



## GUIDANCE NOTES

Income £25,001 to £500,000



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The deadline for submission is calculated as follows. The ten-month period after a given financial year-end date always ends on the same date in the appropriate month. This means that a charity with a financial year-end of 30 September has until midnight on 30 July of the following year, not 31 July, to submit its Annual Return and accounts.

If there is no corresponding date, the last day of the month will apply. For example, a charity with a financial year-end of 30 April has until midnight on 28/29 February of the following year to submit its documents.

Trustees' annual reports and accounts are an important window on charities' activities for those who fund them and also for the wider public. Sending your documents to us as soon as possible after your financial year-end may help you access funding.

The Register of Charities will show charities that have not submitted on time as being in default until we receive their documents. This may affect donations and funds from other sources. If charities persistently fail to submit their documents to confirm that they are still operating, we may remove them from the Register of Charities.

## How do I submit my form?

You should submit your Annual Return form with the trustees' annual report and accounts in the envelope provided. The envelope is not freepost so you will need to pay the correct postage when returning it. If you lose the envelope, please send the documents to the following address: Charity Commission, PO Box 1300, Liverpool L69 3BF.

## Data protection

Any information you provide to us will be held securely and in accordance with the rules on data protection. Your personal details will be treated as private and confidential and safeguarded and not disclosed to anyone unconnected to the Charity Commission unless you have consented to its release, or in certain circumstances where:

- we are **legally** obliged to do so; or
- disclosure is deemed by the Commission to be **necessary** for the proper discharge of our statutory functions; or
- disclosure is deemed by the Commission to be **necessary** in compliance with our function as regulator of charities; or
- disclosure to a relevant public authority is deemed by the Commission to be both a **necessary** disclosure and subject to an **overriding public interest**.

We will ensure that any disclosure made for this purpose is proportionate, considers your right to privacy and is dealt with fairly and lawfully in accordance with the Data Protection Principles of the Data Protection Act.

The Data Protection Act 1998 regulates the use of 'personal data', which is essentially any information, however stored, about identifiable living individuals. As a 'data controller' under the Act, the Charity Commission must comply with its requirements.



## Definition of expenditure

This is the total expenditure, which should be calculated as follows:

**For receipts and payments accounts** - total expenditure is simply the total payments recorded in the statement of accounts.

**For accrual accounts** - total expenditure is the total resources expended from all income and endowment funds as shown in the Statement of Financial Activities (prepared in accordance with the SORP).

## A3 – Charity contact

The contact details we currently hold for your charity are printed here. The contact's name, address and telephone number are recorded on the Register of Charities. These details are made public on the Register and are also displayed on the charity's Register entry on our website.

There are two types of contact: an individual contact or an organisation contact. The differences between them are outlined later in this section.

If the pre-printed details are incorrect or incomplete, or if you wish to inform us of a new contact, please use section A3a to provide details for an individual contact or A3b to provide details for an organisation contact. Do not give both an individual contact and an organisation contact as we will accept only one set of details.

It is vitally important that you keep the contact details up to date. If the contact changes at any time during the year, the outgoing contact should let us know the details of their replacement. They can do this by using our online services on the website or by writing to Charity Commission Direct at the address on the back cover of this booklet.

### Individual contact

An individual contact is a named person. This can be one of the charity trustees, such as the chairperson, or it can be a person who acts for the charity but is not a trustee.

The contact details are displayed on the Register of Charities, so it should be someone with a good working knowledge of the charity, who is able to answer queries from the public.

If you are updating the current individual contact details or giving details of a new individual contact, please see section A3a opposite.

### Organisation contact

If the charity does not wish to have a named individual as its contact, it can use an organisation instead. This could be a firm of solicitors acting on the charity's behalf, or the charity itself at the charity address (if it has one).

The contact address is displayed on the Register of Charities and may be used by the public to get in touch with the charity, so the contact organisation should be able to answer general queries about the charity, or at least direct enquiries to the correct person.

If you are updating the current organisation contact details or giving details of a new organisation, please see section A3b opposite.

## A3a – New or amended individual contact

Use this section to amend existing details, or to provide details of a new individual contact. Whether you are amending details, or informing us of a new individual, please provide a full set of details for that person rather than just the missing or changed information.

Please include:

- all personal names (also known as first or given names);
- family name (also known as surname);
- date of birth; and
- full address and postcode.

If you wish, you can also enter a suffix to the name to record any qualifications or honours the individual would like to appear after their name, e.g. BA, OBE.

