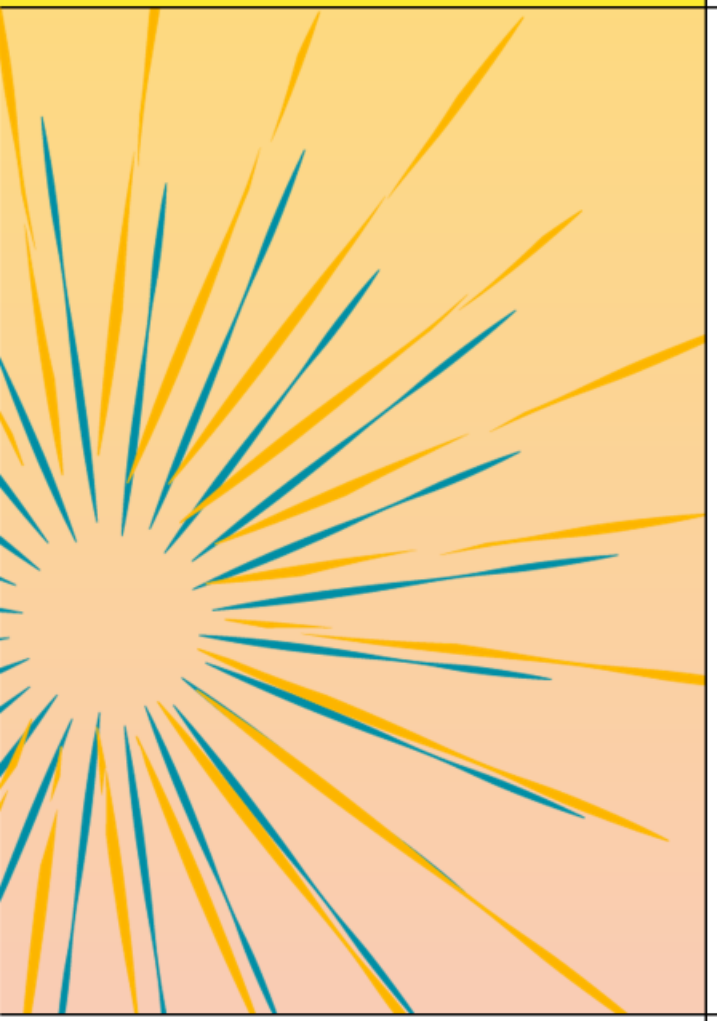
Eastside People

The Festival of Trusteeship 2026



Raising it, reporting it:
A guide to the new rules

11.00am Wednesday 11th November

Money matters strand

evelyn PARTNERS

Trustees' Week

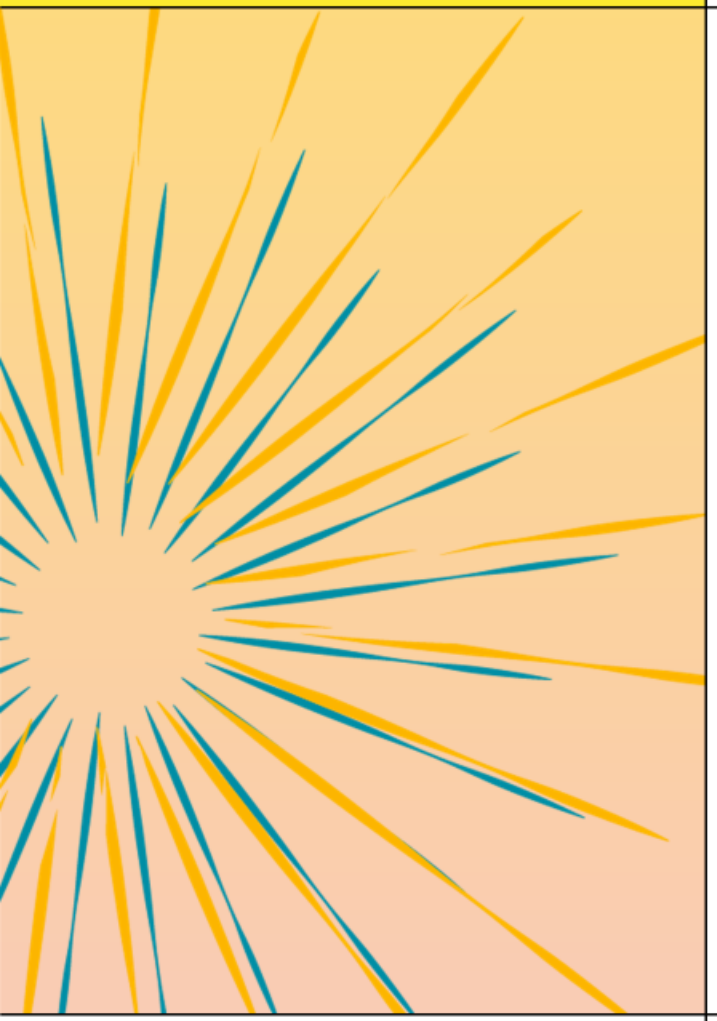
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Welcome! We're so pleased you're joining us for this session.

