

Trustees' Annual Report – Guidance for Smaller Charities (Income < £500,000)

Reference and Administrative Details

- Name of the charity and any other names it uses.
- Charity registration number and, if applicable, its company registration number.
- Principle office address and, if applicable, its registered office address.
- Names of all charity trustees at the report date and who served in the period.
- For corporate trustees, the names of the directors of the corporate body on the date the report was approved.
- The names of any trustee for the charity holding the title to property belonging to the charity (at the report date and during the period).

Structure, Governance and Management

- How the charity is constituted (e.g. limited company, unincorporated association etc.).
- Details of governing document (e.g. memorandum & articles of association, trust deed, etc.).
- Method of recruiting and appointing new trustees.

Objectives and Activities

- The purposes of the charity as set out in its governing documents.
- The main activities undertaken to meet the purpose of the charity.
- How the charity delivers public benefit, and a statement that the trustees have had regard to the Charity Commission's guidance on public benefit.
- Explain the activities, projects or services identified in the accounts. Numerical information provided in the trustees report should be consistent with the accounts.

Achievements and Performance

- Summary of the charity's main achievements.
- Identify the difference the charity's work has made to the circumstances of its beneficiaries.
- Explanation as to any wider benefits to society that the charity has provided.

Financial Review

- Review of the charity's financial position at the end of the reporting period.
- Explanation of the charity's policy for holding reserves, the amount of the reserves and why the reserves are held.
- If trustees have decided that holding reserves isn't necessary then the reasons behind this decision must be disclosed.
- Explanation of any uncertainties about the charity's ability to continue as a going concern.
- Any fund or subsidiary that is materially in deficit must be stated, alongside an explanation for why the deficit has arisen, and the steps taken to eliminate it.

Funds Received as Agent or Funds Held as Custodian Trustee

- Description of the assets, classes of assets or categories of assets held on behalf of other entities.

- The name and objects of the charity (or charities) on whose behalf the assets are held and how this falls within the custodian charity's objects.
- Details of arrangements for safe custody and segregation of such assets from the charity's own.

Statement of Responsibilities of the Trustees

Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the net income or expenditure, of the charitable company for the year. In preparing those financial statements the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the applicable Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006.

The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The trustees confirm that to the best of their knowledge there is no information relevant to the audit of which the auditors are unaware.

The trustees also confirm that they have taken all necessary steps to ensure that they themselves are aware of all relevant audit information and that this information has been communicated to the auditors.

Members of the charity guarantee to contribute an amount not exceeding £xx to the assets of the charity in the event of winding up. The total number of such guarantees at [date] was x (20XX - x).

The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

[Independent examiners / Auditors]

Godfrey Wilson Ltd were appointed as the charitable company's [independent examiners / auditors] during the year and have expressed their willingness to act in that capacity.

Approved by the trustees on [date] and signed on their behalf by

[Name & Date]