



Prepare a charity annual return

Guidance to help complete the annual return for 2015

This guidance sets out the information the Charity Commission asks for through the annual return for 2015.

This guidance is included within the annual return, but the commission has produced the guidance notes as a separate document so that anyone with an interest in the information can quickly see what information charities must provide annually, and charities can see what information they must supply before they submit it.

The commission strongly recommends that you read this guidance before completing the annual return so you know what information you will need.

When you log in to complete the annual return, you will first be asked to enter your income and expenditure for the year. This generates the relevant sections of the annual return to complete and submit.

Charities with an income of over £10,000 (and all charitable incorporated organisations (CIO) regardless of income) must complete the **charity information** section of the return.

In addition to the **charity information** section, charities with an income of £500,000 or more must complete the **financial information** section.

Declaration - once you have completed the sections of the annual return that apply to your charity, you will be taken to the declaration page, which all charities must complete before submitting their annual return.

If you have provided an email address for commission use, you will be emailed an electronic PDF version of your annual return once you have submitted it. You may also enter a different email address and a copy will be sent to that address as well. Once submitted, a copy of your annual return will be available from your online services homepage when you are logged in.

Once you have submitted the annual return, if your charity has an income of over £25,000 or is a CIO, you will be directed to the page where you can submit the charity's accounts and trustees' annual report. You can now [authorise your accountant or other adviser to submit accounts](#) on behalf of your charity.

Charity information - information required in the annual return for 2015

This must be completed by all charities with an annual income of over £10,000, and all CIOs regardless of income, and contains information that is primarily used to maintain the register of charities.

Many of the information fields will contain information supplied in the previous annual return or, if this is the first time you have completed an annual return, the information supplied when you registered your charity. You will be able to amend or alter this information.

Charity contact

A charity must supply the name, address and telephone number or numbers of the person or organisation to whom those wishing to contact the charity can be directed.

An email address for commission use

A charity can supply two email addresses: one for commission use, and one for public display on the register of charities.

An email address for public display

This can be the same as the email address for commission use or the charity can provide an alternative email address for public display.

Details of the charity's website

The commission will record this address on the register of charities and it will also appear on your charity's register entry on the website as a link to your charity's own website.

Trustees

Corporate trustee

If the charity has a corporate trustee, you must provide the name, address, telephone number and email address of that trustee. The commission will display the corporate trustee's name on its register, but no other details will be made public.

A corporate trustee is a body which is a separate legal entity and is 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 having the power to appoint individual trustees.

Individual trustees

Charities must give the full names, addresses, dates of birth, telephone numbers, and email addresses of all trustees in office during the course of the financial year, specifying whether the persons concerned are still trustees and who acts as chair of the charity.

Income and expenditure

Charities must enter the charity's income and expenditure in the boxes provided. Please round all figures to the nearest pound.

The income and expenditure are based on the figures in the charity's accounts for the financial period you are reporting. You will have prepared your accounts in either the accrual or receipts and payments format. The definition of income and expenditure will differ depending upon which format you have used.

Definition of income

Accrual accounts

This is the gross income, which should be calculated as the total incoming resources as shown in the statement of financial activities (SOFA) (prepared in accordance with the Charities Statement of Recommended Practice (SORP) for all funds), but:

- excluding the receipt of any endowment
- including any amount transferred to income funds during the year from endowment funds so as to be available for expenditure

Note: the SORP excludes from total incoming resources any gains on revaluation of fixed assets or gains on investments. Such gains do not form part of 'gross income' for these purposes.

Receipts and payments accounts

This is gross income which is simply the total receipts recorded in the statement of accounts from all sources, excluding the receipt of any endowment.

Definition of expenditure

Accrual accounts

This is the total expenditure, which should be calculated as the total resources expended from all income and endowment funds as shown in the SOFA (prepared in accordance with the SORP).

Receipts and payments accounts

This is total expenditure which is simply the total payments recorded in the statement of accounts.

Financial period

The financial period details we currently hold for your charity are shown here. Your financial period will normally be 12 months long but, in certain circumstances, it can be shorter or longer. For unincorporated charities, it can vary from 6 to 18 months. Different rules apply for charities that are companies.

If your charity has changed its financial period, you should amend the details to show the correct start and end dates. Your charity's details will be updated and you will either continue with the annual return form or be directed to the online services home page, which will show when your next annual return is due.

