

EXPLANATORY MEMORANDUM TO

The Charities Act 2008 (Examination of Accounts) Order (Northern Ireland) 2015

S.R. 2015 No. 364

1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department for Social Development to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under section 65(10)(b) of the Charities Act (Northern Ireland) 2008 ("the Act") and is subject to the negative resolution procedure.

2. Purpose

- 2.1. The Order will add two bodies to the list of bodies, in section 65(5) of the Act, whose members may carry out a qualified examination of charity accounts.

3. Background

- 3.1. Section 65 of the Act sets out the requirements for the independent scrutiny of charity accounts, which becomes increasingly rigorous the higher the income of a charity: charities with an income of up to £100,000 must have their accounts externally examined by an independent examiner; charities with an income of more than £100,000 must have the independent examination carried out by an appropriately qualified member of a professional membership accounting body (specified in section 65(4) and (5)); charities with an income of more than £500,000 must have their accounts audited by an appropriately qualified auditor.

4. Consultation

- 4.1. There is no requirement to consult on the proposals for this Order.

5. Equality Impact

- 5.1. In accordance with its duty under section 75 of the Northern Ireland Act 1998, the Department conducted a screening exercise of the proposals in the Charities Bill (NIA Bill 9/07) which are now contained in the Act. It concluded that the proposals do not have significant implications for equality of opportunity and therefore considered that an equality impact assessment was not necessary.

6. Regulatory Impact

- 6.1. A Regulatory Impact Assessment is not necessary as the proposals do not impose any additional costs or savings on business, charities, social economy enterprises or voluntary bodies.

7. Financial Implications

- 7.1. None.

8. Section 24 of the Northern Ireland Act 1998

- 8.1. The Department has considered section 24 of the Northern Ireland Act 1998 and is satisfied that this Rule is not incompatible with any of the Convention rights, is not incompatible with Community law, does not discriminate against a person or class of person on the ground of religious belief or political opinion and does not modify an enactment in breach of section 7 of the Northern Ireland Act 1998.

9. EU Implications

- 9.1. Not applicable.

10. Parity or Replicatory Measure

- 10.1. The Order replicates, in part, the Charities Act 2011 (Accounts and Audit) Order 2015 (S.I. 2015/321) which applies to England and Wales and added the two bodies to the equivalent list for England and Wales.

11. Additional Information

- 11.1. Not applicable.