

# Charities Accounting Standard Accounting Template Explanatory Notes

## Introduction

### Purpose of Accounting Template

The Accounting Template is designed to help **smaller charities** prepare and present financial statements on accruals basis. It provides an **illustrative format** for such financial statements and set out the key disclosures contained in Charities Accounting Standard (CAS). Upon full completion, the Accounting Template will include all the information necessary for smaller charities preparing financial statements on accruals basis under normal circumstances. The Accounting Template is not intended to illustrate all aspects of the CAS. Charities will need to consider the content, sequencing, format and appropriateness of descriptions.

### Charities that may find the Accounting Template useful

The Accounting Template is designed specifically for use by charities that are required to follow the CAS but are not required to have a statutory audit. The CAS provides a number of concessions for charities which the Accounting Template is incorporate.

### Charities that should not use the Accounting Template

The Accounting Template should be used for charities in accordance to the prevailing law or application policy.

### Charities for which the Accounting Template may be unsuitable

The Accounting Template do not contain all the disclosures required:

- By a company; or
- Where a charity:
  - Has a material subsidiary undertaking, joint venture or associated trading undertakings;
  - Is preparing group accounts; or
  - Operates a defined benefit pension scheme.

For charities that may find the Accounting Template unsuitable due to the abovementioned limitations, they should either:

- Refer to appropriate publications such as CAS or the Singapore Financial Reporting Standards for more detailed guidance; or
- Consider hiring a qualified accountant to prepare the accounts.

### Further Information

Please refer to the Charity Portal ([www.charities.gov.sg](http://www.charities.gov.sg)) for more useful information.

### How can the Accounting Template be used?

The Accounting Template is based on the principles of the CAS. It has been designed to cover most circumstances that are likely to apply to smaller charities. However, governing board members must take care that it provides any additional information necessary to give a true and fair view of the charity's activities and financial position. If there are other matters that are material and necessary to include for a proper understanding of the financial statements but are not specifically provided for in the Accounting Template, further details should be given through additional notes.

Where a charity needs to account for a complex transaction or one that is unusual to smaller charities, reference will need to be made to the CAS or advice that may be necessary from a professional accountant.

The Accounting Template, when properly completed with information and amounts from the charity's accounting records, will meet the charity's legal requirements for preparing annual financial statements.

Smaller charities that wish to design their own layout for the financial statements can use the Accounting Template as a guide to the items that must be included.

The governing board members must approve the financial statements and at least two governing board member should sign off the financial statements as evidence of approval.

### How precise do the charity's financial statements need to be?

The charity's financial statements should reflect the material items. An item is material if its inclusion or exclusion from the financial statements is likely to change a reader's view about the financial statements. Normally the larger the item, the more material it is likely to be. Reporting details of small value is often not necessary, as they do not affect a reader's overall understanding of the financial statements.

Some items may or may not require reporting, depending the size of the charity (often measured by gross income or balance sheet totals). For example, it may be material to include in the balance sheet a tangible fixed asset costing \$500 if the charity has \$10,000 gross income but would be much less material if a charity has \$250,000 gross income.

Some items are always material to charities, for example, amounts paid to governing board members for expenses or remuneration and amounts paid to related parties.

All information requested in the Accounting Template should be given unless it is :

- Not applicable to the charity; or
- Identified in the Accounting Template as optional information that the governing board members may choose to give.

### Rounding

It is usual to prepare financial statements using amounts that are rounded to the nearest dollar.

### **No netting off**

All income for the financial year should be disclosed in the Statement of Financial Activities at gross without netting off the expenses. For example, the gross income and gross expenses of a fund raising event should be disclosed separately.

### **What are the financial statements made up of?**

- A Statement of Financial Activities for the financial year;
- A Balance Sheet as at the last day of the financial year;
- A Statement of Cash Flows for the financial year;
- Notes to the financial statements; and
- Corresponding figures for the previous financial year.