Activities

This description will appear on the register of charities and will add to the information available to the public, potential donors and beneficiaries. The commission would encourage you to use this opportunity. The text should supplement the broad classifications you have provided. Please note that your description must be no more than 400 characters long, including spaces.

If you provide a concise and accurate description, 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 sections in which you select your area of operation and broad classifications 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 people in need 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 the public about this. Likewise, a charity whose principal activity is overseas aid and development might wish to reflect that it carries out its work as a practical expression of its religious or faith-based belief.

Where the charity operates

Any member of the public can inspect the [register of charities](#). To enable the public, beneficiaries and potential funders to search the register and find charities in specific areas, you should state exactly where you operate.

By 'area of operation', the commission means 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. However, if in practice the charity operates within particular local authority areas or countries, you should enter these in this section. Some charities previously shown as operating worldwide or on certain continents will find that there are currently no details displayed. If there are no details shown you should select the actual countries or areas 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.

Area of operation in England and Wales

A charity must give geographical details of where it applied its resources in England and Wales during the financial year, even if its permitted operating area was wider.

Area of operation outside England and Wales

A charity must give geographical details of where it applied its resources outside England and Wales during the financial year, even if its permitted operating area was wider.

Total spent outside England and Wales

A charity must give details of the amount spent in, or to benefit, each of the countries in which the charity operates.

There may be circumstances in which making this information publicly available would cause harm or detriment to a charity, its workers or beneficiaries. If a charity can show that this is the case the commission would consider not publishing this information. A charity would need to agree this with the commission before submitting the annual return to ensure that the information on this question is not shown on the public register.

Charities that apply to the commission not to have details of overseas spending published on the register will need to provide sufficient details to satisfy the commission that one of the following three points is met or that there is another compelling reason why the information should not be made public:

- disclosure would be likely to put a charity's property at undue risk or harm
- disclosure would be likely to have an acute detrimental impact on a particular charity, its operations and public confidence in it
- disclosure would be likely to have an acute detrimental impact on a particular individual or group of individuals, for example, by creating a significant risk to personal or public safety

You should use the commission's [contact form](#) to apply not to have the details of overseas spending shown on the public register.

Classification

What does your charity do?

Charities must specify one or more of the following categories which describe what they do. This is not an exhaustive list of charity types. If your particular type of charity is not listed, please choose the category or categories that are closest.

- General charitable purposes
- Education or training
- The advancement of health or saving of lives
- Disability
- The prevention or relief of poverty
- Overseas aid or famine relief
- Accommodation/housing
- Religious activities
- Arts, culture, heritage, science
- Amateur sport
- Animals
- Environment/conservation/heritage
- Economic, community development, employment
- Armed forces, emergency service efficiency
- Human rights, religious or racial harmony, equality or diversity
- Recreation
- Other charitable purposes

Who does your charity help?

Charities must specify one or more of the following categories. This is not an exhaustive list of beneficiary categories. If we have not listed the beneficiaries of your charity, please choose the category or categories that are closest.

- Children/young people
- Elderly, old people
- People with disabilities
- People of a particular ethnic or racial origin
- Other charities, voluntary bodies
- Other defined groups
- The general public, mankind

How does your charity operate?

Charities must specify one or more of the following categories. This is not an exhaustive list of charitable activity categories. If the commission has not listed the particular form of assistance you give, please choose the category (or categories) that are closest.

- Makes grants to individuals
- Makes grants to organisations
- Provides other finance
- Provides human resources
- Provides buildings/facilities
- Provides services
- Provides advocacy, advice or information
- Sponsors or undertakes research
- Acts as an umbrella or resource body
- Other or none of these

Bank/building society account

A charity must provide the main account details. Account details are not made public.

Company number

A charity that is also a company must provide details of its company number.

Volunteers

A charity must record its best estimate of the number of individual UK volunteers involved in the charity during the financial year. This does not include trustees.

Different charities define their volunteers in different ways. The common characteristic is that they are contributing to the work of a charity in a voluntary, unpaid, capacity although volunteers are usually entitled to claim expenses such as travel. It is for the charity trustees to decide who they count as volunteers and to know and report on how many they have.

Land and buildings

Charities must confirm whether they own or lease any land or buildings and, if so, whether they are used for charitable purposes or investment purposes.

Charity land is a simple phrase with a technical definition. It is land held by, or on trust for, a charity, together with any buildings or structures on the land.