You may also enter a preferred name for the contact, for example Vicky Smith instead of Mrs Victoria Mary Smith. We will then record the preferred name on the Register of Charities and use it to mail the charity; otherwise we will record and use the full name details.

The postal address need not be the person's home address; it could, for example, be their work address. But if they act as contact for a number of charities, it must be an address that can be used for all of them. It should be somewhere post is checked regularly and can be received easily.

You can also supply contact telephone and mobile phone numbers. The contact telephone number will be recorded on the Register of Charities and will also be displayed on the charity's Register entry on our website. We will not make the mobile phone number public but may use it to contact the charity.

If you currently have a named individual as the charity's contact, but would prefer to use an organisation instead, you should use section A3b to give details of the new organisation contact.

## A3b – New or amended organisation contact

Use this section to amend existing details, or to provide details of a new organisation as contact.

Whether you are amending details or informing us of a new organisation, we will need a full set of details for the organisation, consisting of its name, full address and postcode.

You can also supply contact telephone and mobile phone numbers for the organisation.

The contact telephone number will be recorded on the Register of Charities and will also be displayed on the charity's Register entry on our website. We will not make the mobile phone number public but may use it to contact the charity.

If you currently have an organisation as the charity's contact, but would prefer to use a named individual instead, you should use section A3a to give details of the new individual contact.

## A4 & A5 – Charity email addresses

These sections will show any email address details we hold for your charity. Your charity can have two email addresses listed:

- a private address that we will use to contact the charity, for example when issuing a password to access our online services or for mailing reminders; and also
- a public address, which is recorded on the Register of Charities and is displayed on the charity's Register entry on our website.

You need not necessarily supply two different addresses, as the same address can be used for both purposes. If the same address is to be used, you should give it in both A4 and A5.

If you wish to change or amend a pre-printed email address, or to supply us with a new email address, please use the white boxed area. If you wish to delete a pre-printed email address and are not providing a new one, please put a cross in the 'Remove' box next to the relevant address.

You do not have to provide email addresses, but if you do it is important that you keep the details up to date. If the addresses change at any time during the year, you should let us know. You can do this by using our online services on the website or by writing to Charity Commission Direct at the address on the back cover of this booklet.

## A6 – Charity website

This section will show any website address details we hold for your charity. The address will be recorded on the Register of Charities and will also appear on your charity's Register entry on our website as a link to your charity's own website.

If you wish to change or amend a pre-printed website address, or to give us details of a new address, please use the white boxed area. If you wish to delete the pre-printed website address and are not providing a new one, please put a cross in the 'Remove' box next to the address.

## A7 – Current individual trustees

Use this section to check and, if necessary, amend the details of the individual trustees whose names are currently recorded on the Register of Charities.

The charity trustees are the people who, under the terms of the governing document, are responsible for controlling the management and administration of a charity. They may be known by various names. For example, in the case of an association, the charity trustees are normally the executive or management committee, and in the case of a charitable company it is usually directors who are the charity trustees.

**We require details of the trustees in post at the time of completing the form and not necessarily at the financial year-end.** Enter new trustees (or trustees who have been acting for some time but are not listed) at section A8 'New individual trustees'.

Please note that if we have not been supplied with a full set of details for a trustee in the past, their details may not have been recognised, and will not be listed. If any part of a name or address for a trustee is incorrect or incomplete, please provide a **full** set of details again under 'Amended details', rather than just the missing or changed information.

A full set of details consists of:

- all personal names (also known as first or given names);
- family name (also known as surname);
- date of birth; and
- full home address and postcode.

We require the trustee's home address rather than a work or charity address so that the information is valid for identification and intelligence purposes.

In addition, it would be helpful for you to supply a telephone number for each trustee in case we should need to contact them. If you wish, you can also enter a suffix to the name to record any qualifications or honours the individual would like to appear after their name, e.g. BA, OBE.

You may also enter a preferred name for the trustee, for example Vicky Smith instead of Mrs Victoria Mary Smith. We will then record the preferred name on the Register of Charities; otherwise we will record the full name details.

You may also supply email addresses for trustees. These addresses will not be shown to the public. We may use them from time to time to email important updates about trusteeship. If the trustees do not wish to receive these updates, please put a cross in the relevant box on page 4 of the form.

If you wish to delete a pre-printed email address, and are not providing a new one, please put a cross in the 'Trustee no longer has an email address' box underneath that trustee's details.

You should tell us who the chair of the charity is (if you have one). Put a cross in the 'Trustee is chair of the charity' box underneath the relevant trustee listed in either section A7 or A8.