This session will be recorded. Please stay muted unless we ask you to unmute. It helps to make sure everyone can clearly hear who is talking.

Closed captions are available; you need to enable these.

Please use the chat to ask questions and share experiences. We'd love to hear from you. Please keep your comments respectful, useful and accurate.

Please also feel free to ignore the chat and focus on the discussion if you'd prefer. We always read out questions fully.

If you don't already have one, you can still purchase a weekly pass. Please visit the Eastside People website for details.

Trustees' Week

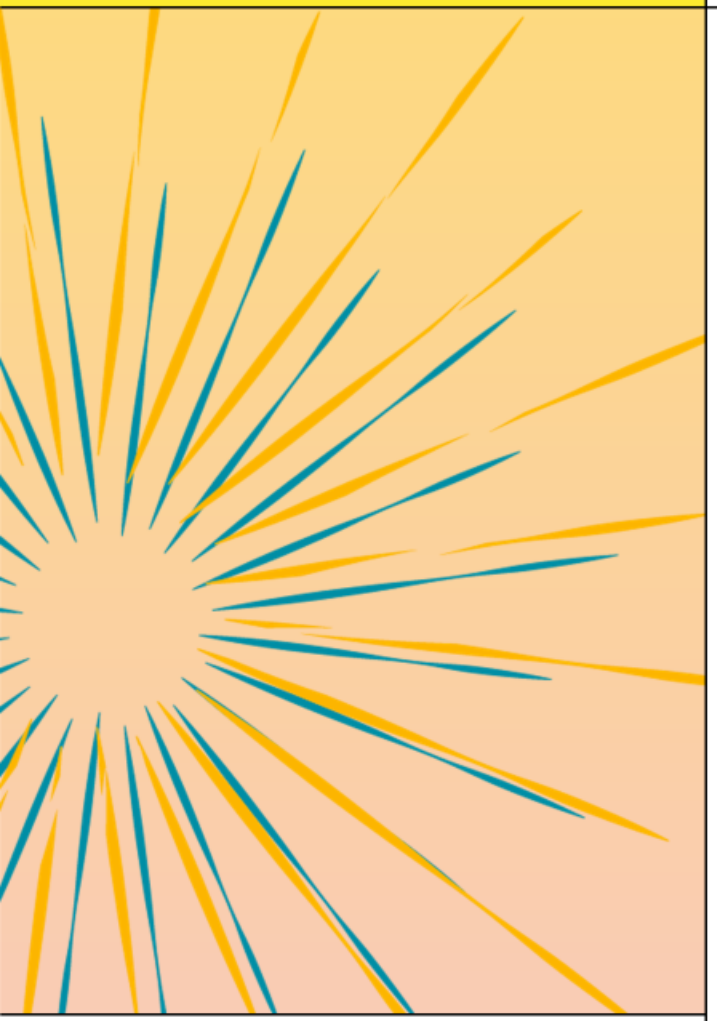
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Thank you to our wonderful partners

