Combe Martin Community Centre Exempt Charity

(National Schools (ref no 4052972) also known as Combe Martin Girls and Boys School)

Summary of Trustee and Trust issues (extract CC23) Gov.uk.

Author: Cllr David Woodbury Date: 3rd July 2020

Status: Briefing for Trustees.

1. **Responsibilities of trustees of exempt charities**

All charity trustees share the same general duties and responsibilities, including the charity trustees of an exempt charity.

For example, they should regularly review the effectiveness of their charity and must:

* ensure their charity is carrying out its purposes for the public benefit
* comply with their charity’s governing document and the law
* act in their charity’s best interests
* manage their charity’s resources responsibly
* act with reasonable care and skill
* ensure their charity is accountable

1. **Accounts, auditing and annual reports**

All exempt charities must produce proper accounts, as they are publicly accountable. However, unlike registered charities they do not need to submit these to the Commission each year and the form and content of the accounts may differ.

In general, an exempt charity must:

* keep proper accounting records and accounts as required by its own legal and regulatory framework. These frameworks will differ between exempt charities
* prepare consecutive statements of account. These must consist of:
  + an income and expenditure account for a period of not more than 15 months
  + balance sheet relating to the end of that period
* keep records and statements for at least 6 years unless the charity closes and the Commission gives written consent to their disposal
* provide a copy of its most recent accounts to anyone who makes a written request, within 2 months. It may charge a reasonable fee to cover the costs of doing this

Exempt charities that are companies must produce accounts that give a ‘true and fair’ view. They must also follow UK-Irish Generally Accepted Accounting Practice,

1. **Official Custodian for charities**

All exempt charities can ask the Commission to make an order to vest title to land in the Official Custodian for charities.

1. **How the Commission can help exempt charities**

Exempt charities can ask the Commission to help them by using its powers to provide advice, guidance and assistance to charities. The Commission can only use these powers after it has consulted the principal regulator. Trustees should instead understand and comply with any requirements to report to their principal regulator.

***Note: CMCC has no principal regulator and must consider the original scheme dated 5th February 1874.***

1. **Amending or replacing a governing document**

Exempt charities can apply to the Commission for an order or scheme to modify or replace the charity’s governing document. The Commission will only make orders or schemes where there is no other provision for changes to be made.

1. **Financial benefits for exempt charities**

All exempt charities can claim the same tax reliefs as registered charities, including:

* relief from income tax, corporation tax and capital gains tax
* exemption from inheritance tax
* relief from business or non-domestic rates

To benefit from most reliefs, the charity must be recognised by HMRC.