

the7stars foundation is committed to complying with the Charity Commission's requirements as well as regulations set out in the Charity's Act 2011, with regards Reporting & Compliance.

Year End Reporting

The Charity Commission requires the charity to submit three documents to ensure the charity is fulfilling its charitable objectives, outlined in the governing document.

1. Charity financial accounts*
2. Trustee annual report (a statement by the trustees of the charitable objectives and how these have been fulfilled)
3. Trustee Annual Return (an online form confirming details of the charity)

The Charity Commission requires annual accounts to be prepared according to SORP (Statement Of Recommended Practice) and submitted within ten months of the year-end. The first set of accounts for the7stars foundation will be for the period of 15/07/16 to 31/03/17. Subsequent periods will be for from the 1st of April to the 31st of March.

** Charitable foundations with an annual turnover in excess of £500,000 will require a full audit. For those below this turnover, an independent examination at the appropriate level will be required.*

It is important to note, charities are required to register for VAT, if VAT taxable turnover is more than £82,000. If income is purely donation based, there is no need to register for VAT.

Authorised Officials and Responsible Persons

It is important to clarify the terms 'Authorised Officials' and 'Responsible Persons' as this is important for financial and tax reporting.

Authorised Official: People authorised to deal with and manage the foundation's tax affairs. These people can contact HMRC on behalf on the foundation regarding tax matters, gift aid reclaim and annual tax returns. All submissions to the Charity Commission must be signed by one authorised official.

HMRC requires the foundation to nominate one authorised official, however it is considered best practice to have two in place.

Responsible Persons: A person/people with legal responsibility for running the foundation. The foundation must nominate two responsible persons (maximum four). A responsible person can prepare and complete documentation for the foundation, and then have such documentation signed by an authorised official.

A responsible person may also be an authorised official. If this is the case, the foundation must nominate two other responsible persons.

Mark Jarvis (foundation chair) and Simon Durham (head of finance, the7stars UK LTD) are 'Authorised Officials' for the7stars foundation, Jenny Biggam (foundation trustee), Liam Mullins (foundation trustee) and Alexandra Taliadoros (foundation director) are 'Responsible Persons'.

In practice:

- ★ As a responsible person, the foundation director can prepare (and complete, where possible) documentation relating to the foundation, which can then be reviewed and signed by the authorised officials.
- ★ If the foundation chairmanship transfers to any other person within the trustee board, HMRC must be advised in the change of authorised official.
- ★ The primary time the above is a consideration is at the year end when documentation is submitted to the Charity Commission (which the foundation director can prepare); when HMRC is contacted regarding tax matters, and if there are any gift aid reclaims to be completed (upon receiving donations from UK tax paying individuals), this can be prepared by the foundation director and submitted by an Authorised Official.

Trustee Appointment and Member Information

Mark Jarvis (chair), Jenny Biggam, Anuschka Clarke, Dino Myers-Lampsey, Liam Mullins, Nick Maddison, Rhiannon Murphy are the trustees of the7stars foundation.

Outlined in foundation's constitution is the length of term for each appointment:

Mark Jarvis for 4 years
Jennifer Greatrex* for 4 years
Anushka Clarke for 3 years
Dino Myers-Lampthey for 1 year
Liam Mullins for 2 years
Nicholas Maddison for 3 years
Rhiannon Murphy for 2 years

The first terms are staggered to avoid a situation whereby all the trustees would have to stand down at the same time, which could effectively leave the charity without any trustees to reappoint/appoint trustees. The length of the individuals first terms is not a reflection of anyone's importance and designated at random.

Once a trustee reaches the end of their term, they can be immediately reappointed meaning there is no need for a break in service. Trustees are appointed/reappointed by the passing of a resolution (a simple vote) at a meeting of the charity trustees – as per clause 10(1) in the constitution.

If reappointed, each and every trustee would then serve a 3-year term. This could continue ad infinitum.

Once a trustee is appointed/reappointed, the Charity Commission online register of trustees must be updated within 28 days of a change. An entry relating to a former trustee can be removed after ten years of resignation.

** Jenny's surname is listed as Greatrex on the foundation's constitution, as it was on the charity application. However, on the charity's entry on the Charity Commission's Public Register of Charities, Jenny is listed as Jenny Biggam.*

Trustee Decisions, Reporting

the7stars foundation must record the minutes of the charity's trustee meetings and of decisions made by trustees outside of trustee meetings. Records must be kept for a minimum of 6 years by the foundation. Records must be accessible by any member of the foundation, and must be capable of being reproduced in hard copy form.

Register of Mortgages and Charges

It is recommended the foundation keep a register of any mortgages or charges held by the foundation, if only to confirm there are no charges on the CIO's assets. The register must include: the date of the charge; names of the parties; details of the property secured by the charge; amount of the charge.

Stationary

All official charity stationary, including the website and emails must include the following information:

*the7stars foundation
registered charity no. 1168240
the7stars foundation is a CIO registered and regulated by the Charity Commission of England and Wales.*