CFG Leading the way for charity finance

Association of Chairs

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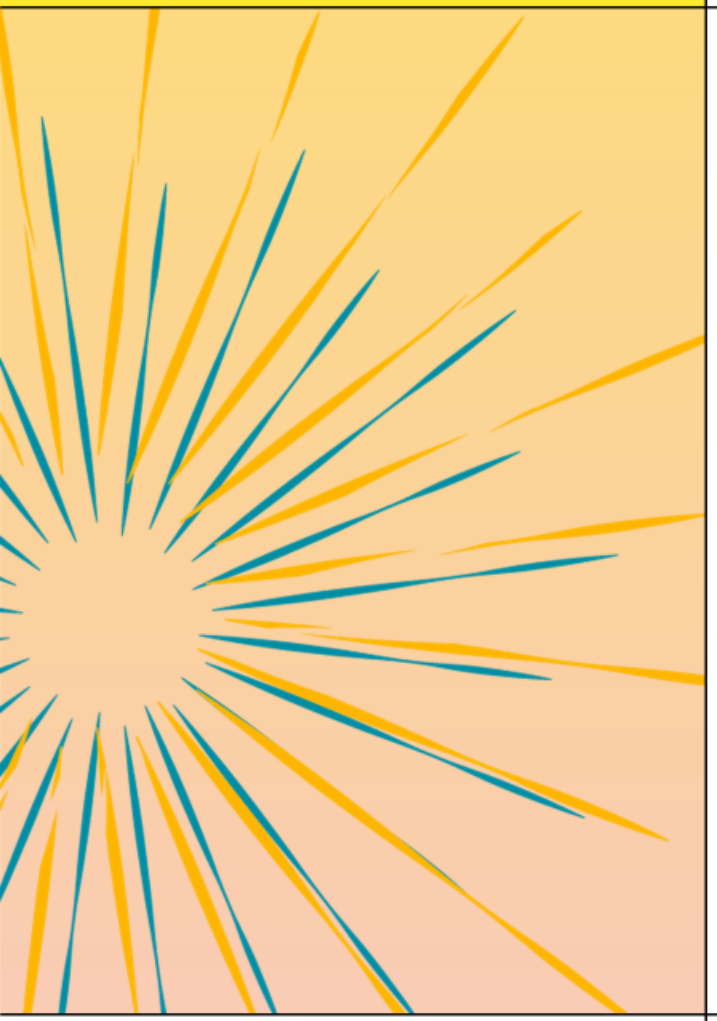
Charity Excellence Framework

Queer Trustees

Trustees' Week

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Chair	**Claris D'cruz**, Charities Consultant & Trainer; Trustee, Laidlaw Schools Trust
Panellists	**Jo Pittman**, Partner, Sayer Vincent; Member, Charities SORP committee
	Mo Wiltshire, Consultancy Lead, NCVO; Former trustee & school governor
	Damian Chapman, Managing Director, Fundraiser In The Room; Chair, Rogare; Chair of Learning and Standards & NED, Chartered Institute of Fundraising

