

- 1 The following changes apply to charities in **England and Wales only**
- 2 They apply to Accounting Periods **ending** on 1 April 2009 or later
They do **not** apply, therefore, to 31 March 2009 year-ends
- 3 **Submitting Trustees' Annual Report and Financial Statements** to the Charity Commission:
 - The threshold for this requirement will be income of **£25,000** (up from £10,000)
 - Please note: a TAR and Financial Statements will still need to be prepared and approved by the Trustees
 - Please note: this will not apply to CIO's, who will have to submit a TAR and accounts whatever their size
- 4 Requirement for **Independent Examination/external scrutiny**:
 - The threshold for this requirement will be income of **£25,000** (up from £10,000)
- 5 The preparation of **Accruals Accounts**:
 - The threshold for mandatory accrual accounts will rise to **£250,000** (up from £100,000)
 - Please remember that this only applies to non-company charities as all company charities must prepare accruals accounts whatever their size
- 6 **Asset test**:
 - As well as the simple income threshold for determining whether an audit is required or not, there is also an asset test. An audit is required:
 - Current:** if assets are £2.8m and income £100,000 or more
 - New:** if assets are £3.26m and income £250,000 or more
- 7 **Fundraising provisions**: there are a number of fundraising provisions, which can be found as at 'Further Information' below
- 8 **Health warning**: charities should check their constitutions and possibly consult any donors/funders before implementing these changes in case, whilst the changes are legally permissible, there are other considerations which will require/suggest that the changes are not taken up - or need negotiating.
- 9 **Further information**:
 - for the relevant Statutory Instrument (SI 2009/508), go to www.opsi.gov.uk and type SI 2009/508 into the search box
 - both the Office of the Third Sector and the Charity Commission should be reporting on this shortly
 - www.cabinetoffice.gov.uk/third_sector/law_and_regulation.aspx
 - www.charitycommission.gov.uk

See also next A IE newsletter (Spring 09)