Charities must also prepare an annual report that provides background information about the charity and a written explanation of the charity's background and the happenings during the financial year (e.g. activities, achievements and financial health). An annual report sample is available from the Charity Portal.

### **What activities and resources must the accounts include?**

The financial statements should include all programmes, funds and branches that the governing board members manage and control. This is to allow the user of the financial statements to have a full understanding of the assets, liabilities and resource movement of the charity.

## Statement of Financial Activities (SOFA)

The SOFA records all of the income and expenditure by the charity in the financial year. The SOFA template is divided into columns and rows which are numbered. A summary below is provided of what should be entered into each column and row.

### Columns – Fund Accounting

F01 to F05 describes what should be entered into each column:

Column	Explanation
<b>F01</b>	This column is for <u>all</u> amounts relating to <b>unrestricted funds</b> .
<b>F02</b>	This column is for <u>all</u> amounts relating to <b>restricted income funds</b> .
<b>F03</b>	This column is only for movements on <b>endowment funds</b> .
<b>F04</b>	This column is the <b>total</b> of columns <b>F01, F02 and F03</b> .
<b>F05</b>	This column is the <b>total</b> of columns <b>F01, F02 and F03</b> entered in the financial statements of the <b>previous year</b> .

### Rows – Income

Rows S01 to S06 below explains what should be included in each category of income. The total figure for each category of income may be further analysed in the notes to the financial statements. For example, setting out details of the activities or projects undertaken (see note 3 of the Accounting Template).

Row	Analysis Category	Explanation
<b>S01</b>	<b>Voluntary income</b>	<p>This will include:</p> <ul style="list-style-type: none"> <li>■ Gifts and donations received including legacies.</li> <li>■ Gifts in kind and donated services or facilities.</li> <li>■ Grants of a general nature or for core funding.</li> <li>■ Membership subscriptions and sponsorships that are in substance donations.</li> </ul>
<b>S02</b>	<b>Activities for generating funds</b>	<p>This will include income generated by trading activities which are specifically to raise funds for the charity. The activities involve an element of exchange, with the charity receiving income in return for providing goods, services or an entry to an event, such as:</p> <ul style="list-style-type: none"> <li>■ Fundraising events e.g. jumble sales and concerts.</li> <li>■ Sponsorships and social lotteries that are not pure donations.</li> <li>■ Shop income from selling donated and bought in goods.</li> <li>■ Providing goods or services that are not for the charity's beneficiaries.</li> <li>■ Letting and licensing of property held for functional use but temporarily surplus to requirements.</li> </ul>

## Statement of Financial Activities (SOFA)

Row	Analysis Category	Explanation
S03	Investment income	This includes bank interest, dividends and gross rentals from investment properties.
S04	Income from charitable activities	These are the incomes arising from activities in furtherance of charitable objects. This includes: <ul style="list-style-type: none"> <li>■ Sale of goods or services from the charity's activities (primary purpose trading including contractual payments from government or public authorities).</li> <li>■ Sale of goods made, or services provided, by the charity's beneficiaries (eg sales of goods from sheltered workshops).</li> <li>■ Letting of non-investment property in furtherance of the charity's objects.</li> <li>■ Grants specifically for the provision of goods or services as part of charitable activities or services to beneficiaries (including performance related grants).</li> <li>■ Ancillary trades connected with the above.</li> </ul>
S05	Other income	Other income which cannot be included in any of the rows above is included here (e.g. gains on disposal of property, plant & equipment for use by the charity). This will be a minority of income and most charities will not need to use this category.
S06	Total income	Total of rows S01 to S05 giving the total of all income coming in to the charity.

## Expenditure

Rows S07 to S15 below explained what should be included in each category of expenditure, which. The total figure for each category of expenditure may be further analysed in the notes to the financial statements. For example:

- Setting out details of the activities or projects undertaken (see note 4 of the Accounting Template); and/or
- Explaining which activities were undertaken directly by the charity and which were funded through grant giving.

