



"OVERALL AUDIT SERVICE AWARD" - WINNER 2009  
Annual Charity Finance survey

# not for profit | trustee report checklist – public benefit update

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This report sets out the content required in the Trustees' Annual Report of a registered charity reporting in accordance with SORP2005 as extended by the further requirements of the Charities Act 2006.

## trustees report checklist

	Yes	No
<b>public benefit</b>		
Does the report include the following specific confirmation?  <i>"The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity."</i>		
Does the report make clear how the charity complies with the principles set out in the Charity Commission public benefit guidance, either as part of a separate statement or embedded throughout the text?  These principles are: 1a) it must be clear what the benefits are 1b) the benefits must be related to the aims 1c) benefits must be balanced against any detriment or harm 2a) the beneficiaries must be appropriate to the aims 2b) where the benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted by geographical or other restrictions; or by the ability to pay any fees charged 2c) people in poverty must not be excluded from the opportunity to benefit 2d) any private benefits must be incidental  <b>NB:</b> For smaller charities below the audit threshold, a brief summary of the main activities undertaken in order to carry out the charity's aims for the public benefit will suffice although further information may be disclosed.		

	Yes	No
<b>reference and administrative details:</b>		
Does the report include the following information?		
a) name of the charity and operating name if different b) charity registration number c) company number (if applicable) d) principal office address e) registered office if different from (d) f) names of trustees who held office during the year. Where the trustee is a corporate body, the names of the directors of the corporate body should be stated. Where there are more than 50, at least 50 should be stated which include the officers i.e. Chair, Treasurer etc) g) name of the Chief Executive or senior management who control the day to day management of the charity h) names and addresses of other relevant organisations. This should include bankers, auditors, solicitors and investment or other principal advisors.  <b>NB:</b> For charities below the audit threshold the requirements of g and h above can be omitted.		
<b>structure, governance and management:</b>		
Does the report provide the reader with an understanding of the organisational structure and how trustees are appointed and trained?		
In particular this section should include: a) nature of the governing document b) constitution i.e. charity, company, unincorporated association c) methods adopted for recruitment and appointment of trustees d) where trustees are appointed by an external person or body this should be explained together with details of the person or body e) policies and procedures for training and induction of trustees f) organisational structure of the charity and how decisions are made, including powers of delegation g) if the charity is part of an umbrella organisation which impacts on the operating policies of the charity, this should be stated h) relationships between the charity and related parties, including subsidiaries, together with other charities and organisations with which it co-operates in achieving its objectives		
Does the report include a risk review statement?		
<b>NB:</b> For charities below the audit threshold the requirements of a, b, c and d above can be omitted.		
<b>objectives and activities:</b>		
Does the report help the reader understand the aims and objectives of the charity and the strategies and activities for the public benefit undertaken to achieve them?		
<p><i>This section could indicate the intended benefits of the charity's activities, how the benefits relate to the aims and illustrate how the beneficiaries are appropriate to the aims. The vast majority of charities will provide some private benefit through their activities – e.g. through the payment of staff or the provision of grants to individuals. Charities should explain why such benefits are considered incidental. Typically, this will be because the private benefit arising is a necessary by product of the fulfilment of the charitable objects.</i></p> In particular this section should include: a) summary of the charity's objects as set out in the governing document b) explanation of the charity's aims including the changes/differences it seeks to make c) summary of main objectives for the year d) explanation of the strategies for achieving the objectives e) details of significant activities that contribute to the performance of those objectives. As a minimum, the objectives, activities, projects or services identified within the expenditure note to the accounts should be included f) if the charity conducts a material part of its activities through grant making, the grant making policies should be stated		

	Yes	No
<p>g) where social or programme related investment activities are material, the policies adopted should be explained</p> <p>h) if the charity makes significant use of volunteers, this should be explained. Information should be sufficient to understand the role and contribution played by volunteers e.g. activities provided, hours worked or indication of indicative value</p> <p><b>NB:</b> For charities below the audit threshold, the requirements of b, c, d, f, g and h can be omitted.</p>		
Where the charity undertakes significant activities through subsidiary undertakings, are these explained in the report?		
Does the report include a risk review statement?		
<p><b>NB:</b> For charities below the audit threshold the requirements of a, b, c and d above can be omitted.</p>		
<b>achievements and performance:</b>		
<p><i>This section could include reference to how the charity ensures that the opportunity to benefit is not unreasonably restricted and the actions it has taken to ensure that people in poverty are not excluded. The achievements described should be measured by reference to the charities aims and the objectives set by Trustees.</i></p> <p>Does the report enable the reader to understand and assess the achievements of the charity and its subsidiary undertaking in the year?</p> <p>Does the report include a review of its performance against objectives set? This information may be qualitative, quantitative or both and include indicators, milestones and benchmarks set for measuring the charities effectiveness.</p> <p>In particular this section should include:</p> <p>a) a review of charitable activities explaining performance achieved against objectives set</p> <p>b) where qualitative or quantitative information is used, a summary of the measures or indicators should be included</p> <p>c) where material fundraising activities are undertaken, details of performance against objectives should be stated</p> <p>d) where such fundraising will involve material expenditure for future income generation, this should be explained together with the effect on current period's returns and anticipated future income generation</p> <p>e) where material investments are held, details of investment performance achieved against objectives set</p> <p>f) any factors which are either within or outside the charity's control which affect its achievement or objectives i.e. funders, beneficiaries, staffing etc.</p>		
<p><b>NB:</b> For charities below the audit threshold the requirements of b, c, d, e and f can be excluded.</p>		
<b>finance review:</b>		
<p>Does the report contain a review of the financial position of the charity and its subsidiaries?</p> <p>In particular this section should include:</p> <p>a) reserves policy statement, stating the level of reserves held and why they are held</p> <p>b) for designated funds, does the policy quantify and explain the purpose of the designation. Where the designation is for future expenditure, is the likely timing of such expenditure stated</p> <p>c) where funds are in deficit, does the report explain the circumstances giving rise to the deficit and the steps being taken to eliminate the deficit</p> <p>d) are principal funding sources identified together with how the expenditure incurred has supported the key objectives of the charity</p> <p>e) where material investments are held does the report include an investment policy and objectives statement including the extent to which social, environmental and ethical considerations are taken into account</p> <p><b>NB:</b> For charities below the audit threshold the requirements of d and e can be excluded.</p>		

	Yes	No
<b>plans for the future:</b>		
Does the report include an explanation of the charity's plans for the future, the aims and key objectives it has set and details of the activities planned to achieve them?  <b>NB:</b> Charities below the audit threshold are not required to comply with this section.		
<b>fund held as custodian trustee on behalf of others:</b>		
The report should include the following: a) a description of the assets held b) the name and objects of the charity concerned and how this activity falls within the custodian charity's objects c) details of the segregation of duties and safe custody arrangements in place		

## about haysmacintyre

**haysmacintyre, Chartered Accountants and business advisers, works with over 550 charities and not for profit organisations in the UK and overseas. Our services include the full range of audit, tax, VAT and comprehensive advisory services. Our multi-disciplinary specialist team has extensive sector experience working for a diverse range of charities. We are based in one location which ensures an integrated and comprehensive approach to our clients' requirements.**

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