

Appendix four – Extract of accounting requirements per Charities Commission website.

4.1.2 Charities with a gross income of over £25,000 but not exceeding £250,000 in the relevant financial year (legal requirement)

Basis of preparation: accounts must be prepared either on the receipts and payments or the accruals basis; if on an accruals basis, they must be prepared in accordance with the 2008 Regulations and the applicable SORP. The commission provides packs for [receipts and payments](#) or [accrual accounting by non-company charities](#) which are available through GOV.UK. These provide a template to produce accounts in the required form.

External scrutiny: accounts must be subject to outside scrutiny but trustees may choose either independent examination or audit by a registered auditor, unless the charity's governing document stipulates one or the other. In exceptional circumstances, the commission has the power to require an audit.

Type of trustees' annual report: a trustees' annual report must be prepared but it may be simplified (see [section 7](#)).

Information to be sent to the commission: these charities must complete an annual return. The named charity contact on the commission's records will receive an annual return notification. Submission of the annual return is online.

The annual return, trustees' annual report and accounts must be filed with the commission, within 10 months of the end of the charity's financial year.

Full document details can be found here:

<https://www.gov.uk/government/publications/charity-reporting-and-accounting-the-essentials-march-2015-cc15c>