



Office of the Scottish **Charity Regulator**

Governance issues: OSCR's experiences & General update

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One Plus: Issues identified

- Skills and independence of Board
- Information available to the Board
- The funding environment
- The finance function within the charity
- Third party advice

One Plus: Lessons - governance

- Appropriate skills required
 - Scale and type of charity
 - Hold the management to account
 - Independent thinking
 - Board development
- Up to date and comprehensive information
- Understanding and responding appropriately to the funding environment

One Plus: Lessons - governance

- The critical finance function – tailored to the operating environment
- Third party interaction:
 - Auditors
 - Third party advisors

Whistleblowing

- The statutory duty to report
 - 8 items of 'material significance'
- The right to report
 - Items relevant to OSCR for the purpose of exercising its functions

Companies Act 2006

- Effective for accounting periods starting on or after **1 April 2008**
- Scrutiny for Scottish charitable companies is now either Independent Examination or Audit – no Accountant's Report
- Scrutiny requirements for **all** Scottish charities under the Charities Accounts (Scotland) Regulations 2006 **and** for large companies **also** audit requirement under company law

Companies Act 2006

External scrutiny for Scottish charitable companies for accounting periods starting on or after 1 April 2008

External scrutiny	Criteria
Independent examination by a qualified person	Gross income less than £500,000 and gross assets not more than £2.8m
Audit	Gross income of £500,000 or more OR Gross assets more than £2.8m

References in Documents

- Documents issued by or on behalf of the charity after **1 April 2008**
- Required information:
 - legal name
 - any other name
 - Scottish Charity No
 - that it is a charity
- Documents:
 - letters
 - adverts
 - invoices
 - contracts
 - emails
 - notices
 - receipts
 - documents that solicit money
 - publications
 - accounts

Fundraising

- Sections 79 to 92 Charities and Trustee Investment (Scotland) Act 2005
- Fundraising Regulations
 - content of agreement
 - information given to donors
 - cancellation and refunds
 - availability records
 - transmission of money
- Regulation of Public Benevolent collections



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**Thank you -
Time for questions**