

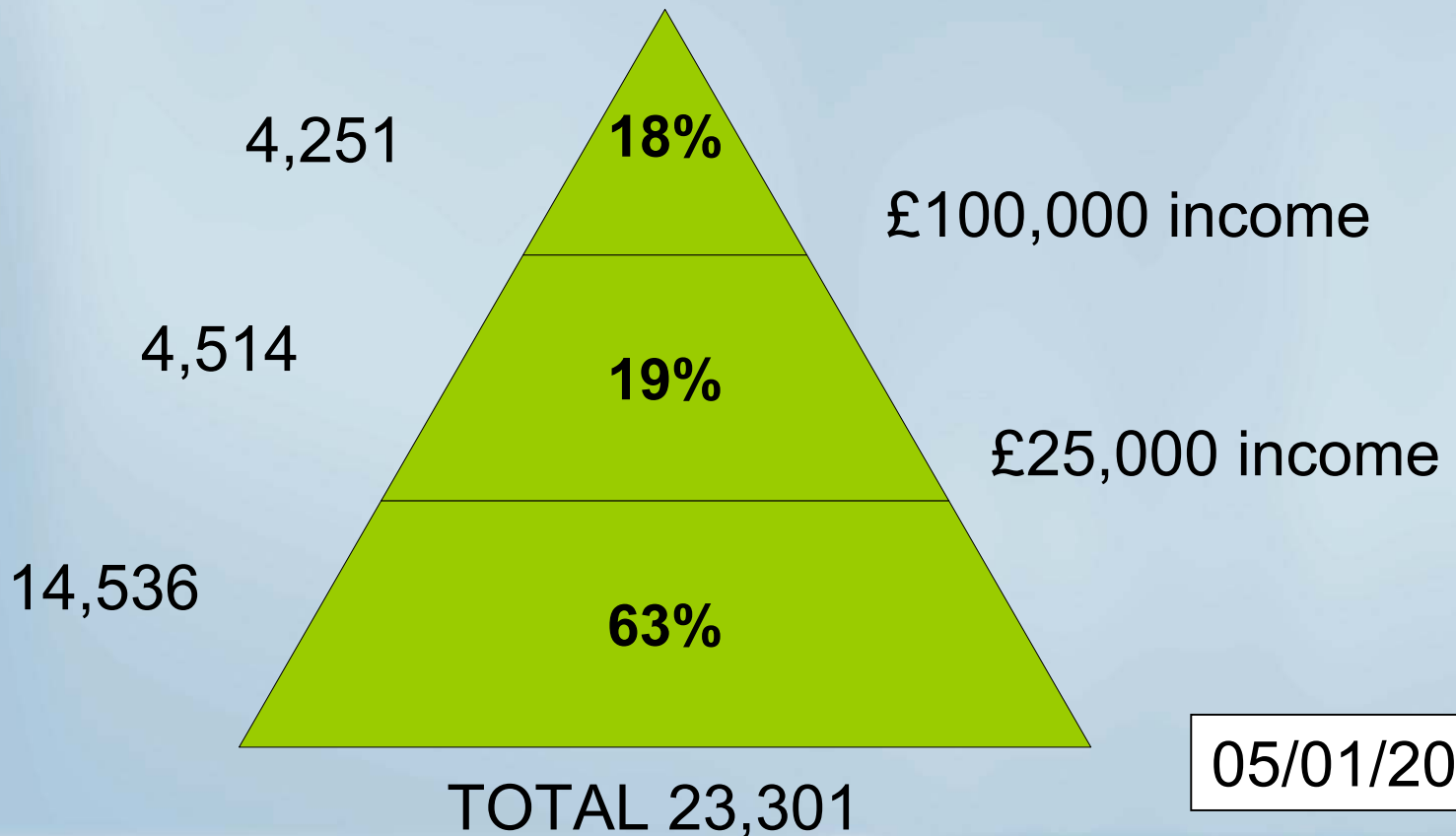
# **Shaping the future of charity reporting in the UK and Ireland – the Scottish regulatory perspective**

Laura Anderson, Acting Head of Enquiry  
& Investigation

# The basics

- The Charities & Trustee Investment (Scotland) Act 2005
- OSCR's main functions:
  - Granting charitable status
  - Maintaining a public register of charities
  - The investigation of apparent misconduct
  - Encouraging, facilitating and monitoring compliance with the 2005 Act

# Current profile of the sector – annual income



05/01/2010

OSCR

Office of the Scottish Charity Regulator

# Annual submissions to OSCR

Applies to all charities on the Register

1. Annual Return form

2. Accounts

- In line with the Charities Accounts (Scotland) Regulations 2006
- Receipts & Payments or SORP compliant
- Subject to external scrutiny

# Preparation of accounts

Thresholds and requirements under the 2006 Regulations

Receipts & payments accounts	Fully accrued (SORP) accounts
Unincorporated charities with income less than £100,000	Unincorporated charities with income of £100,000 or more plus <u>all</u> charitable companies

# OSCR experience to date

- Establishing a baseline
- Identification of needs and the appetite for guidance
- The learning curve for charities
- A proportionate approach
- Scottish Government consultation

# What have we learned?

- Comparatively few charities engage a professional accountant
- The need to have clear guidance available
- The importance of focusing on the users of accounts, for example:
  - The charity itself (including the trustees)
  - Funders and donors

# The implications for the future of charity reporting

The need to ensure that the product used by preparers of charity accounts is:

- Prepared on a stand-alone basis (to minimise the need for reference to other material)
- Written in non-technical language
- Developed with adequate and appropriate sector and charity regulator input

# What next?

- What are the critical factors to consider for the accounting framework?
- Take the opportunity to participate in the consultation process
- Make your views known!
- Deadline for responses – 1 February 2010

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**Thank you**