Row	Analysis Category	Explanation
S07	Cost of generating voluntary income	This includes all costs incurred in raising voluntary income for the charity. It will include all the costs incurred in generating the income listed in row SO1 above, for example, donations, core funding grants and gifts in kind.
S08	Fundraising trading costs	This will include all the costs of trading activities which are specifically to raise income for the charity. It will include all the costs incurred in generating the income listed in row SO2 above.

## Statement of Financial Activities (SOFA)

Row	Analysis Category	Explanation
S09	<b>Investment management costs</b>	This includes the cost of managing an investment portfolio, obtaining investment advice, administration of investments, rent collection, investment property repairs and maintenance charges.
S10	<b>Charitable activities (expenditure)</b>	This includes all expenditure incurred by a charity in undertaking work to meet its charitable objectives. It will include costs of grantmaking and direct provision of charitable services.
S11	<b>Governance costs</b>	This includes the costs of general running of the charity as opposed to generating funds, service delivery and programme or project work. This category will include legal advice and costs associated with constitutional and statutory requirements eg the cost of governing board member meetings and preparing and (internal and external) audit or examination of statutory financial statements.
S12	<b>Other expenditure</b>	This row will rarely be used as virtually all expenditure can generally be included in one of the above categories.
S13	<b>Total expenditure</b>	Total of rows S07 to S12.
S14	<b>Net income / expenditure before tax expense</b>	This is the total in row S06 less the total in row S13.
S15	<b>Tax expense</b>	This is the current amount of tax estimated to be payable (refundable) for the period or past reporting periods.

### Transfers, Gains and Losses

4.1 Rows S16 to S20 below explain the remaining analysis categories in SOFA. These sections of the SOFA are used to record transfers between funds and other gains and losses to provide a net movement in funds and reconciliation of the total funds held at the year end.

Row	Analysis Category	Explanation
S16	<b>Net income / expenditure</b>	This is the total in row S14 less the total in row S15.
S17a & S17b	<b>Gross transfers (from) and to funds</b>	Any transfers between funds are analysed in these rows.
S17	<b>Net movement in funds</b>	This is the total in rows S17a and S17b.
S18	<b>Net movement in funds</b>	This is the total in rows S16 and S17.
S19	<b>Total funds brought forward</b>	The brought forward balances at the beginning of the year.
S20	<b>Total funds carried forward</b>	Total of rows S18 and S19.

## Balance Sheet

The balance sheet provides a “snapshot” of the charity's assets and liabilities at the end of the financial year. The CAS requires a breakdown of the assets and liabilities of the charity between unrestricted and restricted income funds and endowment funds. The Accounting Template provides this breakdown by the use of a columnar the balance sheet with the assets and liabilities of each fund category being entered in the separate columns provided. A charity can alternatively provide this breakdown in a note to the financial statements.

### Columns – Funds Accounting

F01 to F02 describes what should be entered into each column:

Column	Explanation
F01	This column gives the total assets and liabilities of all funds for the current financial year.
F02	This column gives the total assets and liabilities of all funds for the previous financial year.

### Rows – Assets and Liabilities

B01 to B20 describe what should be entered into each row of the balance sheet.

Row	Description	Value
<b>B01</b>	<b>Property, Plant &amp; Equipment</b> are used by the charity to undertake its activities. This might include land and buildings, office equipment, vehicles etc.	Cost on acquisition less depreciation.
<b>B02</b>	This row is completed only if the charity has other types of non-current assets that do not fall within property, plant & equipment (above) and investments (below), for example, intangible assets, “preservation of monuments” assets and programme related investments.  Where this row is used, further information should be provided in the additional notes section (note 15) at the end of the template.	Cost less depreciation.
<b>B03</b>	<b>Investment assets</b> are held in order to generate income or gains to fund future activities. This might include stocks and shares, investment property and cash held in the investment portfolio.	Cost or market value less depreciation.
<b>B04</b>	<b>Total non-current assets</b>	Total of B01 to B03
<b>B05</b>	<b>Inventories</b> is the total amount of inventories (and work in progress) held at the year end. For example, goods held for resale.	Lower of cost and net realisable value.
<b>B06</b>	<b>Trade and other receivables</b> amounts owing to the charity, for example, for services provided by the charity and material amounts paid in advance (eg insurance premiums).	Settlement value less any provision for bad debts.