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SORP 2026

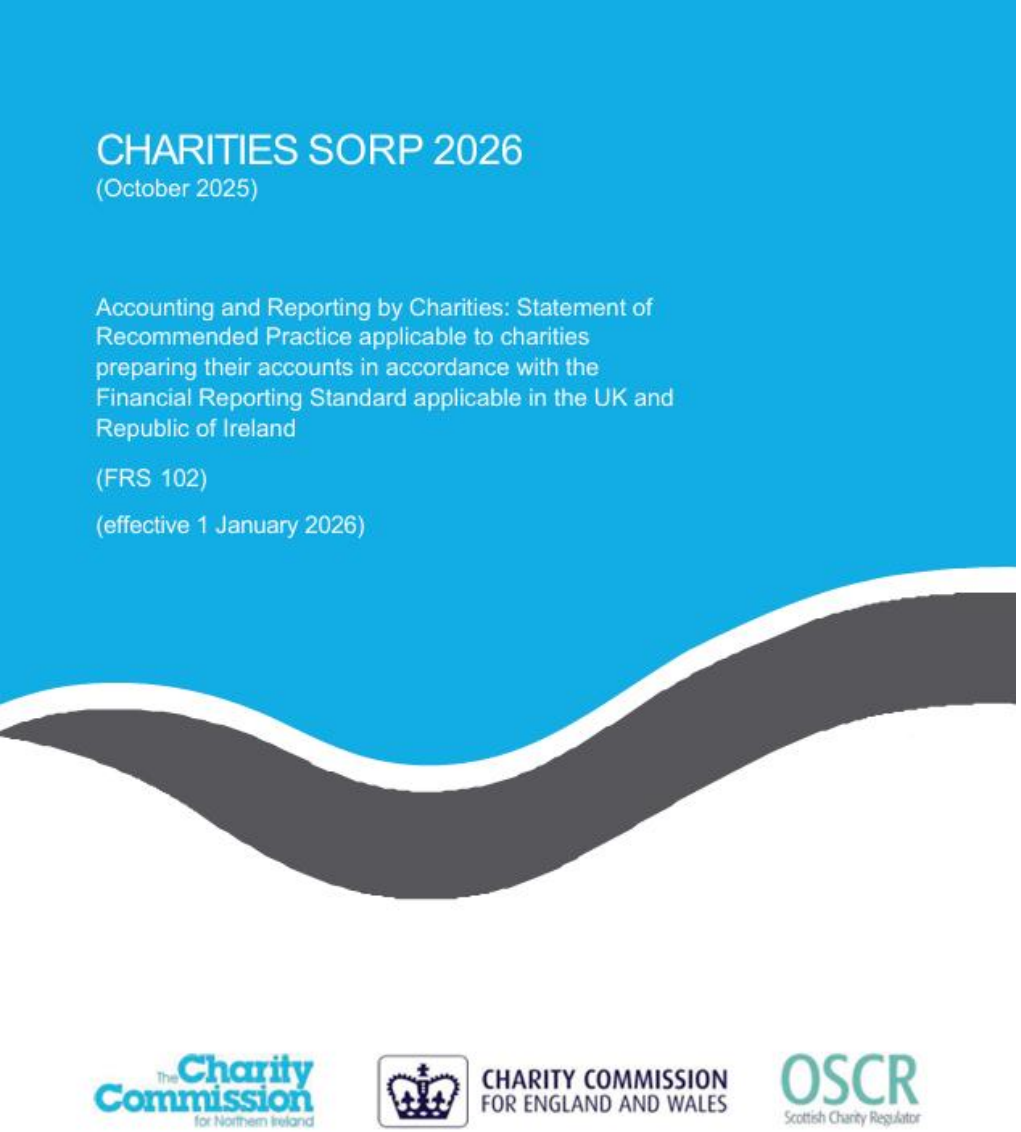
Raising it, reporting it: a guide to the new rules

Joanna Pittman

11 November 2026

SAYER | VINCENT

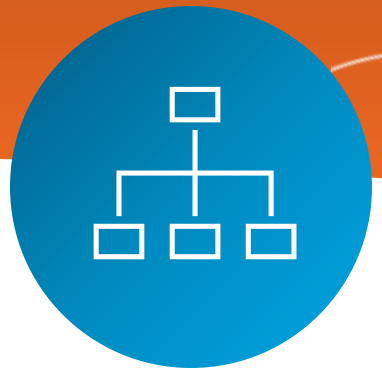
MAKING IT COUNT



Why a new SORP now?

- Changes to financial reporting standard FRS102
- Changes to Charities Act and Charity Commission guidance
- To simplify and "Think Small First"
- Required for:
  - All company charities
  - Non-company charities over £500k income (previously £250k)
- Effective for periods starting on or after 1 January 2026

What's new in the SORP?



Tiering

3 tiers vs 2 to allow for more proportionality in reporting



More options

Options for small charities clearer



Accounting changes

When income is recognised & leases on the balance sheet



Clarity

Clarity on challenging areas e.g. funds, reserves

Tiers

- Tier 1 up to £500k income
- Tier 2 from £500k to £15m income
- Tier 3 the very largest charities (>£15m)

- Thresholds consistent with existing ones
- But do not align with audit thresholds
- Each module sets out requirements for each tier
- Scope & application section explains tiers



Trustees' annual report

The Trustees' annual report will keep the same structure:

01 • Legal purposes

02 • Aims and objectives

03 • Activities (outputs)

04 • Achievements (outcomes)

05 • Difference made (impact)