It covers both land held on charitable trust and land held as corporate property by a charitable company or corporation. Land can be either freehold or leasehold and includes land covered with water, mines or minerals (whether held separately from the surface or not) and any interest in and easement, right or benefit over, or derived from the land.

Land or buildings used for a charity's purposes is often referred to as 'functional property'. Functional property does not include investment land owned by a charity solely to produce income for furthering the charity's objects.

Examples of when charity land or buildings are used for a charity's purposes can include:

- village halls
- community centres
- places of worship

Gift Aid

A charity must confirm whether it was recognised by HM Revenue and Customs for Gift Aid on any donations made to the charity during the financial period.

The Gift Aid scheme is for gifts of money by individuals who pay UK tax. Gift Aid donations are regarded as having basic rate tax deducted by the donor.

Find out more about [Gift Aid](#), including how to register.

Fundraising

A charity must say whether or not it raises funds from the public.

Many charities raise funds from the public. This may be a very small part of the charity's income, or it may be the main way that the charity is funded. A charity may raise funds through donations of money or goods or by working with a company or professional fundraiser.

If a charity does raise funds from the public they must then say whether or not they work with a commercial participator and, if so, whether they have a written agreement in place.

Commercial participation is where a company works with a charity to promote its business by advertising. A share of the profits will be donated to the charity. For example:

- a retailer agreeing to donate a percentage from the sale of certain items, such as a limited edition t-shirt or Christmas cards
- a credit card provider donating a percentage of each transaction to a charity

Any charity working with a commercial participator must have a written agreement with the company. You can find more information in [charities working with companies and professional fundraisers](#).

Trading

A charity must say whether or not it has a trading subsidiary.

A trading subsidiary is a company owned and controlled by one or more charities which is set up in order to trade on their behalf. Its purpose is usually to create income for its parent charity or charities. The advantage of using trading subsidiaries is to reduce the restrictions on the trading activities that charities have and to protect the charity's assets from the risks of trading.

You can find more information in the commission's guidance on [charities and trading](#).

Payment for being a trustee

Most trustees act without payment of any kind, or with only their basic expenses covered. However, some charities pay their trustees for carrying out their trustee duties. This is not the same as paying trustees for providing services to the charity, nor is it the same as reimbursing trustees for reasonable expenses they have incurred whilst carrying out their trustee duties.

You only need to answer yes to this question if you pay one or more of your trustees for carrying out trustee duties. In order to pay one or more trustees, this must be authorised either by your charity's governing document or by an order from the commission or the court.

For more information about paying trustees read [Trustee expenses and payments](#).

Policies

A charity must confirm whether or not it has a written policy in the following areas:

- risk management
- investment
- safeguarding vulnerable beneficiaries
- conflicts of interest
- volunteer management
- complaints handling
- paying staff

The policies a charity needs and how detailed the policy is will depend on a charity's size and activities. A charity's register entry will only show the policies it has.

The commission believes that having written policies which are:

- relevant to a charity's size and activities
- implemented effectively and reviewed regularly

strengthens a charity's effectiveness and helps to demonstrate that trustees are taking their legal responsibilities and good governance seriously.

If you are interested in finding out more about how to develop policies in any of the areas listed, you can find more information as follows:

- risk management - [How to manage risks in your charity](#)
- investment - [Charities and investment matters: a guide for trustees \(CC14\)](#)
- safeguarding vulnerable beneficiaries - a number of sources provide helpful guidance on policies to safeguard children and vulnerable beneficiaries including [Safenetwork](#) and [Volunteering England](#)
- conflicts of interest - [Manage a conflict of interest in your charity](#)
- volunteer management - a number of sources provide guidance on managing volunteers including [Knowhownonprofit](#)
- complaints handling - you can find a template for a model complaints policy and procedure on the [Governance code website](#)
- paying staff - a number of sources provide helpful guidance on setting pay policies including [Knowhownonprofit](#)

Grant making

A charity must confirm whether or not grant making is the main way that the charity carries out its purposes.

Many charities make grants to individuals or to organisations as a way of carrying out their charitable purposes. For some this will be a very small part of their activities, whilst for others it will be the main way they carry out their charitable purposes. Please only answer yes to this question if making grants is the main way that your charity carries out its purposes.