## Balance Sheet

Row	Description	Value
B07	<b>Current investments</b> and deposits are those investment assets that the charity plans to realise and not reinvest within the next year.	Lower of cost and net realisable value
B08	<b>Cash and cash equivalents</b> is the total of bank balances and cash held.	Actual amount of the balance.
B09	<b>Total current assets</b>	Total of B05 to B08.
B10	<b>Trade and other payables</b> are amounts owing by the charity to creditors which are due to be paid within one year from the balance sheet date.	Settlement value.
B11	<b>Net current assets or liabilities</b>	Total of B09 less B10.
B12	<b>Total assets less current liabilities</b>	Total of B04 and B11.
B13	<b>Non-current payables</b> are amounts owing by the charity to creditors which are due to be paid after more than one year from the balance sheet date.	Settlement value.
B14	Any amounts set aside as <b>provisions for liabilities and charges</b> which are due to be paid after more than one year from the balance sheet date.	Settlement value.
B15	<b>Net assets</b>	Total of B12 less sum of B13 and B14.

### Rows – Funds of Charity

7.1 The total funds entered below must agree with the net assets at row B15 of the balance sheet and the total funds entered at row S20 of the SOFA.

Row	Description
B16	<b>Unrestricted income funds</b> are those funds that can be spent at the discretion of the governing board members for any purpose of the charity. The fund balance represents the unexpended income held within the fund, that is, its assets less liabilities. If some of these funds have been <b>designated</b> or earmarked to meet planned future expenditure, these amounts may be shown at row B17.
B17	<b>Designated funds</b> are part of unrestricted funds but may be shown separately using this row.
B18	<b>Total unrestricted funds</b> comprise of unrestricted income funds and designated funds. These funds are expendable at the discretion of the governing board members in furtherance of the charity's objects.
B19	<b>Restricted income funds</b> are those funds which must be spent as income on the particular purposes specified by the donor or specifically identified in appeal literature.
B20	<b>Endowment funds</b> are those funds which the charity must hold and retain and not spend as income. The income arising is used for charitable purposes and capital gains are retained within the fund. Include here both permanent and expendable endowment.



## Balance Sheet

Row	Description
B21	<b>Total restricted funds</b> comprise of restricted income funds and endowment funds. These funds must be spent as income on the particular purposes specified by the donor or specifically identified in appeal literature.
B22	<b>Total of B18 and B21 giving total charity funds</b>

## Statement of Cash Flows

Statement of Cash Flows, when used in conjunction with the rest of the financial statements, enables users to evaluate the changes in a charity's net assets, its financial structure (including its liquidity and solvency), and its ability to manage the amounts and timing of cash flows in order to adapt to changing circumstances and opportunities. It also improves the comparability of different charities' operating performance, by eliminating the effects of using different accounting treatments.

A charity shall prepare the Statement of Cash Flows using the:

**Indirect method**, whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

### Columns – Financial Year

Y01 to Y02 describes what should be entered into each column:

Column	Explanation
Y01	This column gives the total cash flows for the current financial year.
Y02	This column gives the total cash flows for the previous financial year.

### Rows – Cash Flows

Rows C01 to C29 below explains what should be included in each category of cash flow.