New requirements for trustees' annual report

- **Contribution of volunteers**
  - Scale and nature of activities undertaken by volunteers and input from them
- **More on reserves:**
  - Reconciliation to the accounts
  - Explain reserves held vs policy and steps being taken to align
  - Explain designated funds
- **Summary of plans for the future for all tiers**
- **Legacy income explanation for tiers 2 & 3**
- **Sustainability (ESG) required for tier 3**

Statement of Financial Activities (SoFA) options for Tier 1 charities

- Natural classification or Activity basis
- Not new but more prominent with illustrative SoFA provided
- If choose natural classification, choose own line descriptors for the analysis of income and expenditure
- If choose activity basis, activities reported should align with those described in the trustees' report



Income recognition

From FRS102

- Exchange vs non-exchange transactions
- New 5 step model to recognise income from exchange transactions
- Income for goods or services supplied under a contract:
  - Contract with local authority to provide care
  - Fees for provision of education
  - Sale of goods in a shop, gallery or museum
  - Membership subscriptions where member has right to services or other benefits



Lease accounting

From FRS102

- Property and equipment under operating leases will be recognised on balance sheet
- New tangible fixed assets and liabilities
- Exemptions for:
  - Leases for less than 12 months
  - Low value assets (computers, tablets, phones)
  - Peppercorn or nominal consideration arrangements
- Lease below market value may have a donation element





Statement of cash flows

- Not required for tiers 1 and 2
- But will be needed if charity is a not a small company
- Even if it is not required, is it useful?

How should trustees prepare for SORP 2026?

1. Decide if SORP or Receipts & Payments
2. Identify the tier for your charity
3. Consider requirements for trustees' report
4. Decide if natural or activity basis for SoFA (if tier 1)
5. Consider impact of changes to accounting for income and leases
6. Discuss with examiner or auditor

Signposting to further resources

- **SORP microsite:** https://www.charitysorp.org/
- **ICAEW resources:** https://www.icaew.com/technical/charity-community
- **FRC for FRS102 and suite of factsheets:**
  - https://www.frc.org.uk/library/standards-codes-policy/accounting-and-reporting/uk-accounting-standards/frs-102/
  - https://www.frc.org.uk/news-and-events/news/2024/11/frc-issues-updated-suite-of-factsheets-for-frs-102/
- **Sayer Vincent webinars, resources and newsletter:** https://www.sayervincent.co.uk/
- **Charity Commission:** https://www.gov.uk/government/collections/receipts-and-payments-accounts-pack-cc16



Contact details

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0207 841 6360

Sign up to our newsletter on our website https://www.sayervincent.co.uk/

Thank you

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MAKING IT COUNT

Introduction to the 5th version of Charity Governance Code

Mo Wiltshire, Consultancy Lead NCVO

About NCVO Consultancy | Sector Expertise That Drives Change

- 100+ years of civil society expertise.
- Backed by the UK’s largest voluntary sector network.
- Trusted specialists in strategy, impact, leadership and governance.
- 100+ bespoke consultancy projects delivered each year.
- 97% of clients say we add value and would recommend us.
- Every project helps strengthen an influential, connected and resilient voluntary sector

Together, we can build a stronger society.

