



## Prove it or lose it!

In the past, all registered charities for relief of poverty, advancement of religion and education were presumed to be for 'Public Benefit'. Since 1 April 2008, under the Charities Act 2006, the presumption of 'Public Benefit' has been removed and replaced by the need to prove 'Public Benefit'.

To prove 'Public Benefit':

### Principle 1:

There must be an identifiable benefit or benefits and:

- It must be clear what the benefits are
- The benefits must be related to the aims of the charity
- The benefits must be balanced against any detriment or harm.

### Principle 2:

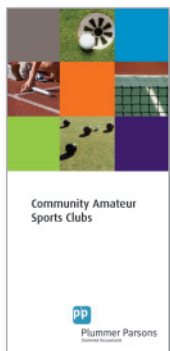
Benefit must be to the public or a section of the public:

- The beneficiaries must be appropriate to the aims of the charity
- Where benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted by geographical or other restrictions or by ability to pay any fees charged
- People in poverty must not be excluded from the opportunity to benefit
- Any private benefits must be incidental

For accounting years commencing after 1 April 2008, charity trustees will need to report on 'Public Benefit' in their annual Trustees' Report.

## New Gift Aid tool kit for Charities

HM Revenue and Customs have just launched a new CD tool kit to help charities boost their income through Gift Aid. The new tool kit can be obtained by calling HMRC Charities on **08453 020 203** or emailing [charities@hmrc.gov.uk](mailto:charities@hmrc.gov.uk)



## Sports Clubs can now be Charitable

Providing certain conditions are followed, Sports Clubs can now obtain financial advantages by registering with the Revenue as Community Amateur Sports Clubs

(CASCs). Details are enclosed and for further information do not hesitate to contact:

**Phil Harper** on **01323 431200**  
or [sports@plummer-parsons.co.uk](mailto:sports@plummer-parsons.co.uk)



## UFOs?

## CIOs coming 2009

Charitable Incorporated Organisations (CIOs) are the new corporate structure designed specifically for charities and recommended by the Charity Commission. The CIO will be an alternative to a charitable company, offering limited liability protection but also having charitable status. The new CIO will be regulated only by the Charity Commission and not by Companies House as well. The consultation process on CIOs is presently underway and closes on 10 December 2008. It seems that it will be 2009 before registration as CIOs will be possible.

## CONGRATULATIONS

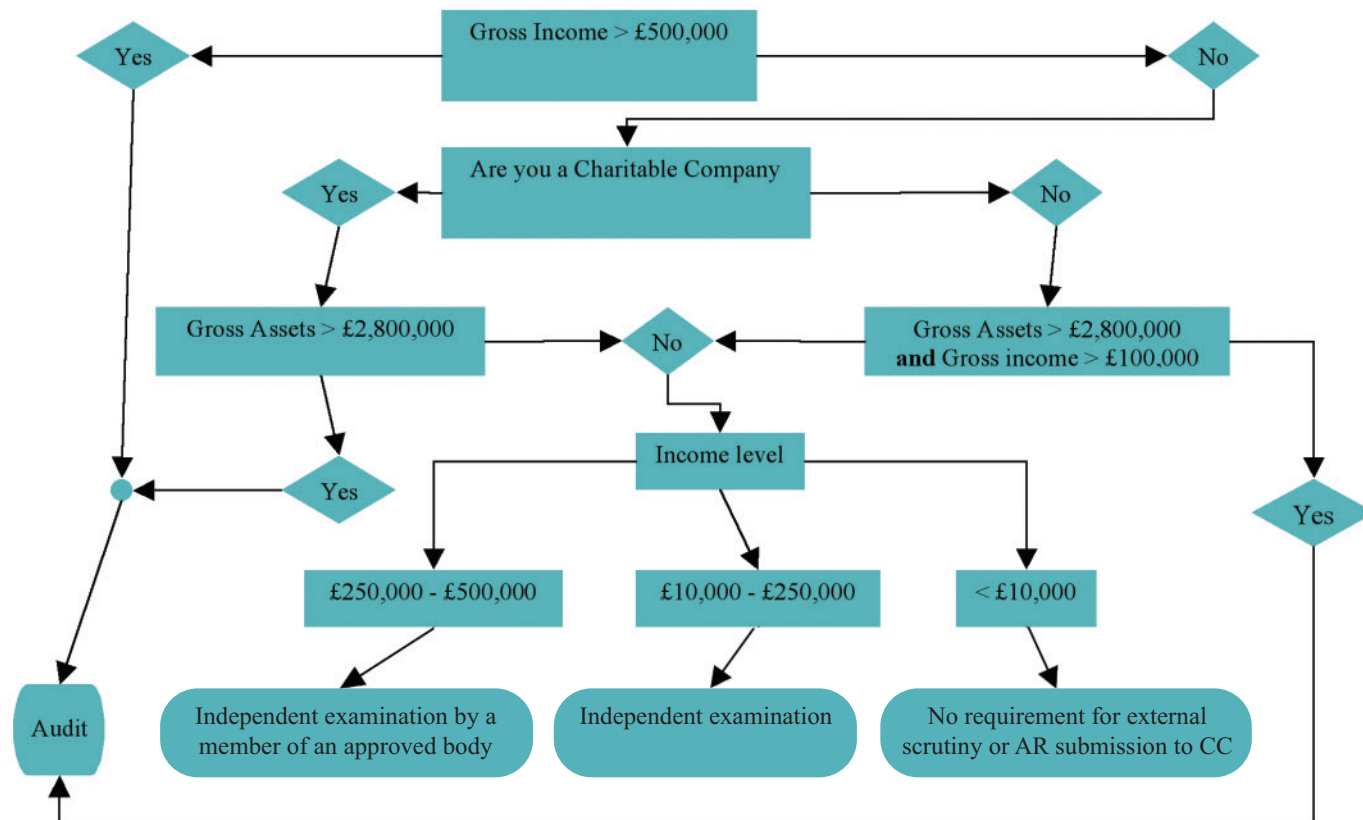
are due to **Nick Brown** and **Andrew Griffiths** in achieving the highly recognised ICAEW's Diploma in Charity Accounting.

# NEWSLETTER...

# To audit or not to audit...

**...that is the question?** Do you need an audit or simply an independent examination? Follow through the flowchart:

Thresholds: Effective 01/04/08



## Churches need to register as Charities

Most churches are fully under the supervision of the Charity Commission but until now have been exempted from the requirement to register. From 1 January 2009 the Charity Commission requires the registration of the larger denominational churches and other churches whose annual income exceeds £100,000. It is proposed that by 1 October 2009 most of these registrations will be completed and after that date other churches will be required to apply for registration. It seems that the Charity Commission will only be interested in those churches whose annual income exceeds £25,000.

Whilst all churches currently have to prepare annual accounts and have these audited or independently examined, following registration these accounts will need to be filed with the Charity Commission.

**For further information please contact Colin Dadswell of our charity team on 01323 431200 or [colin.dadswell@plummer-parsons.co.uk](mailto:colin.dadswell@plummer-parsons.co.uk)**



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