

# Responsibilities of registered charities

A short summary of the responsibilities of non-company registered charities with income under £250,000.

As a charity you must 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. Your charity's information is also available on the online register of charities<sup>1</sup>. Members of the public, including potential funders, can check this online to see if you are meeting your obligations as a charity.

This information sheet outlines the basic responsibilities of unincorporated charities (such as charitable unincorporated associations and charitable trusts), and Charitable Incorporated Organisations (CIOs), with an income under £250,000 per year.

For more detailed guidance, or information for larger charities and charitable companies, see our sheet *Charity reporting and accounts*.

For information about registering your charity with the Charity Commission, see our sheet *Charity registration*.

Please note that this information sheet is published by the Resource Centre, an independent organisation. Your charity may have further responsibilities that are not included here. For specific enquiries about your charity, check your governing document or contact the Charity Commission directly<sup>1</sup> (see page 3).

## Follow your governing document

You have to operate within your charity's constitution or trust deed. 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 or trust deed will already have been approved by the Charity Commission. It is likely to state when you need to have your AGM, how many times your management committee will meet during the year, and how your accounts should be kept.

It's worth reading through your constitution or trust deed regularly to ensure you understand its requirements. If you are sticking to these, you will be meeting your main obligations as a charity.

<sup>1</sup> <http://apps.charitycommission.gov.uk/showcharity/registerofcharities/RegisterHomePage.aspx>

## Accounts

Every charity must prepare annual accounts and make them available to the public on request. Unincorporated charities with income under £25,000 do not usually need to file their accounts with the Charity Commission (although must provide them if asked to). Unincorporated charities with income over £25,000, and all CIOs, must file their accounts with the Charity Commission within 10 months of the end of their financial year.

Non-company charities<sup>2</sup> with income under £250,000 can prepare their accounts on a receipts and payments basis. This is a simpler form of accounting than accruals accounting, which is required for larger charities and limited companies. For guidance on how to prepare receipts and payments accounts see Charity Commission pack CC16<sup>3</sup>.

“Restricted” and “unrestricted” funds must be clearly separated in charity accounts. This means that any grant funding you get for specific costs (restricted funding) has to be spent on those costs, and your records must show that. Any money you raise yourselves – for example from membership fees or general donations – is unrestricted, and you can spend it as the group decides.

Every registered charity with an income above £25,000 must have their accounts examined by an independent person. See our sheet *Examination of accounts* for more information about getting your accounts examined.

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.

Refer to the charity Statement of Recommended Practice (SORP)<sup>4</sup> for detailed guidance about preparing charity accounts.

## Trustees’ annual report

Every charity must produce a trustees’ annual report. The report forms part of the annual accounts and should be presented at the charity’s Annual General Meeting.

Unincorporated charities with income under £25,000 do not usually need to file their report with the Charity Commission (although must provide it if asked to).

Unincorporated charities with income above £25,000, and all CIOs, must send their annual report to the Charity Commission within 10 months of the end of their financial year.

Charity Commission pack CC16<sup>3</sup> provides guidance on what to include in a trustees’ annual report. You can just fill in the template provided, or draft your own report using the examples on the Charity Commission website.

---

<sup>2</sup> Non-company charities are charities which are not also limited companies. This includes unincorporated charities and CIOs.

<sup>3</sup> [www.gov.uk/government/collections/receipts-and-payments-accounts-pack-cc16](http://www.gov.uk/government/collections/receipts-and-payments-accounts-pack-cc16)

<sup>4</sup> [www.charitySORP.org](http://www.charitySORP.org)

# Annual return

An annual return is an online form which is used to inform the Charity Commission of the work of a charity over the year.

Unincorporated charities with income under £10,000 do not have to complete an annual return, but they must still update their charity's details on the Charity Commission website<sup>5</sup>.

Unincorporated charities with annual income over £10,000, and all CIOs, must complete an annual return within 10 months of end of their financial year. They must also update their details on the Charity Commission website<sup>5</sup>.

Before you start your annual return, make sure you have the information you will need. This is detailed in Charity Commission guidance 'Prepare a charity annual return'<sup>6</sup>.

## Publicity

Charities with income over £10,000 must publish their registration number and name on online publications and printed materials.

## Register of trustees

CIOs must maintain their own register of trustees. This can be on paper or electronic, but must be secure and backed up. It should include:

- ♦ The name, and any former names, of each trustee plus their correspondence addresses.
- ♦ The date they became a trustee, and the date they stopped being a trustee.

Unincorporated charities do not have to keep a register of their trustees, but it's useful to have this information for your own records.

## Useful contacts

### i Charity Commission

The Charity Commission has a very comprehensive website with guidance on all issues to do with running and registering charities.

[www.gov.uk/government/organisations/charity-commission](http://www.gov.uk/government/organisations/charity-commission)

You can also call them: 0300 066 9197 (Monday - Friday, 9am-4pm)

Or use their online enquiries form: [forms.charitycommission.gov.uk/enquiry-form](http://forms.charitycommission.gov.uk/enquiry-form)

<sup>5</sup> <https://www.gov.uk/change-your-charitys-details>

<sup>6</sup> <https://www.gov.uk/guidance/prepare-a-charity-annual-return>