preparation of annual accounts; and
 - (iii) legal costs associated with constitutional matters or trustee advice;
- (g) purchases of fixed assets; and
- (h) purchase of investments.

5. The receipts and payments account shall set out transfers from a restricted, unrestricted, expendable endowment or permanent endowment fund into another fund separately.

6. The statement of balances shall–

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

- (a) distinguish between unrestricted, restricted, expendable endowment or permanent endowment funds;
- (b) reconcile the cash and bank balances at the beginning and end of the financial year with the surplus or deficit shown by the receipts and payments account;
- (c) summarise the holding of investments and market valuation;
- (d) summarise other assets including gifted assets and state the cost or a valuation of the assets if available, and where the charity trustees consider the valuation to be lower than the cost, state the valuation;
- (e) state an estimate of the liabilities at the end of the financial year showing separately any contingent liabilities.

PART 2

Additional information to be provided by way of notes to the accounts

In respect of the receipts and payments account and statement of balances, except where provided in the annual report—

- (a) the nature and purpose of each of the funds including any restrictions on these funds;
- (b) the number and amount of grant or grants paid, the type of activity or project supported and whether the grant or grants was or were made for the benefit of an individual or an institution;
- (c) the amount of remuneration paid to a charity trustee or person connected with a trustee, the authority under which the remuneration was paid, and if no remuneration was paid to a charity trustee or a person connected to a trustee, a statement of that fact;
- (d) the aggregate amount, if any, of expenses paid to the charity trustees, detailing the number of charity trustees paid and if no expenses were paid, a statement of that fact;
- (e) the nature of any transactions between charity trustees and persons connected with a trustee, the nature of the relationship, the transaction amount and any outstanding balances at the end of the financial year of the charity;
- (f) such other information as may reasonably assist the user to understand the statement of accounts.