

## CONSULTATION DOCUMENT

### SECTION 3 – FINANCIAL REPORTING FOR PUBLIC BENEFIT ENTITIES

QUESTION	ANSWER
Q11 – Do you agree with the Board's proposal to develop a public benefit entity standard as part of its plans for the future of UK GAAP? If not, how should (converged) UK GAAP address public benefit issues?	Yes we do. We need a one stop shop approach that should start with the existing SORP rather than reinventing the wheel.
Q12 – If you do agree with the proposal to develop a public benefit entity standard, should the standard cover all the requirements for preparing true and fair view accounts or should it cover only those issues where IFRS or the IFRS for SMEs needs to be supplemented for the public benefit entity sector?	It should cover all the requirements.
Q13 – Do you agree the issues listed in the above table are distinctive for the public benefit entity sector and should therefore be covered in a public benefit entity standard? What other issues might the proposed standard include?	We do agree. However there are other matters that have not been addressed including: donated goods, assets and services; heritage assets; the treatment of capital grants. The issue of how to deal with different sizes of charities including those who prepare their accounts on the receipts and payments basis also needs to be addressed. Consideration should be given to the effect on reporting for charities who receive a one off legacy in one year that means that the reporting requirements for that year change. We emphasise the need for a one stop shop rather than the standard only covering matters that specifically affect the sector. This is an opportunity to get rid of the inconsistency between the different SORPs across the sector. The standard should therefore enforce uniformity across the sector with the specific SORPs (such as the charity SORP) sitting beneath this framework.

<p>Q14 – The Board accepts there may be a continuing need for guidance to supplement a public benefit entity standard in sectors such as charities, housing and education. Where this is the case, do you think the Board should provide a Statement confirming the guidance is consistent with UK GAAP, including the public benefit entity standard?</p>	<p>Yes we do.</p>
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The following CharterGroup firms contributed to the consultation

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Joanne Bartlett	Broomfield & Alexander
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This response is from the CharterGroup specialist charities group