Please note that unless a dispensation is granted, the names of the trustees will appear on the public Register of Charities, which can be viewed on our website. Trustees' addresses and other personal details will not be made public. For information on dispensations, please call Charity Commission Direct on 0845 3000 218.

If an individual listed is no longer acting as a trustee, please put a cross in the 'No longer trustee' box underneath their pre-printed details and we will remove them from our records.

## A8 – New individual trustees

Use this section to give us details of new individual trustees. This includes individuals who may have been acting as trustees for some time but whose details are not printed in section A7 and whose names are not recorded on the Register of Charities. For all individuals we need a full set of details consisting of:

- all personal names (also known as first or given names);
- family name (also known as surname);
- date of birth; and
- full home address and postcode.

We require the trustee's home address rather than a work or charity address so that the information is valid for identification and intelligence purposes.

In addition, it would be helpful to supply a telephone number for each trustee in case we need to contact them. If you wish, you can also enter a suffix to the name to record any qualifications or honours the individual would like to appear after their name, e.g. BA, OBE.

You may also enter a preferred name for the trustee, for example Vicky Smith instead of Mrs Victoria Mary Smith. We will then record the preferred name on the Register of Charities; otherwise we will record the full name details.

If your charity has more new trustees than can be entered in this section of the form, please make copies of a blank page from this section of the form and attach these extra pages inside the form when you return it to us.

Please note that unless a dispensation is granted for security or other reasons, the trustees' names will appear on the Register of Charities, which can be viewed on our website. Trustees' addresses and other personal details will not be made public. For information on dispensations please call Charity Commission Direct on 0845 3000 218.

## A9 – Corporate trustee

This section will only have details printed if we know that the charity has a corporate trustee, e.g. a parish council or NHS Trust.

A corporate trustee is a body which is a separate legal entity and has been identified in the charity's governing document as being its trustee. It should not be confused with an organisation identified in the governing document as a nominating body able to appoint individual trustees.

If you are unsure whether your charity has a corporate trustee, please look at your governing document. Most charities will have either a corporate trustee or individual trustees, not both.

Please check the corporate trustee's details on the form. If they are incorrect or incomplete, or if this section is blank and your charity has a corporate trustee, please enter the correct details in full under section A9a, 'New or amended corporate trustee' and see the notes below.

### A9a – New or amended corporate trustee

Use this section to amend existing details or to provide details of a new corporate trustee. Whether you are amending details or informing us of a new corporate trustee, we will need a full set of details, consisting of the corporate trustee's:

- name; and
- full address and postcode.

It would also be useful to have a telephone number and an email address. Please note that the corporate trustee's name will be displayed on our website, but we will not make public any address, telephone or email details.

If your charity has more than one corporate trustee, please attach a covering letter to the form, stating the name and full address of each corporate trustee, or visit our website and use our online services to check and amend the details.

## A10 & A11 – Area of operation

Any member of the public can inspect the Register of Charities, and it is available on our website. To enable the public, beneficiaries and potential funders to search the Register and find charities in specific areas, we ask you to tell us exactly where you operate.

By 'area of operation', we mean the geographical area where the charity spends its charitable funds on its charitable purposes, rather than the location of its administrative offices. For instance, even if a charity operating an orphanage in Romania has its base in Hertfordshire, the area of operation should be shown as Romania.

Your governing document may restrict where the charity can operate; or perhaps it does not specify a geographical area and allows the charity to operate worldwide. But if in practice the charity operates within particular local authority areas or countries, you should enter these on the form. Some charities previously shown as operating worldwide or on certain continents will find that we have not pre-printed any details. If there are no details pre-printed on your form, you should enter in section A10a or A11a (or both) the actual areas or countries in which you are now operating.

It is important that the Register accurately reflects the area(s) trustees have decided to focus on for the time being. The area of operation may change from year to year, but if you keep your Register entry up to date you are less likely to receive requests for help from outside your chosen area.

## A10 – Area of operation in England and Wales

If your charity operates in England or Wales (or both) and we currently hold the details, these are printed in section A10. If any of these entries no longer apply, you should enter a cross in the relevant boxes to remove them.

If your charity operates in more than ten local authority areas in England or Wales (or both), but this is not already listed in section A10, you should put a cross in the relevant 'throughout' box in section A10a.

If your charity operates throughout the United Kingdom, you should select 'throughout England and Wales' in section A10a and add entries for Northern Ireland and Scotland in section A11a (if they are not already listed in the printed entries).

In section A10a you can add areas in England and Wales. We can only accept new entries for local authority areas from the lists that follow.