Other regulators/registrars

A charity must confirm whether or not it is regulated by or registered with any of the following regulators/registrars:

- Ofsted
- Care Quality Commission
- Homes and Communities Agency
- Financial Conduct Authority
- Care and Social Inspectorate Wales (CCSIW)
- Healthcare Inspectorate Wales (HIW)
- Welsh Government (Social landlords and housing associations)
- HM Inspectorate for Education and Training in Wales (Estyn)

The commission recognises that there are many regulators and registrars that may apply to different charities. However, has only listed those dealt with most frequently in its regulatory work and which the commission thinks will be of interest to the public.

Only those that you tick will be shown on the charity's register entry.

Income received from central or local government - A charity must provide a figure for how much it has received during the financial period of the annual return from central or local government in England and Wales from:

- contracts to deliver services to the public
- grants

You should include here the amount of income (if any) that your charity has received during the financial period from central or local government in England or Wales either from a contract to deliver services to the public or from a grant.

You must enter a figure in each box (please enter zero if you did not receive any income).

Government departments or their agencies or local authorities may pay charities to deliver services for them. For example, some charities provide:

- sheltered housing and care for the elderly
- sports activities for disadvantaged children
- support and advice for people looking for work
- meals on wheels services, delivering food to housebound people

Find out more about [delivering public services](#).

Financial controls - A charity must confirm whether or not it has reviewed its financial controls during the reporting period.

As a matter of good practice, the commission recommends that a charity reviews its financial controls annually to ensure that they are up to date and effective. You can find more information on the legal and best practice requirements in the commission's [guidance on Internal financial controls for charities \(CC8\)](#).

The commission also provides a [checklist](#) for charities to use.

Linked charities

Some charities are treated collectively as a group for administrative or accounting reasons, with each member of the group referred to as a 'constituent'. If your charity has simply collaborated with another on a specific project, it is not 'linked'.

Financial information

You will only need to provide this information if your charity's income is £500,000 or more. The categories of information needed to complete this section should be taken from the SOFA.

You will need a final version of the published accounts to fill in the financial information section. The trustees should ensure that this section is completed by a competent person who is familiar with the charity's accounts.

Incoming resources

1.1 Voluntary income

Voluntary income comprises incoming resources generated from the following sources:

- gifts and donations received including legacies
- any tax reclaimed on amounts received under gift aid
- grants that provide core funding or are of a general nature
- membership subscriptions and sponsorships where these are, in substance, donations
- gifts in kind and donated services and facilities

Voluntary income is defined in the Charities Statement of Recommended Practice (SORP) at paragraph 121 and shown on row A1a of table 3 of the SORP.

1.1a Legacies

This is the amount of legacies received that is part of voluntary income (see 1.1). If any legacies are to be retained as endowment, please include them in 1.1b (Endowments received) rather than 1.1a. Please note that this field is for supplementary information only. You do not need to adjust 1.1 by this amount as all the year's legacies should be included in voluntary income.

1.1b Endowments received

This is the amount of the year's voluntary income (1.1) that has been added to endowments. Endowment receipts include any settlements from a donor, including any legacies that you retain as endowment capital. It does not include capital gains (or interest) that may arise from the endowments. Please note that this field is for supplementary information only. You do not need to adjust 1.1 by this amount as all endowment legacy should be included in voluntary income.

1.2 Activities for generating funds

This includes resources generated by trading activities that specifically raise funds for the charity. For example:

- fundraising events such as jumble sales, firework displays and concerts
- sponsorships and social lotteries which are not pure donations
- shop income from selling donated goods and bought in goods
- providing goods and services other than for the benefit of the charity's beneficiaries
- letting and licensing property held mainly for functional use but temporarily surplus to requirements

Activities for generating funds are defined in the Charities SORP at paragraph 137 and shown at row A1 b of table 3 in the SORP.

1.3 Investment income

Investment income includes incoming resources from investment assets, including dividends, interest receivable and rent, but excludes realised and unrealised investment gains and losses (see 2.3). Investment income is shown at row A1 c of table 3 of the Charities SORP.

1.4 Incoming resources from charitable activities

Incoming resources from charitable activities include any resources arising from activities promoting the charity's objects. These include:

- sale of goods or services as charitable activity
- sale of goods or services provided by the charity's beneficiaries
- letting of non-investment property in furtherance of the charity's objects
- grants specifically for the provision of goods or services as part of charitable activities or services to beneficiaries (including performance related grants)
- ancillary trades connected with the above

Charitable trading is shown at row A2 of table 3 of the Charities SORP.

1.5 Other incoming resources

This amount includes gains on the disposal of tangible fixed assets and receipt of any other incoming resources that cannot be accounted for in the categories above (1.1 to 1.4). The amount is shown at row A3 of table 3 of the Charities SORP.