Row	Description
C01	<b>Cash flows from operating activities</b> shows the inflows and outflows of cash and cash equivalents related to the principal income-producing activities and other activities that are not investing or financing activities. Examples are cash receipts from donation income, programme fees, sales of goods or services, grants and cash payments for purchasing inventories and paying salaries and rental.
C02	<b>Net income/(expenditure) before tax</b> expense refers to row S14 of SOFA

## Statement of Cash Flows

Row	Description
C03	<b>Interest income</b> refers to the income received from investments such as savings account and bank deposits.
C04	<b>Interest expense</b> relates to the cost of borrowing money.
C05	<b>Non-cash donations</b> refers to donations that do not involve cash or cash equivalents, such as donations in kind .
C06	<b>Funds, gifts, donations, grants received specifically for endowment funds</b> refer to the voluntary income received for endowment funds.
C07	<b>Depreciation of property, plant and equipment/investment properties</b> refers to the total depreciation charge of property, plant and equipment/investment properties for the year, found in Note 9.2. This is added back to net income, as it does not involve cash outflows.
C08	<b>Amortisation of intangible assets</b> is the systematic allocation of the depreciable amount of an intangible asset over its useful life. This is added back to net income, as it does not involve cash outflows.
C09	<b>Impairment loss on intangible assets/investments</b> is the amount by which the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. This is added back to net income, as it does not involve cash outflows.
C10	<b>Net (gain)/loss on disposal of property, plant and equipment/investment assets</b> refers to the net increase / decrease in proceeds for the sales of property, plant and equipment / investment assets.
C11	<b>Operating Cash Flows before Changes in Working Capital</b> is the total of C02 to C10.
C12	<b>Inventories</b> refer to the change in the inventory amount between the beginning and end of the financial year.
C13	<b>Trade and other receivables</b> refer to the change in the amount of trade and other receivables between the beginning and end of the financial year.
C14	<b>Trade and other payables</b> refer to the change in the amount of trade and other payables between the beginning and end of the financial year.
C15	<b>Provisions for liabilities and charges</b> refer to the change in the amount of liability of uncertain timing or amount between the beginning and end of the financial year.
C16	<b><u>Net cash flows from operations</u></b> is the total of C11 to C15.
C17	<b><u>Income taxes paid</u></b> refers to the amount of income taxes paid in respect of the taxable profit for the financial year.
C18	<b><u>Net cash flows from (used in) operating activities</u></b> is the total of C16 to C17.

## Statement of Cash Flows

Row	Description
C19	<b>Cash Flows from Investing Activities</b> shows the inflows and outflows of cash and cash equivalents related to the acquisition and disposal of non-current assets and other investments not included in cash equivalents. Examples are cash receipts from cash received from sales of vehicle and cash payments for purchase of investments.
C20	<b>Disposal of property, plant and equipment</b> refers to the cash receipts for the sales of property, plant and equipment.
C21	<b>Purchase of property, plant and equipment</b> refers to the cash receipts or payments for the sales / purchase of property, plant and equipment.
C22	<b>Disposal of investment assets</b> refers to the cash receipts for the disposal of investment assets.
C23	<b>Purchase of investment assets</b> refers to the payments for the purchase of investment assets.
C24	<b>Interest received</b> refers to the cash receipts for interest earned on cash temporarily held in savings accounts, deposits or other investments.
C25	<b>Dividends received</b> refers to the cash receipts for earnings distributed for holding shares in public listed companies or funds.
C26	<b>Net cash flows from (used in) investing activities</b> is the total of C20 to C25.
C27	<b>Cash Flows from Financing Activities</b> shows the inflows and outflows of cash and cash equivalents related to the activities that result in changes in the size and composition of the funds and borrowings. Examples are cash receipts for loan obtained from bank and cash repayments for finance leases.
C28	<b>Proceeds from borrowings</b> refers to the increase in the amount of loans between the beginning and end of the financial year.
C29	<b>Repayment of borrowings</b> refers to the decrease in the amount of loans between the beginning and end of the financial year.
C30	<b>Interest paid</b> refers to the cash payment of the cost of borrowings between the beginning and end of the financial year.
C31	<b>Funds, gifts, donations, grants received specifically for endowment funds</b> refer to the voluntary income received for endowment funds.
C32	<b>Net cash flows from financing activities</b> is the total of C24 to C25.
C33	<b>Net increase / (decrease) in cash and cash equivalents</b> is the total of C18, C26 and C32
C34	<b>Cash and cash equivalents at the beginning</b> is the brought forward balances of cash and cash equivalents at the beginning of the year.
C35	<b>Cash and cash equivalents at the end</b> is the total of C33 and C34.