Valid areas of operation may change. The areas listed here and in the note on A11 are correct at the time of publication.

## **Unitary authority areas**

Bath and North East Somerset  
Blackburn with Darwen  
Blackpool  
Blaenau Gwent  
Bournemouth  
Bracknell Forest  
Bridgend  
Brighton and Hove  
Bristol City  
Caerphilly  
Cardiff  
Carmarthenshire  
Ceredigion  
Conwy  
Darlington  
Denbighshire  
Derby City  
East Riding of Yorkshire  
Flintshire  
Gwynedd  
Halton  
Hartlepool  
Herefordshire  
Isle of Anglesey  
Isle of Wight  
Isles of Scilly  
Kingston upon Hull City  
Leicester City  
Luton  
Medway  
Merthyr Tydfil  
Middlesbrough  
Milton Keynes  
Monmouthshire  
Neath Port Talbot  
Newport City  
North East Lincolnshire  
North Lincolnshire  
North Somerset  
Nottingham City  
Pembrokeshire  
Peterborough City  
Plymouth City  
Poole  
Portsmouth City  
Powys  
Reading  
Redcar and Cleveland  
Rhondda Cynon Taff  
Rutland  
Slough  
South Gloucestershire

Southampton City  
Southend-on-Sea  
Stockton-on-Tees  
Stoke-on-Trent City  
Swansea, City of  
Swindon  
Telford and Wrekin  
Thurrock  
Torbay  
Torfaen  
Vale of Glamorgan  
Warrington  
West Berkshire  
Windsor and Maidenhead  
Wokingham  
Wrexham  
York, City of

## **London boroughs**

Barking and Dagenham  
Barnet  
Bexley  
Brent  
Bromley  
Camden  
City of London  
Croydon  
Ealing  
Enfield  
Greenwich  
Hackney  
Hammersmith and Fulham  
Haringey  
Harrow  
Havering  
Hillingdon  
Hounslow  
Islington  
Kensington and Chelsea  
Kingston upon Thames  
Lambeth  
Lewisham  
Merton  
Newham  
Redbridge  
Richmond upon Thames  
Southwark  
Sutton  
Tower Hamlets  
Waltham Forest  
Wandsworth  
Westminster City

## **Metropolitan areas**

Barnsley  
Birmingham City  
Bolton  
Bradford City  
Bury  
Calderdale  
Coventry City  
Doncaster  
Dudley  
Gateshead  
Kirklees  
Knowsley  
Leeds City  
Liverpool City  
Manchester City  
Newcastle upon Tyne City  
North Tyneside  
Oldham  
Rochdale  
Rotherham  
Salford City  
Sandwell  
Sefton  
Sheffield City  
Solihull  
South Tyneside  
St Helens  
Stockport  
Sunderland  
Tameside  
Trafford  
Wakefield, City of  
Walsall  
Wigan  
Wirral  
Wolverhampton

## **Non-metropolitan counties**

Bedfordshire  
Buckinghamshire  
Cambridgeshire  
Cheshire  
Cornwall  
Cumbria  
Derbyshire  
Devon  
Dorset  
Durham  
East Sussex  
Essex  
Gloucestershire  
Hampshire

Hertfordshire  
Kent  
Lancashire  
Leicestershire  
Lincolnshire  
Norfolk  
North Yorkshire

Northamptonshire  
Northumberland  
Nottinghamshire  
Oxfordshire  
Shropshire  
Somerset  
Staffordshire

Suffolk  
Surrey  
Warwickshire  
West Sussex  
Wiltshire  
Worcestershire

## A11 – Area of operation outside England and Wales

If your charity operates outside England and Wales and we currently hold the details, these are printed in section A11. If any of these entries no longer apply, you should enter a cross in the relevant boxes to remove them.

In section A11a, for charities operating outside England and Wales, we can accept entries for countries from the following list.

### **Africa**

Algeria  
Angola  
Benin  
Botswana  
Burkina Faso  
Burundi  
Cameroon  
Central African Republic  
Chad  
Comoros  
Congo, Republic of  
Democratic Republic of  
the Congo  
Djibouti  
Egypt  
Equatorial Guinea  
Eritrea  
Ethiopia  
Gabon  
Gambia  
Ghana  
Guinea  
Guinea-Bissau  
Ivory Coast  
Kenya  
Lesotho  
Liberia  
Libya  
Madagascar  
Malawi  
Mali  
Mauritania  
Mauritius  
Morocco

