



# Charities Act 2011

## 2011 CHAPTER 25

### PART 8

#### CHARITY ACCOUNTS, REPORTS AND RETURNS

#### CHAPTER 1

##### INDIVIDUAL ACCOUNTS

#### **130 Accounting records**

- (1) The charity trustees of a charity must ensure that accounting records are kept in respect of the charity which are sufficient to show and explain all the charity's transactions, and which are such as to—
  - (a) disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and
  - (b) enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1), those statements of accounts comply with the requirements of regulations under section 132(1).
- (2) The accounting records must in particular contain—
  - (a) entries showing from day to day all sums of money received and expended by the charity, and the matters in respect of which the receipt and expenditure takes place, and
  - (b) a record of the assets and liabilities of the charity.

#### **131 Preservation of accounting records**

- (1) The charity trustees of a charity must preserve any accounting records made for the purposes of section 130 in respect of the charity for at least 6 years from the end of the financial year of the charity in which they are made.

*Status: Point in time view as at 14/03/2012.*

*Changes to legislation: Charities Act 2011, CHAPTER 1 is up to date with all changes known to be in force on or before 05 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- (2) Subsection (3) applies if a charity ceases to exist within the period of 6 years mentioned in subsection (1) as it applies to any accounting records.
- (3) The obligation to preserve the accounting records in accordance with subsection (1) must continue to be discharged by the last charity trustees of the charity, unless the Commission consents in writing to the records being destroyed or otherwise disposed of.

### **132 Preparation of statement of accounts**

- (1) The charity trustees of a charity must (subject to section 133) prepare in respect of each financial year of the charity a statement of accounts complying with such requirements as to its form and contents as may be prescribed by regulations made by the Minister.
- (2) Regulations under subsection (1) may in particular make provision—
  - (a) for any such statement to be prepared in accordance with such methods and principles as are specified or referred to in the regulations;
  - (b) as to any information to be provided by way of notes to the accounts.
- (3) Regulations under subsection (1) may also make provision for determining the financial years of a charity for the purposes of this Act and any regulations made under it.
- (4) But regulations under subsection (1) may not impose on the charity trustees of a charity that is a charitable trust created by any person (“the settlor”) any requirement to disclose, in any statement of accounts prepared by them under subsection (1)—
  - (a) the identities of recipients of grants made out of the funds of the charity, or
  - (b) the amounts of any individual grants so made,
 if the disclosure would fall to be made at a time when the settlor or any spouse or civil partner of the settlor was still alive.

### **133 Account and statement an option for lower-income charities**

If a charity's gross income in any financial year does not exceed £250,000, the charity trustees may, in respect of that year, elect to prepare—

- (a) a receipts and payments account, and
- (b) a statement of assets and liabilities,

instead of a statement of accounts under section 132(1).

### **134 Preservation of statement of accounts or account and statement**

- (1) The charity trustees of a charity must preserve—
  - (a) any statement of accounts prepared by them under section 132(1), or
  - (b) any account and statement prepared by them under section 133,
 for at least 6 years from the end of the financial year to which any such statement relates or (as the case may be) to which any such account and statement relate.
- (2) Subsection (3) applies if a charity ceases to exist within the period of 6 years mentioned in subsection (1) as it applies to any statement of accounts or account and statement.
- (3) The obligation to preserve the statement or account and statement in accordance with subsection (1) must continue to be discharged by the last charity trustees of the charity,

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unless the Commission consents in writing to the statement or account and statement being destroyed or otherwise disposed of.

### **135 Charitable companies**

Nothing in sections 130 to 134 (preparation and preservation of individual accounts) applies to a charitable company.

### **136 Exempt charities**

- (1) Nothing in sections 130 to 134 (preparation and preservation of individual accounts) applies to an exempt charity.
- (2) But the charity trustees of an exempt charity—
  - (a) must keep proper books of account with respect to the affairs of the charity, and
  - (b) if not required by or under the authority of any other Act to prepare periodical statements of account must prepare consecutive statements of account consisting on each occasion of—
    - (i) an income and expenditure account relating to a period of not more than 15 months, and
    - (ii) a balance sheet relating to the end of that period.
- (3) The books of accounts and statements of account relating to an exempt charity must be preserved for a period of at least 6 years unless—
  - (a) the charity ceases to exist, and
  - (b) the Commission consents in writing to their being destroyed or otherwise disposed of.

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