## Notes to Financial Statements

Every set of accruals financial statements requires notes which explain:

- The **basis** on which the financial statements have been prepared (Note 1).
- The **accounting policies** that have been adopted which explain when assets and liabilities, income and expenditure are included in the financial statements and at what value (Note 2).
- **Other information** required to provide more details of what the accounting statements contain and to ensure that the financial statements provide a ‘true and fair’ view.

These completion notes should help governing board members using the accounting template to decide which accounting notes should be included for their charity. The table below explains what should be included in each of the notes provided. Any notes that do not apply do not need to be completed. Additional notes may be needed as the next section explains.

### Information to be provided in the notes to the financial statements

Notes	Description
<b>Note 1</b>	<b>The basis of accounting</b> explains the standards and conventions used in preparing the financial statements. Charities may choose to adopt the CAS or the Financial Reporting Standards (FRS).
<b>Note 2</b>	<p><b>Accounting policies</b> explain how items are measured, recognised and disclosed in financial statements. The list provided in this note shows the policies for recording items in accruals financial statements that apply to most smaller charities.</p> <p>If a charity does not have a particular item in their financial statements, the policy relating to that may be deleted.</p> <p>If a charity does not follow a particular policy given, the item must be deleted and the policy that is in place should be disclosed in the box at the end of the note.</p> <p>If a charity has a material item in the financial statements that is not covered by one of these notes, a note should be added.</p>
<b>Note 3</b>	<p>This note allows governing board members to provide an analysis of any of the amounts shown under the main headings for <b>income</b> in the SOFA. For example, the different activities undertaken to raise voluntary income can be shown, which may include, gifts and donations, gifts in kind and donated services, collections etc. A similar approach can be taken in providing an analysis of the funds generated through trading, investment income and charitable activities.</p> <p>The total entered for each of these categories of income should agree with the total entered in rows S01 to S04 of the SOFA.</p>

## Notes to Financial Statements

Notes	Description
<b>Note 4</b>	<p>This note allows governing board members to provide an analysis of any of the amounts shown under the main headings for <b>expenditure</b> in the SOFA. For example, the cost of different charitable activities undertaken can be shown, which include an analysis of the cost of the main charitable projects undertaken or the costs of particular services provided. The analysis should also identify activities that were partially funded by grantmaking.</p> <p>A similar approach can be taken in providing an analysis of the costs of generating funds through trading and investment income, and to provide information of costs included within governance.</p> <p>The total entered for each of these categories of expenditure should agree with the total entered in rows S07 to S11 of the SOFA.</p>
<b>Note 5</b>	<p>This note provides details about <b>support costs</b>. Support costs include functions such as general management, budgeting and accounting, payroll administration, information technology, human resources and financing.</p> <p>The first column of this note lists <b>material</b> support costs by function. A charity may choose headings that are appropriate to how it is being organised. The note should show the amount of support costs that have been allocated or apportioned across the three main activities categories of the charity.</p>
<b>Note 6</b>	<p>This note provides specific information about <b>governing board members' expenses</b> and fees paid for <b>statutory audit or independent examination</b> of the financial statements.</p> <p>If any governing board member has entered into transactions with the charity other than claiming expenses, the relevant part of note 14 should also be completed.</p>
<b>Note 7</b>	The <b>employee benefits</b> note provides specific information about staff costs.
<b>Note 8</b>	<p>The <b>grant making</b> note provides further information about the purposes for which grants were made and institutions supported. This note is only <b>required</b> if grantmaking is a <b>material</b> part of the charity's activities.</p> <p>The CAS requires that where a charity has made grants to institutions details of a sufficient number of institutional grants should be disclosed to give a reasonable understanding of the range of institutions that it has supported.</p>
<b>Note 9</b>	The <b>property, plant &amp; equipment</b> note provides information about the assets used by the charity to undertake its activities. The column headings provide a standard analysis of property, plant & equipment and this may be amended if different types of assets are held. The total amounts entered in this note needs to agree with the amount entered for property, plant & equipment in the balance sheet.
<b>Note 10</b>	The <b>non-current investments</b> note is used to provide further information about investments held. The total amount entered here needs to agree with the amount entered for non-current asset investments in the balance sheet.