Mozambique  
Namibia  
Niger  
Nigeria  
Rwanda  
Sao Tome and Principe  
Senegal  
Seychelles  
Sierra Leone  
Somalia  
South Africa  
Sudan  
Swaziland  
Tanzania  
Togo  
Tunisia  
Uganda  
Zambia  
Zimbabwe

### **Antarctica**

Antarctica

### **Asia**

Afghanistan  
Armenia  
Bahrain  
Bangladesh  
Bhutan  
Brunei  
Burma  
Cambodia  
China  
India  
Indonesia

Iran  
Iraq  
Israel  
Japan  
Jordan  
Kazakhstan  
Kuwait  
Kyrgyzstan  
Laos  
Lebanon  
Malaysia  
Maldives  
Mongolia  
Nepal  
North Korea  
Occupied Palestinian Territories  
Oman  
Pakistan  
Philippines  
Qatar  
Saudi Arabia  
Singapore  
South Korea  
Sri Lanka  
Syria  
Tajikistan  
Thailand  
Timor-Leste  
Turkey  
Turkmenistan  
United Arab Emirates  
Uzbekistan  
Vietnam  
Yemen

## Europe

Albania  
Andorra  
Austria  
Azerbaijan  
Belarus  
Belgium  
Bosnia and Herzegovina  
Bulgaria  
Cape Verde  
Croatia  
Cyprus  
Czech Republic  
Denmark  
Estonia  
Finland  
France  
Georgia  
Germany  
Greece  
Hungary  
Iceland  
Italy  
Kosovo  
Latvia  
Liechtenstein  
Lithuania  
Luxembourg  
Macedonia  
Malta  
Moldova  
Monaco  
Montenegro  
Netherlands  
Northern Ireland  
Norway

Poland  
Portugal  
Republic of Ireland  
Romania  
Russia  
San Marino  
Scotland  
Serbia  
Slovakia  
Slovenia  
Spain  
Sweden  
Switzerland  
Ukraine

## North America

Antigua and Barbuda  
Bahamas  
Barbados  
Belize  
Canada  
Costa Rica  
Cuba  
Dominica  
Dominican Republic  
El Salvador  
Grenada  
Guatemala  
Haiti  
Honduras  
Jamaica  
Mexico  
Nicaragua  
Panama  
St Kitts and Nevis

St Lucia  
St Vincent and the Grenadines  
Trinidad and Tobago  
United States of America

## Oceania

Australia  
Fiji  
Kiribati  
Marshall Islands  
Micronesia  
Nauru  
New Zealand  
Palau  
Papua New Guinea  
Samoa  
Solomon Islands  
Tonga  
Tuvalu  
Vanuatu

## South America

Argentina  
Bolivia  
Brazil  
Chile  
Colombia  
Ecuador  
Guyana  
Paraguay  
Peru  
Suriname  
Uruguay  
Venezuela

## Territories and dependencies

The United Kingdom and some other countries have territories and dependencies which are not included in the lists in A11 above, e.g Jersey and Cayman Islands. If your charity operates in territories or dependencies, enter the names in section A11a and we will accept these entries if they are recognised areas.

## A12 – Charity activities

Here you should give a brief description of your charity's activities to supplement the broad classifications listed in section A14 (Charity classification). This description will appear on the Register of Charities and will add to the information available to the public, potential donors and beneficiaries. For technical reasons your description must be no more than 400 characters long, including spaces.

If you provide concise and accurate information here, you will ensure that any enquiries you receive will be relevant. This is an opportunity to tell potential donors or beneficiaries exactly what you do, how you do it and where you operate. It can be especially useful if you feel that the area of operation (A10 and A11) and charity classification (A14) sections do not allow you to describe what you do in enough detail.

For example, a charity with general charitable purposes may have a policy of giving grants to people studying in a particular location or a chosen subject. Similarly, a charity for the relief of poverty may choose to deliver its service by giving information, advice and support to those living in a particular area. The 'Charity activities' section allows you to tell people about this.

Space is limited, so we have not pre-printed any information we currently hold on your activities. If you have previously given us a description of these, you can check and amend it using our online service. If you do not have access to our online service, you can enter a new description on the form and this will replace any details we currently hold.

## A13 – Charity's main bank/building society account

Here we will show the main account details we currently hold for your charity. For security reasons we will not print the full account number. If the details shown are incorrect or blank, enter a complete set of correct details under 'Amended details'. We need the following information:

### **For a bank account:**

- the full name of the bank;
- the sort code of the bank. This will have six digits and you should enter it as, for example, 12-34-56;
- your bank account number. This is on your bank chequebook or statements and is usually 7–10 digits; and
- the name of the account as it appears on the chequebook, passbook or statement.

