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*See page 4 for a list of
Resource Centre
information sheets you may
find particularly useful.*

*The Resource Centre library
has several books on
Charitable status and
responsibilities, including: -
**'Charitable Status: a
practical handbook'**
(6th edition, 2008) by Julian
Blake;
**'A practical guide to
Charity Accounting'**
(2003) by Kate Sayer; **'The
Charity Treasurer's
Handbook'** (2011, updated
2012) by Gareth Morgan.*



Brighton & Hove

City Council supported

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Responsibilities of Registered Charities

A quick guide to your responsibilities as a registered charity

Who is this guide for?

This sheet is intended as a quick and easy summary of the responsibilities of relatively small registered charities.

It is aimed at registered charities who have an income below £250,000 and are not Limited Companies or Charitable Trusts.

It isn't a fully comprehensive list of all possible requirements, which can vary depending on the size and nature of your charity.

If you are not registered as a charity, and want to find out how to register, take a look at our information sheet 'Charity Registration'. If you are a larger charity, limited company or charitable trust, you will find more detailed and wide-ranging information in 'Charity Reports & Accounts'. The books in the Resource Centre library are also useful.

Keeping your charitable status

As a charity, you have to keep to certain rules and regulations set by the Charity Commission. If you don't meet these requirements, the Commission can take away your status as a registered charity.

Follow your constitution

- You have to operate within your charity's constitution. This means keeping to the agreed aims of your organisation, and sticking to the rules you agreed about how your organisation is run.
- As a registered charity, your constitution will probably have most of the Charity Commission requirements in it. As well as giving the aims of your charity, it is likely to state when you need to have your AGM, how many times your management committee will meet during the year, how your accounts should be kept, and what information you need to send to the Charity Commission.

The Resource Centre can carry out Independent Examinations of accounts and give training in keeping accounts for a limited number of groups. To see if you are eligible, ring the Resource Centre on 01273 606160.

The Resource Centre's resources database 'Beachcomber' has a list of other people who provide auditing and accounting services. Check it out at www.resourcecentre.org.uk.

The Resource Centre can also provide you with a copy of the Charity Commission's forms for producing your Annual Report & Accounts

Responsibilities of Charities

- It's worth reading through your constitution regularly and getting familiar with its requirements. If you are sticking to these, you will be meeting your main obligations as a charity and you won't have any problems.

Accounts

- Every registered charity with an income above £25,000 but below £500,000 must have a yearly independent examination of their accounts. If your income is over £250,000 this must be carried out by a qualified examiner or accountant.
- If your income is above £25,000 your accounts must be sent to the Charity Commission within 10 months of the end of your financial year.
- Every charity must make its annual accounts available to the public on request. This includes charities (with an income below £5,000) which do not have to register with the Charity Commission.
- If you are receiving grants, you must be sure you are recording the use of the grant money correctly. The Charity Commission will ask for 'restricted' and 'unrestricted' funding to be clearly separated. This means that any funding you get for a specific project (restricted funding) has to be spent on that project, and your records must show that. Any money you raise yourselves - for example from membership fees - is unrestricted, and you can spend it as the group decides.
- You must keep your accounts for at least 6 years after their date. This means all the records - bank statements, receipts, cheque books - not just a summary of the account.

Trustees Annual Report

- Every registered charity must produce a Trustees Annual Report. Charities with an income of over £25,000 per year must send this to the Charity Commission within 10 months of the end of your financial year.
- The Charity Commission produces a form which covers all the information they are interested in. It asks for details of your organisation, its aims, and your achievements over the year. You can just fill this in. You can download a copy from their website at www.charitycommission.gov.uk under 'charity requirements and guidance'.
- The Trustees' Annual report forms part of the annual accounts, and you should prepare one for your Annual General Meeting.

Responsibilities of Charities

Annual Return

- If your income is over £10,000 per year, you need to complete an Annual Return online. If your income is less than £10,000 per year you only need to do this if any the detail you have registered with the Charity Commission have changed since the previous year (for example names of trustees, contact details etc).
- The Charity Commission no longer accept Annual Returns on paper forms. You must complete the online form on the Charity Commission's website.
- The information requested in the Annual Return is quite straightforward, and is basically to keep the Charity Commission records up to date. It asks for brief details of your organisation, and names of trustees who are in post at the date of the return. There are also a few questions about your accounts.
- Depending on your income you may not be required to fill in the whole form. If you're not sure you can check on the Charity Commission website.

Publicity

- Your headed notepaper must have your charity registration number and name on it.
- Any publicity you produce must have your charity registration number and name on it.

Register of Charities

- The Charity Commission keeps a register of charities on its website. This lists the main details of your organisation - its aims when the constitution was adopted, who the trustees are.
- It also provides information on whether your organisation is up-to-date with your Annual Returns and accounts.
- This information can be accessed by any member of the public - just go to the Charity Commission website, then to 'register of charities'. You can search under charity name or number.

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Open 9-4pm Tues-Fri

Responsibilities of Charities

The Charity Commission

- The Charity Commission is there to make sure that charities are run well. They do check up on charities, but their aim is to help sort out problems constructively.
- If your charity has fallen behind with its Annual Returns or accounts, it is far better to ring up the Charity Commission and discuss how to sort it out than to ignore the problem.
- Many Charity Commission policy, advice and guidance documents are available free of charge from the Commission. Visit their website to see what is available.

Other useful information

The Resource Centre publishes a wide range of information sheets. These are available at the Resource Centre, or can be downloaded from our website. You may find the following particularly useful:-

- Charity registration
- Charity reports and accounts
- Writing a constitution
- Legal structures - community and voluntary groups
- Legal structures - not for profit organisations
- Responsibilities of the Management Committee
- Role of Chair
- Role of Secretary
- Role of Treasurer