

SCHEDULE 1

STATEMENTS OF ACCOUNTS: INVESTMENT FUNDS

PART 1

STATEMENT OF TOTAL RETURN

1. The statement of total return must show—

- (a) the net gain or loss on investments, gross income, total expenditure and total return of the investment fund; and
- (b) the total amount distributed or due, including interest paid or payable, to participating charities out of the investment fund,

during the relevant financial year.

2. Subject to paragraph 4, the information required by paragraph 1 must be analysed by reference to—

- (a) net gains or losses on investments analysed as arising from—
 - (i) non-derivative securities;
 - (ii) derivative contracts;
 - (iii) forward currency contracts;
- (b) gains or losses on other assets;
- (c) gross income, divided into—
 - (i) dividends in respect of shares;
 - (ii) scrip dividends;
 - (iii) interest on securities;
 - (iv) interest on deposits at banks and building societies;
 - (v) underwriting commission; and
 - (vi) other income;
- (d) expenses incurred in the administration of the investment fund, divided into—
 - (i) fees payable in respect of investment management services provided to the investment fund;
 - (ii) fees payable in respect of the maintenance of the register of charities participating in the investment fund;
 - (iii) fees payable in respect of any audit of the accounts of the investment fund;
 - (iv) fees payable to the person carrying out such an audit in respect of other services for the investment fund provided by him;
 - (v) fees payable in respect of the safe custody of the assets of the investment fund;
 - (vi) fees payable in respect of other administrative services provided to the investment fund; and
 - (vii) other expenditure divided into such categories as reasonably enable the user to gain an appreciation of the expenditure incurred;
- (e) interest incurred in the administration of the investment fund;
- (f) net income of the investment fund before taxation calculated as follows—

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A-B

where

A is the total amount entered under paragraph (c),

B is the aggregate of the total amounts entered in that statement pursuant of paragraphs (d) and (e);

- (g) tax borne by the investment fund in respect of income, profits or gains during the relevant financial year, divided into—
 - (i) income tax or capital gains tax to which the investment fund is liable in the United Kingdom; and
 - (ii) overseas tax;
- (h) net income of the investment fund after taxation calculated as follows—

A-B

where

A is the amount entered under paragraph (f),

B is the amount entered under paragraph (g);

- (i) total return of the investment fund before distributions which is calculated by aggregating the amounts entered under paragraphs (a), (b) and (h);
- (j) the amount distributed or due in respect of income and accumulation shares, and interest paid or payable to charities who have deposited sums during the relevant financial year;
- (k) the change in value of the investment fund resulting from its activities calculated as follows—

A-B

where

A is the amount entered under paragraph (i)

B is the amount entered under paragraph (j).

3. In the case of a common investment fund established by a scheme which, in pursuance of section 22(5) of the 1960 Act or section 24(5) of the 1993 Act, includes provision for enabling sums to be deposited by or on behalf of a charity on the basis that (subject to the provisions of the scheme) the charity shall be entitled to repayment of the sums deposited and to interest thereon at a rate determined by or under the scheme, the analysis required by paragraph 2 must distinguish between—

- (a) the amount of capital and income to be shared between charities participating otherwise than by way of deposit; and
- (b) the amount of capital and income that is required in respect of the liabilities of the investment fund for the repayment of deposits and for interest on deposits (including amounts required by way of reserve).

4. Where a sub-paragraph of paragraph 2 requires information to be divided into separate categories, the division of that information into such separate categories may, if the charity trustees so elect, be effected instead by means of a note to the accounts made in pursuance of Part 5 of this Schedule.