### **For a building society:**

- the full name of the building society;
- the roll or reference number. The roll or reference number can contain up to 18 letters and numbers. If you are not sure if the account has a roll or reference number, ask the building society; and
- the name of the account as it appears on the chequebook, passbook or statement.

We need details of your main account only. We will not make public any account details.

## A14 – Charity classification

We ask you to classify your charity using three headings. These describe WHAT you do, WHO you help, and HOW you operate. This makes it easier for potential donors, beneficiaries and others to find the charities they want on the Register of Charities.

We show the classifications you have previously chosen with a tick under 'Current details' to the left of the page. Please check these. If the details are incorrect or incomplete, please amend by crossing the relevant 'Remove' or 'Add' boxes next to each classification. The classifications are broad categories. We cannot tailor these to suit individual charities, so we cannot accept any handwritten notes you add to this section. You should select at least one category under each of the three headings to describe your activities. These classifications will be made public.

# REPORTING SERIOUS INCIDENTS

## GUIDANCE FOR TRUSTEES

Trustees have a duty to take reasonable steps to assess and lessen any risks to their charity's activities or beneficiaries, property, work, or reputation. We aim to target our resources where the risks are highest.

This year we are again requiring you to confirm that you, as trustees, have reported any serious incidents to us as they have occurred, which have caused or could cause harm to your charity, or if you have not done so to report them as part of the Annual Return.

### Legal requirement

All trustees should provide information about serious incidents as soon as possible after they become aware of them. If your charity has an income over £25,000 you must, as part of the Annual Return, confirm that there are no serious incidents or other matters relating to your charity over the previous financial year that you should have brought to our attention but have not. Failure to confirm this will be regarded as a breach of legal requirements.

### Best practice

As a matter of best practice, any serious incident that has resulted or could result in a significant loss of funds or a significant risk to a charity's property, work, beneficiaries or reputation should be reported to us immediately, not just on completion of the Annual Return.

## What is serious or significant?

This is for you to decide in the context of your charity. We take a risk-based and proportionate approach to regulation and target our action where we can have greatest impact. Our approach to issues of serious concern takes into account the severity of the issue in relation to the size and character of the charity and the risk to its assets, beneficiaries, integrity and reputation, as well as the risk to the public and to the reputation of the charity sector in general.

We will immediately assess all serious incident reports objectively to decide the most proportionate and effective response. This means we decide whether we will get further involved with the issue, the level of priority and attention we will give it and where in the Commission it will be dealt with. This depends on the particular circumstances, the seriousness and scale of the problem, and the available evidence.

We treat each case individually. We consider factors that may increase or decrease the risks to the charity. These factors affect the degree of attention we give the case and the resources we use. Here are a few examples of the factors that modify our approach:

- the proportion of assets at risk;
- the public profile of the charity (for example if it is a household name);
- the public profile of the serious incident;

- the risk to the charity's reputation and to the charity sector as a whole;
- how far services have been withdrawn as a result of the serious incident;
- the risk of further harm to the charity or its beneficiaries; and
- whether the charity has been previously investigated or given advice and guidance on the issue.

We give some guidance on what is serious or significant in the notes that follow.

We have also identified several 'zero tolerance' issues, where the issue itself causes such serious concern that we will always deal with it as a priority. These issues are, in no particular order:

- connections to proscribed (banned) organisations;
- charity links to or support for terrorism, financial or otherwise;
- misuse of a charity to foster criminal extremism;
- fraud and money laundering;
- abuse of vulnerable beneficiaries;
- not having adequate measures in place to protect vulnerable beneficiaries;
- sham charities, set up for illegal or improper purposes.

## **Criminal activity**

You should inform the police and the Commission of any suspected criminal activity within or involving the charity as soon as possible after the incident. This includes where an individual may have committed an offence that calls into question their suitability to be involved in a charity, whether as a trustee, member of staff or volunteer.

## **What if I have already reported an incident?**

If you have already reported it to us, you don't need to tell us again. However, if you have already reported a serious incident, or a suspicion or allegation of a serious incident, to the police or another regulator or agency but not to us, you should also report this to us.

## **What if it is just an allegation or suspicion?**

You should still report this to us if you have received information that leads you to believe or suspect that a serious incident has happened and you have reasonable grounds for the suspicion. Trustees are responsible for taking appropriate action in response to a suspicion and we will expect to know what you have done. One of our statutory functions is to identify and investigate apparent misconduct or mismanagement in the administration of charities. We take an evidence-based approach in deciding our regulatory response, if any.