## Notes to Financial Statements

Notes	Description
<b>Note 11</b>	<p>The <b>trade and other receivables</b> note is used to provide further information about amounts owed to the charity. The total amount entered in this note needs to agree with the amount entered for trade &amp; other receivables in the balance sheet.</p> <p>Trade receivables will include amounts owed to the charity money for services provided by the charity and grants and donations receivable at the year end. Receivables will also include loans given to (i.e. legal entities, persons or charity's staff). For charity's staff loans, disclosures are required if there is no existing policy for extending loan's to charity's staff as a form of employee benefits.</p>
<b>Note 12</b>	<p>The <b>trade and other payables</b> note is used to provide further information about amounts owed by the charity. The total amount entered in this note needs to agree with the amount entered for trade and other payables (falling due within one year) in the balance sheet.</p> <p>Trade payables will include amounts due for goods and services supplied to the charity and any liabilities for grants and donations payable.</p>
<b>Note 13</b>	<p>The <b>funds of charity</b> note is used to provide information on the structure, purpose and restrictions of the charity's funds purpose for them, and . Where this analysis is provided, smaller funds may be grouped together and only disclose the details of those funds that are material. Any particular fund that is in deficit should be separately identified in the analysis of movements of funds provided in note 13.2 of the Accounting Template.</p>
<b>Note 14</b>	<p>The <b>related parties</b> note provides information about any transaction entered into by the charity with its governing board members or others connected with the charity. A full definition of related parties is provided in the glossary to the CAS.</p> <p>In completing note 14.3, the following transactions may be excluded:</p> <ul style="list-style-type: none"> <li>■ Personal donations to a charity from a person related to the charity unless they have conditions that require the charity to materially change the nature of its activities.</li> <li>■ The purchase of minor articles from a charity by a related party, and these minor articles are offered for sale to the general public on the same terms.</li> <li>■ The provision of services to a related party which receives the services as part of a wider beneficiary class of which he/she is a member.</li> </ul>
<b>Note 15</b>	<p>This note, or further page(s) of notes, may be used to disclose any important matters that are not included in the accounting template.</p>

## Additional note disclosures

A charity may need to provide notes on matters in addition to those included in the Accounting Template. The table below provides a list of matters that may, on occasions, apply to a charity but are not included in the Accounting Template. If any of these matters apply to the charity, additional disclosures may be needed. Governing board members should therefore review this list to see if any of these matters should be added to the financial statements they are preparing. In looking at the list bear in mind:

- Only material matters need to be disclosed in the financial statements and notes;
- If any matter is obviously **not** applicable to the charity, please ignore it.

Where the need for an additional note disclosure is identified, governing board members should refer to the CAS for further guidance or discuss with their independent examiner or auditor how the item should be included in the financial statements. Whilst independent examiners or auditors may find this list helpful, it should not be used as a substitute for their own audit or examination procedures.

### Issues

Any operations which were discontinued or acquired during the year

Business combinations

Consolidation of financial statements

Interests in associates and joint ventures

Assets held as intermediary agent (including conduit funding and collections on behalf of others).

Details of provisions for liabilities and charges.

Material commitments not charged in the financial statements

Any contingent liabilities or contingent assets