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STATUTORY RULES OF NORTHERN IRELAND

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**2015 No. 384**

**The Charities (Accounts and Reports)  
Regulations (Northern Ireland) 2015**

**PART 2**

**FORM AND CONTENTS OF STATEMENTS OF ACCOUNTS**

**General**

7. The requirements as to the form and contents of a statement of accounts of a charity to be prepared under section 64(1) are prescribed—

- (a) in the case of a general charity, in regulation 8;
- (b) in the case of a special case charity, in regulation 9;
- (c) in the case of an investment fund, in regulation 10.

**Form and contents of statement of accounts: general charities**

8.—(1) This regulation applies to a statement of accounts prepared by the charity trustees of a general charity in accordance with section 64(1).

(2) The statement of accounts must consist of—

- (a) a statement of financial activities showing the total incoming resources and expenditure of resources of the charity during the relevant financial year;
- (b) a balance sheet showing the state of affairs of the charity as at the end of the relevant financial year;
- (c) a statement of cash flows, if appropriate; and
- (d) notes to the accounts in accordance with paragraph (7).

(3) The statement of accounts must be prepared in accordance with the following principles—

- (a) the statement of financial activities must give a true and fair view of the total incoming resources and expenditure of resources of the charity in the relevant financial year;
- (b) the balance sheet must give a true and fair view of the state of affairs of the charity at the end of the relevant financial year;
- (c) where compliance with paragraphs (4) to (6) would not be sufficient to give a true and fair view as required under sub-paragraph (a) or (b), the additional information necessary to give a true and fair view must be given in the statement of accounts or in notes to the accounts;
- (d) if in special circumstances compliance with any of the requirements of paragraphs (4) to (7) would be inconsistent with giving a true and fair view, the charity trustees must depart from the relevant requirement to the extent necessary to give a true and fair view.

(4) The statement of accounts must be prepared in accordance with the methods and principles set out in FRS 102 and the SORP.

(5) Subject to paragraph (6), the statement of accounts must, in relation to any amount required to be shown in the statement of financial activities or in the balance sheet for the relevant financial year, show the corresponding amount for the financial year immediately preceding the relevant financial year.

(6) Where a charity has more than one fund, disclosure is subject to paragraph (4).

(7) The notes to the accounts must—

- (a) state the measurement basis (or bases) used in preparing the accounts and the accounting policies adopted by the charity trustees for the preparation of the statement of accounts;
- (b) disclose any information required to be disclosed by FRS 102 or the SORP, to the extent not already disclosed in the other documents comprising the statement of accounts;
- (c) state whether the statement of accounts has been prepared in accordance with FRS 102 and the SORP and give particulars of any material departure from those standards and statement of recommended practice together with the reason for any such departure; and
- (d) include any additional information which may reasonably assist the user to understand the statement of accounts.

(8) The balance sheet must—

- (a) be signed by at least one of the charity trustees of the charity, each of whom has been authorised to do so; and
- (b) specify the date on which the statement of accounts of which the balance sheet forms part was approved by the charity trustees.

#### **Form and contents of statement of accounts: special case charities**

**9.**—(1) Regulation 8(2) to (8) applies to a statement of accounts prepared by the charity trustees of a special case charity in accordance with section 64(1) with the following modifications.

- (2) For “statement of financial activities” substitute “statement of income and expenditure”.
- (3) In regulation 8(5) omit “Subject to paragraph (6),”.
- (4) Omit regulation 8(6).

#### **Form and contents of statement of accounts: investment funds**

**10.**—(1) This regulation applies to a statement of accounts prepared by the charity trustees of an investment fund in accordance with section 64(1).

(2) Subject to paragraph (3), the statement of accounts must consist of—

- (a) a statement of total return showing—
  - (i) gross income, the net gain or loss on investments, total expenditure and the net return of the investment fund;
  - (ii) the total amount distributed or due, including interest paid or payable, to participating charities out of the investment fund, during the relevant financial year;
  - (iii) in the case of a common investment fund, the change in the fund’s net assets attributable to the respective participants in the fund;
  - (iv) in the case of a common deposit fund, the change in the amounts accumulated out of revenue and held by the fund for the benefit of the depositors of the fund;

- (b) a balance sheet showing the state of affairs of the investment fund at the end of the relevant financial year;
  - (c) a statement of changes in net assets of the investment fund providing a reconciliation between—
    - (i) the net assets of the investment fund at the beginning of the relevant financial year; and
    - (ii) the net assets of the investment fund at the end of that year; and
  - (d) notes to the accounts in accordance with paragraph (8).
- (3) In the case of any financial year of a common deposit fund in which there are no gains or losses on disposal or revaluation of assets, paragraph (2) has effect as if sub-paragraph (c) were omitted.
- (4) The statement of changes in net assets must give a true and fair view of the movements in the net assets of the investment fund between their position at the beginning of the relevant financial year and their position at the end of the year.
- (5) The statement of accounts must be prepared in accordance with the following principles—
- (a) the statement of total return must give a true and fair view of the income and expenses of the investment fund in the relevant financial year;
  - (b) the balance sheet must give a true and fair view of the state of affairs of the investment fund at the end of the relevant financial year;
  - (c) where compliance with paragraphs (6) and (7) would not be sufficient to give a true and fair view as required under sub-paragraph (a) or (b), the additional information necessary to give a true and fair view must be given in the statement of accounts or in notes to the accounts;
  - (d) if in special circumstances compliance with any of the requirements of paragraphs (6) to (8) would be inconsistent with giving a true and fair view, the charity trustees must depart from the relevant requirement to the extent necessary to give a true and fair view.
- (6) The statement of accounts must be prepared in accordance with the methods and principles set out in FRS 102 and the SORP.
- (7) The statement of accounts must, in relation to any amount required to be shown in the statement of total return or in the balance sheet for the relevant financial year, show the corresponding amount for the financial year immediately preceding the relevant financial year.
- (8) The notes to the accounts must—
- (a) state the measurement basis (or bases) used in preparing the accounts and the accounting policies adopted for the preparation of the statement of accounts;
  - (b) disclose any information required to be disclosed by FRS 102 or the SORP, to the extent not already disclosed in the other documents comprising the statement of accounts;
  - (c) state whether the statement of accounts has been prepared in accordance with FRS 102 and the SORP and give particulars of any material departure from those standards and statement of recommended practice together with the reason for any such departure; and
  - (d) include any additional information which may reasonably assist the user to understand the statement of accounts.
- (9) The balance sheet must—
- (a) if the scheme or schemes regulating the investment fund allocates responsibility for preparing the accounts to a particular person, be signed and dated by that person;
  - (b) in any other case, be signed by at least one of the charity trustees of the investment fund, each of whom has been authorised to do so.

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

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(10) Where the balance sheet of an investment fund is signed by one or more of the charity trustees in accordance with paragraph (9)(b) the balance sheet must specify the date on which the statement of accounts, of which the balance sheet forms part, was approved by the charity trustees.