## SERIOUS INCIDENTS

### Fraud, theft or significant loss of funds or other property

You should report to us any actual or suspected fraud or theft (or loss due to any other actual or suspected criminal activity) regardless of the scale of funds or value of other property involved.

You should also report to us any significant loss due to other causes. As a guide, we would expect you to report any loss of funds or other property with a value of 20% or more of the charity's income, or £25,000, whichever is the smaller amount. For amounts lower than that you should decide if they are significant for your charity and should be reported, taking the charity's income, work and other modifying factors into account. This does not include the value of investment funds lost in the ordinary course of investment business.

### Significant sums of money or other property donated to the charity from an unknown or unverified source

This could mean an unusually large one-off donation or regular smaller donations from a source that you cannot identify or cannot check. Donations may take forms other than money, e.g. shares or goods.

Here, we would expect you to report any such one-off payment equal to or greater than £25,000, or two or more payments that add up to this amount. The risks of accepting a donation from an unknown or unverified source may be greater when specific conditions are attached to the donation. It is best practice to know your donors, as it is to know your beneficiaries.

### Legal requirement

Changes in tax law following the Finance Act 2006 section 54 mean that a charity must keep records of significant donors and benefits received by those donors. This is to avoid a tax liability. Trustees' general legal duties mean that they must act with due diligence in the receipt (and expenditure) of funds.

### The charity (including any individual staff, trustees or volunteers) has any known or alleged link to a proscribed (banned) organisation or to terrorist or other unlawful activity

If this comes to your attention, or you suspect that another trustee, member of staff, volunteer or anyone associated with the charity has any such links, you should immediately inform the police and us.

Our policy on charities and terrorism can be viewed on our website. Operational Guidance OG96 Charities and Terrorism, which is also on our website, explains more about the principles for handling allegations of charities' involvement in terrorism; the duties of trustees; and the reporting of suspicions.

You can find a list of proscribed organisations on the Home Office website at [www.homeoffice.gov.uk](http://www.homeoffice.gov.uk). There is a list of entities or people designated under terrorism legislation on the HM Treasury website at [www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk), with guidance on designation.

## **A person disqualified from acting as a trustee has been or is currently acting as a trustee of the charity**

How you handle this kind of incident and the two incidents that follow will show whether you have proper systems in place to check the eligibility of trustees and to safeguard children and other vulnerable beneficiaries.

### **Legal requirement**

Some people are disqualified by law from acting as trustees, including anyone described in section 72(1) of the Charities Act 1993. You can get more details in our publication CC30 Finding New Trustees – What charities need to know.

It is normally an offence to act as a trustee while disqualified unless we have given a waiver under section 72(4) of the Charities Act 1993 (some special provisions apply to the administration of charitable companies). In addition to the disqualifications above, which apply to all types of charities, the Criminal Justice and Court Services Act 2000 disqualifies certain individuals from holding a range of positions, including trusteeship, in children's charities. We do not have the authority to give a waiver for this type of disqualification.

There may also be restrictions in the charity's governing document.

You can get more information about disqualifications and waivers of disqualification on our website.

## **The charity does not have a policy for safeguarding its vulnerable beneficiaries (e.g. children and young people, people with disabilities and the elderly/old people)**

Trustees should have systems in place for safeguarding vulnerable beneficiaries. You can see our guidance on safeguarding children on our website.

We do not administer legislation on safeguarding children and vulnerable adults, but we are concerned to protect public confidence in the integrity of charities.

The Department for Children, Schools and Families is responsible for government policy on safeguarding children. You can get more information at [www.everychildmatters.gov.uk](http://www.everychildmatters.gov.uk).

The Department of Health is responsible for government policy on safeguarding vulnerable adults. There is more information at [www.dh.gov.uk](http://www.dh.gov.uk).

The legislation on safeguarding children and vulnerable adults is changing. For the latest information, please visit [www.everychildmatters.gov.uk/independentsafeguardingauthority/](http://www.everychildmatters.gov.uk/independentsafeguardingauthority/).

## CRB checks

### Are CRB checks a legal requirement?

Making a CRB check involves disclosing sensitive, personal information that would normally be confidential, so there is only a legal entitlement to make checks for some positions. But for some specific positions within this group a CRB check is a legal requirement.

Our website gives details of when CRB checks are legally required.

### What should trustees do?

You must make CRB checks if these are legally required. In addition we advise you to make CRB checks if you are legally entitled to do so; this will ensure you fulfil your trustee duties. CRB checks on continuing trustees should be carried out regularly.