1.6 Total incoming resources

This is the total of all the incoming resources and should be equal to the sum of fields 1.1 to 1.5, excluding 1.1a and 1.1b.

Resources expended

1.7 Costs of generating voluntary income

This amount includes the costs of generating the voluntary income listed at 1.1 (for example, donations, legacies, core funding grants and gifts in kind). The costs may include fundraising, advertising, marketing and direct mail materials, as well as any payments to an agent. They will normally include publicity costs but exclude the cost of educational material produced to promote the charity's work, which is classed as a cost of charitable activities.

These costs are shown at row B1a of table 3 of the Charities SORP.

1.8 Fundraising trading costs

Fundraising trading costs include all the costs incurred in generating the income listed in 1.2 and include:

- the cost of goods sold or services provided as part of the trade, and
- other costs related to the trade, such as staff and premises costs.

These costs are shown at row B1b of table 3 of the Charities SORP.

1.9 Investment management costs

Investment management costs include the cost of obtaining investment advice, managing the portfolio and, for investment property, rent collection, property repairs and maintenance costs.

These costs are shown at row B1c of table 3 of the Charities SORP.

1.10 Costs of charitable activities

These comprise all the resources applied in meeting the charitable objectives, including amounts spent on:

- grants
- the direct provision of charitable services, and
- a proportion of the charity's support costs which, if allocated will be explained in the notes to the accounts

They exclude:

- the cost of raising funds to finance these activities, and
- the cost of governance of the charity

These costs are shown at row B2 of table 3 of the Charities SORP.

1.10a Grants to institutions

Grants to institutions form part of the costs of charitable activities. The SORP defines these as being grants not made to individuals. They may be either general support grants or grants made for some restricted purpose.

In this context grants do not include any allocated charity's support costs. The amount of grants to institutions should be disclosed in the notes to the accounts.

Please note this field is for supplementary information only. You do not need to adjust 1.10 by this amount as it should be included in 'costs of charitable activities'.

1.11 Governance costs

Governance costs include the general costs of running the charity. They normally include audit costs, legal advice to trustees and costs of meeting constitutional and statutory requirements (eg trustee meetings and annual statutory accounts), and could include the cost of strategic planning processes.

Governance costs are shown at row B3 of table 3 of the Charities SORP.

1.12 Other resources expended

This category will rarely be used as most expenditure can be categorised under the fields 1.7 to 1.11, but where it is used, the amount will be as shown at row B4 of table 3 of the Charities SORP.

1.13 Total resources expended

This is the sum of all resources expended. This should equal the sum of 1.7 to 1.12, excluding 1.10a.

Other recognised gains/losses

2.1 Revaluations of tangible fixed assets

This is the amount of any change in the value of tangible fixed assets (ie all assets not held for investment purposes) as a result of a revaluation during the financial year. Do not enter the total value of fixed assets from the balance sheet.

This amount is shown at row D3 of table 3 of the Charities SORP.

2.2 Actuarial gains/losses as defined benefit pension schemes

If your charity operates a defined benefit pension scheme, this figure will include the actuarial gains or losses on the scheme as reported in the SoFA.

This amount is shown at row D3 of table 3 of the Charities SORP.

2.3 Gains/losses on investment assets

This is the total of any unrealised gains and losses resulting from the revaluation of investment assets to market value, and gains and losses realised on the disposal of investment assets during the year.

This amount is shown at row D2 of table 3 of the Charities SORP.

Assets and liabilities

3.1 Total fixed assets

Fixed assets are those held for continuing use and include tangible fixed assets such as land, buildings, equipment and vehicles, and any investments held on a long term basis to generate income or gains. Some charities may also hold heritage assets that are maintained or preserved as part of a charity's objects, or intangible assets such as patents. These should also be included.

The total amount of fixed assets will be shown on the balance sheet and is the total of section A of table 7 of the Charities SORP.

3.1a Fixed asset investments

Fixed investment assets are held for the long term to generate income or gains and may include quoted and unquoted shares, bonds, gilts, common investment funds, investment property and term deposits held as part of the investment portfolio. Fixed asset investments will exclude programme related investments, shown at row A4a of table 7 of the Charities SORP.

Please note this field is for supplementary information only. You do not need to adjust 3.1 by this amount as it should be included in total fixed assets.

