

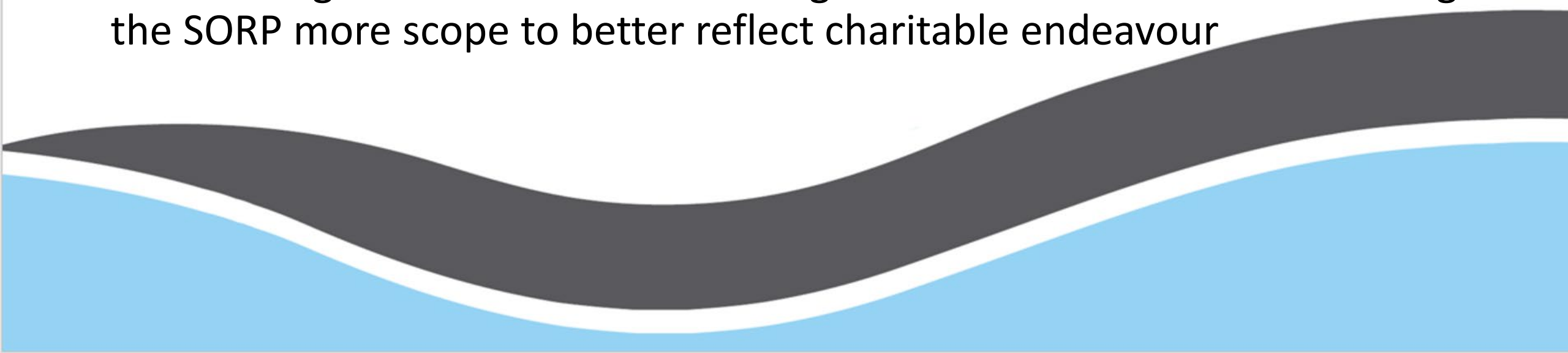
CHARITIES SORP ENGAGEMENT - EXPLORATION



CHARITY COMMISSION
FOR ENGLAND AND WALES



Overview of the work so far

- Initial suggested agenda and questions to consider as a catalyst
 - Each of the 7 panels took their own approach
 - Convenor led, many have met several times with enthusiasm and commitment
 - Consistent areas of focus but some different vantage points
 - Some thoughts on whether accounting standards could be reformed to give the SORP more scope to better reflect charitable endeavour
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Emerging areas of focus

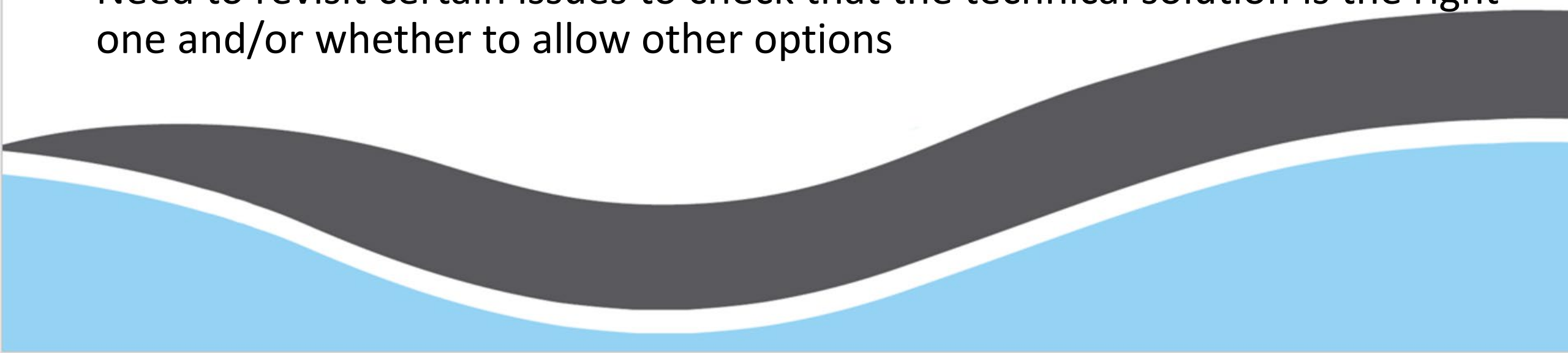
Four areas of focus common across the strands

- Overall structure and presentation of the SORP
- The trustees' annual report
- The presentation of the financial statements
- Specific accounting issues

(See supporting paper for illustrative points of discussion)



A question of reform?

- Consideration of smaller charities and how the framework can be more flexible or simplified
 - Fundamental approach of having a SORP based around topics works but sense checking whether the right ones are used
 - Need to reform standards to better recognise the charity sector's reporting realities
 - Need to revisit certain issues to check that the technical solution is the right one and/or whether to allow other options
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**The implications for
accounting standards and
charity/company law
frameworks**

Implications

- To achieve the flexibility required e.g. comparatives, cash-flows, disclosures – FRS100 and FRS102 need to permit the SORP to adapt, replace or remove ‘for-profit’ orientated presentations or disclosures
- In the absence of reduced regulatory prescription or harmonisation, the SORP will not cover all that is required



Reflections from each convenor:

- **Smaller charities & independent examiners – Chris Bolt**
- **Larger charities – Tony Ward**
- **Professional and technical A – Roberta Fusco**
- **Professional and technical B – Christine Scott**
- **Charity trustees – Louise Thomson**
- **Major donors and funders & government and public bodies – Sue Wilson**
- **Academics and regulators & proxies for public interest – Diarmuid McDonnell**