Ultimately trustees need to decide whether there is a legal requirement or entitlement to make CRB checks. The legislation is complex: take professional advice if necessary.

If you do not make CRB checks and vulnerable beneficiaries are put at risk as a result, we will look at whether there was a legal requirement or entitlement to carry out checks. This will help us decide whether or not the charity is being properly managed.

### The charity has no vetting procedure to ensure that a trustee or member of staff is eligible to act in the position he or she is being appointed to

The law does not require charities to ask prospective new trustees to sign a declaration of their eligibility to act but it is best practice to do so. You can see a model declaration on our website.

There are legal restrictions on who can be a trustee. We would have a serious regulatory concern if you had failed to put systems in place to vet trustees or to protect vulnerable beneficiaries.

You should ensure that you have suitable vetting procedures for staff and volunteers. These could include CRB checks where appropriate (see information about CRB checks above).

### Suspensions, allegations and incidents of abuse or mistreatment of beneficiaries

You should report this if :-

- there has been an incident where the beneficiaries of your charity have been or are being abused or mistreated whilst under the care of your charity or by someone connected with your charity, e.g a trustee, member of staff, or volunteer; and/or
- there has been an incident where someone has been abused or mistreated and this is connected with the activities of the charity; and/or
- allegations have been made that this may be the case (irrespective of when the alleged abuse or mistreatment took place); and/or
- you have grounds to suspect that this may be the case.

## The charity has been subject to a criminal investigation, or an investigation by another regulator or agency; or sanctions have been imposed or concerns raised by another regulator or agency (e.g. the Health and Safety Executive, Ofsted)

You should inform us if the charity has been the subject of any criminal investigation or if another regulator or agency has imposed any formal sanction on it. If you are unsure what 'concerns' should be reported to us, you should refer back to the zero-tolerance issues (listed on page 18) as a starting point. Our teams can advise on a case-by-case basis.

### Reporting an incident

#### Questions we may ask

When you report a serious incident to us, you should provide as much information as possible to help us decide what, if any, action is appropriate. You may not have all the details but please be prepared to answer and provide information about the incident. For any incident, it would be helpful if you told us:

- whether the incident has happened or whether there have been serious allegations/suspicions that it has happened;
- when the incident happened and who was involved, including his or her position in the charity;
- if this person is still involved with the charity;
- the effect of the incident on the charity or its beneficiaries or both;
- what action, if any, has been taken since the incident;
- if there has been any publicity about the incident;
- if the charity has conducted its own inquiry into the incident and what was the outcome;
- if another regulator or law-enforcement or government agency is involved and what action it has taken, if any.

#### What will we do next?

Following reports or allegations we will assess the circumstances of each case. This may involve gathering more information, testing any allegations and contacting other regulators or the police. The officer conducting the evaluation will take a view on the information provided and use our risk-assessment criteria to decide what action is appropriate. We cannot say what our action will be for any given issue, as our response will depend on:

- the charity and its ability to comply with legal requirements and best-practice recommendations;
- actions that you may already have taken to protect the charity; and
- whether our involvement will help the situation.

Our response may be that:

- regulatory issues do not arise, or they are not sufficient to justify action by us;
- regulatory issues do arise, and are likely to be best resolved through advice and assistance;
- regulatory issues have arisen in the past but you have taken appropriate steps to deal with them and we will take no further action;
- the police or another agency are best placed to take the issues forward;
- we have a concern but rather than take action, we will monitor the charity through closer oversight for a period of time; or
- issues arise that are serious or complex enough to make us consider opening an inquiry (this is rare).

Generally we try to work with the consent of trustees to resolve serious concerns. Our concern is always, first and foremost, the charity and public confidence in charities generally.

### **Still not sure?**

If you have any concerns or queries about what to report or how we will handle information you provide, please email [rsi@charitycommission.gsi.gov.uk](mailto:rsi@charitycommission.gsi.gov.uk) or call 0845 3000 218, and one of our advisers will help you.

**Send your completed form to**

Charity Commission  
PO Box 1300  
Liverpool  
L69 3BF

**For all other enquiries contact us at**

Charity Commission Direct  
PO Box 1227  
Liverpool  
L69 3UG

**Telephone**

0845 3000 218  
0845 3000 197 (Online Services advice)

**Textphone**

0845 3000 219

**Email**

[enquiries@charitycommission.gsi.gov.uk](mailto:enquiries@charitycommission.gsi.gov.uk)

**Web**

[www.charitycommission.gov.uk](http://www.charitycommission.gov.uk)

