

Receipts & Payments Accounts Work Pack: Frequently Asked Questions

1. Do I have to use OSCR's Receipts & Payments (R&P) work pack?

No, use of the work pack is optional. However, charities should be aware that the work pack sets out the minimum requirements for R&P accounts under the Charities Accounts (Scotland) Regulations 2006. Charities not using the work pack but producing R&P accounts should ensure that their accounts cover all the regulatory requirements.

2. Will OSCR still accept my accounts if I don't use the R&P work pack?

Yes, providing the charity's accounts comply with the requirements of the 2006 Regulations, they will be accepted.

3. What is meant by 'governance' costs?

These are costs that are associated with the governance activities of the charity – for example, preparation and external scrutiny of the annual accounts, trustee meetings. Governance activities are those activities that are required to happen – by legislation or constitutional provision.

4. What are 'trading' receipts?

These are receipts from trading activities that are carried out by the charity to either:

- (i) raise funds to be used for charitable purposes
- (ii) directly further the actual charitable activities of the organisation.

Examples of trading receipts might include:

- charity shop income
- fees received in a playgroup
- fees for advice or counselling services.

5. Our charity only has one fund – what is meant by 'restricted' and 'endowment' funds?

The glossary within section 9 of the guidance booklet contains definitions of terms. In brief, the basics are:

Restricted fund: funds that can only be used for the particular purposes specified by the donor.

Endowment fund: a permanent endowment is a capital fund represented by an asset (e.g. cash, investments, land, property etc) that has been gifted to the charity with specific conditions attached and which cannot be spent as if it were income. An expendable endowment is one where the underlying capital may be spent by the charity in certain instances.

Where the charity has only an unrestricted fund (i.e. funds where the trustees have discretion as to how the funds are used), it need only complete that column plus the total column for the current year figures.

6. I have several amounts that make up some of the figures on my R&P statement – can I show these separately instead of just a total?

The headings that are shown on the R&P statement are those required to be shown under the 2006 Regulations; if you have several items that make up a figure for a heading, you can use the additional analysis sheets to provide a breakdown of these items, or alternatively can provide this in your own style. You may insert additional lines into the front sheet to expand on the headings that are shown but the headings must remain.

7. What are the additional analysis worksheets to be used for?

These are not mandatory sheets and need only be completed if you wish to use them. If you do wish to use them, OSCR recommends that you return them along with the mandatory sheets (R&P Account, Statement of Balances and Notes to the Accounts). The analysis sheets are provided for charities to use at their own discretion where they wish to provide some additional information regarding the content of their R&P accounts to allow a full appreciation of the charity's transactions.

8. I am using the work pack - what parts must I return to OSCR?

A charity using the work pack must complete and return the following parts:

- the Trustees' Annual Report
- sections A to C of the accounts:
 - statement of receipts and payments (plus additional sheets as appropriate)
 - statement of balances
 - notes to the accounts
- the Independent examiner's report.