Charity Governance Code | Steering Group

NCVO

acevo
imagine, inspire, improve

Association of Chairs
Supporting charity and non-profit chairs

WCVA
CGGC

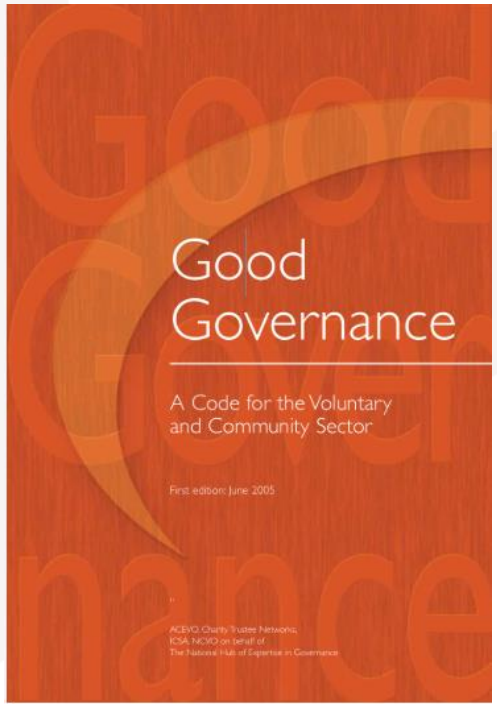
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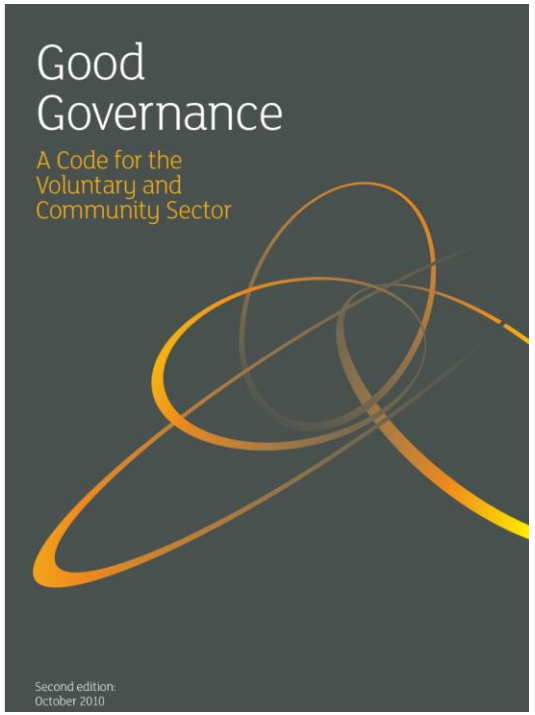
CHARITY COMMISSION
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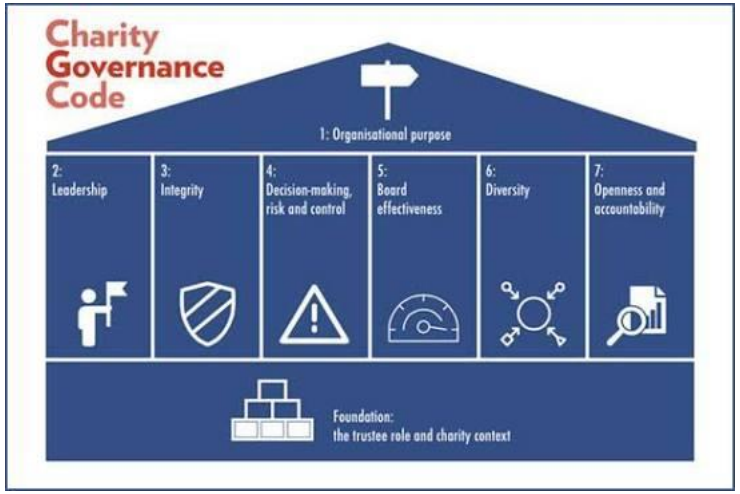
Charity Governance Code | Evolution



2005



2010



2017 & 2020

Charity Governance Code | 2025

Charity Governance Code
Cod Llywodraethu i Elusennau



Putting the Code into practice

Three elements to build into every principle

Behaviours

- How trustees act, challenge and make decisions together
- Ethics, inclusion and culture shown in daily practice
- Open reflection on what is really happening

Policies and practice

- Clear, proportionate policies, roles and processes
- Written down, understood and regularly reviewed
- Sized to a small team and limited capacity

Evidence and assurance

- Simple evidence: minutes, records, action logs
- Checks that practice matches policy
- Report what works and what to improve

Ways to apply it: as a full Code review or principle by principle

Reflection sessions

Short board discussions on one principle at a time

Induction

Introduce new trustees to what the Code expects

Internal review

Trustees self-assess against the full Code or chosen principles

External review

Independent/partner charity, full Code or principle by principle

Thank you

Mo.wiltshire@ncvo.org.uk

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The Festival of Trusteeship 2026

Thanks for joining us

Charity Trustee Hub: The one-stop shop for resources, events, and top tips for charity trustees.

https://bit.ly/4yY9Rtv

Top tips:
The SORP, Fundraising Code and Charity Governance Code.

https://bit.ly/4zvZ7Ur

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