3.2 Total current assets

Total current assets include stock, debtors, current asset investments and cash. The amount is shown as the total of section B of table 7 of the Charities SORP.

3.2a Current asset investments

Current asset investments are held with the intention of disposing of them within the next 12 months. Such investments are those shown at row B3 of table 7 of the Charities SORP.

Please note this field is for supplementary information only. You do not need to adjust 3.2 by this amount as it should be included in total current assets.

3.2b Cash

This amount includes deposits with banks and other financial institutions, which are repayable on demand, but excludes bank overdrafts. Cash is shown at row B4 of table 7 of the Charities SORP.

Please note this field is for supplementary information only. You do not need to adjust 3.2 by this amount as it should be included in total current assets.

3.3 Creditors due within one year

These are amounts owed to creditors including loans and overdrafts, trade creditors, accruals and deferred income. They are payable within one year and are shown at row C1 of table 7 of the Charities SORP.

3.4 Long term creditors and provisions

These are amounts owed to creditors payable after more than one year, with provisions for liabilities and charges, and are the total of rows C2 and C3 of table 7 of the Charities SORP.

3.5 Pension fund assets/liabilities

This is the surplus or deficit in any defined benefit pension scheme operated and represents a potential long term asset or liability. The pension fund asset or liability is shown at row D of table 7 of the Charities SORP.

3.6 Total net assets/liabilities

This is the total of all assets shown less all liabilities. The amount is shown on table 7 of the Charities SORP as net assets or liabilities including any pension fund asset or liability, and is equal to the amount shown entered at 3.11. Enter a liability with a minus sign.

3.7 Total fixed assets (at start of year)

The total amount of fixed assets at the start of the year will be shown in the comparative figures of the balance sheet and in the notes to the accounts. The amount is shown as the total of section A of table 7 of the Charities SORP for the previous year.

3.7a Fixed asset investments (at start of year)

Fixed asset investments at the start of the year will be shown in the comparative figures of the balance sheet and in the notes to the accounts. The amount is shown at row A4a of table 7 of the Charities SORP for the previous financial year end.

Please note this field is for supplementary information only. You do not need to adjust 3.22 by this amount as it should be included in total current assets.

3.8 Endowment funds

Endowment funds include the amount of all permanent and expendable endowment funds. The amount is shown at row E1 of table 7 of the Charities SORP.

3.9 Restricted funds

Restricted funds include the amount of all funds held that must be spent on particular purposes of the charity. The amount is shown at row E2 of table 7 of the Charities SORP.

3.10 Unrestricted funds

Unrestricted funds include the amount of all funds held for the general purposes of the charity. This will include unrestricted income funds, designated funds, revaluation reserves and any pension reserve. The amount is shown as the total of section E3 of table 7 of the Charities SORP. A deficit should be entered with a minus sign.

3.11 Total funds

Total funds include all funds shown on the balance sheet and comprise endowments, restricted income and unrestricted funds. The amount is shown as the total of section E of table 7 of the Charities SORP and is equal to the total net assets shown at 3.6.

Additional information

The information to complete this section will generally be found in the notes to the accounts.

4.1 Support costs

Support costs are those which, while necessary to deliver the activity, do not themselves produce activity. They include central office functions of the charity and are often apportioned to activities. The amount shown here is the total amount of support costs (for charitable, fundraising and governance activities) included in resources expended. This amount will be shown in the notes to the accounts if it is significant.

4.2 Depreciation charge for the year

This is the amount of depreciation on tangible fixed assets (including impairment charges, if any), which will be shown as the charge for the year in the tangible fixed asset note to the accounts.

4.3 Level of reserves

The level of reserves is calculated in accordance with glossary GL51 of the SORP and is stated in the trustees' annual report. It will normally include the amount of unrestricted funds that are freely available for use and will normally exclude endowments.

4.4 Number of full time equivalent employees

This is the number of employees stated in the notes to the accounts in accordance with paragraph 235 of the SORP.

Declaration

The person submitting the annual return on behalf of the charity must certify that:

- they have understood all of the requirements associated with the submission of the annual return and all of the statements contained within it
- the information provided in the relevant parts of the annual return is correct and complete to the best of their knowledge and belief and has been brought to the attention of the charity trustees who have each individually verified this and given their informed express consent to this submission with full knowledge, understanding and acceptance of the contents of the privacy notice

Charities with an income of over £25,000 must also confirm that there are no serious incidents or other matters that should have been brought to the attention of the commission that have not already been reported.