

Appendix 1: Summary of accounting requirements for Scottish charities

Table 3 provides a brief summary of the statutory requirements for the format and external scrutiny of accounts. Note however that where there is a constitutional requirement for audit within a charity's governing document or any applicable enactment that sets out this requirement, this takes precedence over the income and asset thresholds outlined below.

Table 3: the statutory financial thresholds for the format and external scrutiny of accounts – accounting periods beginning on or after 1 April 2008

Gross income over	Format of accounts		External scrutiny of accounts ^{**} (2)	
Less than £250,000⁽¹⁾	Non-company charities: receipts and payments accounts (See Appendix 2)	Charitable companies: fully accrued accounts (See Appendix 3)	Non-company charities: independent examination by a person with requisite skills	Charitable companies: independent examination by a qualified person
£250,000⁽¹⁾ to £499,999	Fully accrued accounts (See Appendix 3)		Independent examination by a qualified person	
£500,000 and over			Audit	

(1) less than £100,000 and between £100,000 and £499,000 for periods starting before 1 April 2011.

(2) Note that gross assets of the charity must also be considered when determining the method of external scrutiny that the charity requires – where the assets are at least £3.26 million (£2.8 million for accounting periods starting before 1 April 2011) and fully accrued accounts are prepared, an audit is required under the 2006 Regulations.

Details of the format and external scrutiny of accounts are provided in OSCR's Accounts Guidance which is available from the website. For ease of reference, a summary of the main points has been provided in Appendices 1 and 2.