
STATUTORY INSTRUMENTS

2000 No. 2868

The Charities (Accounts and Reports) Regulations 2000

Form and content of statements of accounts

3.—(1) This regulation applies to a statement of accounts prepared by the charity trustees of a charity (other than a charity specified or referred to in regulation 4 of the 1995 Regulations) in accordance with section 42(1) of the 1993 Act in respect of a financial year—

- (a) which begins on or after 1st January 2001; or
- (b) which begins before that date if—
 - (i) the charity trustees determine that this regulation, rather than regulation 3 of the 1995 Regulations, shall apply to the statement of accounts; and
 - (ii) the charity trustees have not, before the date when these regulations come into force, either approved the accounts of the charity in respect of that financial year, or authorised the signature of an annual report in respect of that financial year in accordance with regulation 10(1)(c) of the 1995 Regulations.

(2) If the charity trustees make a determination under sub-paragraph (b) above, they shall also make a determination under regulation 7(1)(b) below, if they are required to prepare an annual report in respect of the financial year in question.

(3) The requirements as to form and content of a statement of accounts to which this regulation applies are those set out in the following provisions of this regulation.

- (4) The statement shall consist of—
 - (a) a statement of financial activities which shall show the total incoming resources and application of the resources, together with any other movements in the total resources, of the charity during the financial year in respect of which the statement is prepared; and
 - (b) a balance sheet which shall show the state of affairs of the charity as at the end of the financial year in respect of which the statement is prepared.
- (5) The statement shall be prepared in accordance with the following principles, namely that—
 - (a) the statement of financial activities shall give a true and fair view of the incoming resources and application of the resources of the charity in the financial year in respect of which the statement is prepared;
 - (b) the balance sheet shall give a true and fair view of the state of affairs of the charity at the end of that year;
 - (c) where compliance with the following requirements of this regulation would not be sufficient to give a true and fair view, the necessary additional information shall be given in the statement of accounts or in notes to the accounts;
 - (d) if in special circumstances compliance with any of those requirements would be inconsistent with giving a true and fair view, the charity trustees shall depart from the requirement to the extent necessary to give a true and fair view.

(6) The statement—

- (a) shall be prepared in accordance with the methods and principles set out in the SORP; and

(b) subject to the following three paragraphs of this regulation, shall, with respect to any amount required to be shown in the statement of financial activities or in the balance sheet, also show the corresponding amount for the financial year immediately preceding that to which the statement or balance sheet relates.

(7) Where that corresponding amount is not comparable with the amount to be shown for the item in question in respect of the financial year to which the statement of financial activities or balance sheet relates, the former amount shall be adjusted.

(8) Where in the financial year to which the statement of accounts relates the effect of paragraph (5) and paragraph (6)(a) above is that there is nothing required to be shown in respect of a particular item, but an amount was required to be shown in respect of that item in the statement of accounts for the immediately preceding financial year, those provisions shall have effect as if such an amount were required to be shown in the statement of accounts in the financial year to which the statement relates, and that amount were nil.

(9) Where a charity has more than one fund, only amounts corresponding to the entries in the statement of financial activities relating to the totals of both or all of the funds of the charity need be shown.

(10) There shall be provided by way of notes to the accounts the information specified in the Schedule to these Regulations, and proviso (ii) to regulation 5(4) of the 1995 Regulations shall have effect as if for the reference to regulation 3(4) of those Regulations there were substituted a reference to this paragraph of this regulation.

(11) The balance sheet shall be signed by one or more of the charity trustees of the charity, each of whom has been authorised to do so, and shall specify the date on which the statement of accounts of which the balance sheet forms part was approved by the charity trustees.