

Glossary

Balance sheet

A summary of the assets and liabilities of an organisation at a particular date, usually the end of the financial year.

Benevolent societies

Societies established for charitable purposes. Benefits must be distributed wider than their members.

Capital expenditure

Expenditure on equipment or buildings.

Charitable foundations and trusts

Charity whose primary purpose is awarding grants to other voluntary organisations, institutions or individuals.

Charities Act

In December 2006 the government passed the Charities Act, an overhaul of the 400-year-old charity law.

Civil society

Civil society is the sphere where people come together to pursue their collective interests and make a positive difference to their lives and/or the lives of others.

Community foundation

A fund-raising and grant-making charity established to generate resources for local charities in a specific geographic area (or 'community') and to promote the effective use of these resources.

Community interest company

A limited company which operates as a business providing community benefit.

Company limited by guarantee

An incorporated organisation which has a legal personality separate to that of its members. In the event of business ceasing, guarantors are liable to contribute a (usually very small) amount towards winding up the company.

Co-operative

An autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically-controlled enterprise.

Current assets

Assets that can be converted into cash within a year (i.e. cash in bank, petty cash, money owed to organisations and goods for sale).

Depreciation

The gradual decrease in the value of assets held.

Excepted charities

Charities with a small annual turnover and no significant assets. They are 'excepted' from registration – they can choose to register if they wish to do so.

Exempt charities

Charities that are not registered and are not subject to the supervisory jurisdiction of the Charity Commission (e.g. universities, leading museums).

Fixed assets

Assets held on a long-term basis. They can be either fixed assets for charitable use (which include real estate and equipment) or investments.

General charity

General charities are defined in National Account terms as 'private, non-profit-making bodies serving persons'. This excludes sacramental religious bodies or places of worship.

Gift Aid

A tax relief on money donated to charity. Charities can reclaim the basic rate of tax presumed to have been deducted by the donor, thereby increasing the value of the donation.

Housing stock

The number of structurally separate residential dwelling units available for non-transient occupation.

Industrial and provident societies

An organisation conducting an industry, business or trade, either as a co-operative or for the benefit of the community, and is registered under the Industrial and Provident Societies Act 1965.

Legacy

A gift or bequest of personal property or money made by a will.

Liabilities

That which organisations owe to creditors, either long-term (payable after 12 months) such as loans or pension provisions or short-term (payable during the next 12 months).

Mutual society

An organisation which is owned by its members and run for their benefit.

Non-profit sector

All non-profit organisations including those for private benefit, and those that are non-commercial (e.g. housing associations). The category includes quangos and other organisations close to government (e.g. universities).

Organic growth

In the context of voluntary sector finances, organic growth is that which arises through existing organisations expanding their activities, rather than new organisations being created or the effects of inflation.

Registered charities

Charities registered with the Charity Commission. A charity must register if it has a permanent endowment, a total income of more than £5,000 a year or a rateable occupation of any land, including buildings.

Restricted funds

Funds for which the donor has specified a use. These funds must be spent in accordance with the donor's wishes and trustees cannot make the decision to remove the restriction.

Social capital

The stock of active connections among people including the trust, mutual understanding, shared values and behaviours that bind members of communities and make co-operative action possible.

Social enterprise

Trading for a social purpose. A wide range of organisations fit the definition of social enterprise. These include co-ops, community business, trading arms of charities and a variety of other businesses that use their trading activity to meet social goals.

Statement of financial activities (SOFA)

Financial statement introduced especially for charities in the SORP. It replaces the income and expenditure account.

Statement of recommended practice (SORP)

Official recommendation on the way a charity should report annually on its resources and activities.

Statutory organisation

An organisation that is required by law to provide public services (i.e. statutory services) and receives central or local government funding.

Statutory funding

Any funding that comes from a government source. Defined in the Almanac to include funding from bodies such as the United Nations.

Third sector

Used as a synonym for voluntary sector.

Trading subsidiaries

A company, owned and controlled by one or more charities, set up in order to trade.

Trustees

The group of (unpaid) people responsible for the control and management of a charity.

Turnover

In this publication, turnover is usually used as a synonym for income, and represents the money received by an organisation from its normal business activities.

Unincorporated organisation

An association of people which has no legal constitution, and is not regarded as an entity separate from its members. Also known as informal organisations.

Unrestricted funds

Funds held for the general purposes of the charity, to be spent within the stated objects.

Acronyms and abbreviations

ACF	Association of Charitable Foundations	DCSF	Department for Children, Schools and Families	NCVO	National Council for Voluntary Organisations	SCVO	Scottish Council for Voluntary Organisations
BERR	Department for Business, Enterprise and Regulatory Reform	DTA	Development Trusts Association	NDPB	Non-Departmental Public Body	SEN SIC	Special Education Needs Standard Industrial Classification
BLF	Big Lottery Fund	FE	Further Education	NEET	Not in Education, Employment or Training	SIC(92)	1992 Standard Industrial Classification
BSA	Building Societies Association	FSA	Financial Services Authority	NHF	National Housing Federation	SCIS	Scottish Council of Independent Schools
CAF	Charities Aid Foundation	FTE	Full-time Equivalent	NHS	National Health Service	SOC	Standard Occupational Classification
CASC	Community Amateur Sports Club	GDP	Gross Domestic Product	NI7	National Indicator 7	SORP	Statement of Recommended Practice
CCPR	Central Council of Physical Recreation	HESA	Higher Education Statistics Agency	NIACE	The National Institute of Adult Continuing Education	TSO	Third Sector Organisation
CIC	Community Interest Company	HMRC	HM Revenue and Customs	NICVA	Northern Ireland Council for Voluntary Action	VCO	Voluntary and Community Organisation
CIO	Charitable Incorporated Organisation	ICNPO	International Classification of Non-Profit Organisations	NMS	National Minimum Standards	VCS	Voluntary and Community Sector
CLG	Companies Limited by Guarantee	IDBR	Inter-Departmental Business Register	NSTSO	National Survey of Third Sector Organisations	WCVA	Wales Council for Voluntary Action
CofE	Church of England	IPS	Industrial and Provident Society	ONS	Office for National Statistics		
CQC	Care Quality Commission	IRS	Internal Revenue Service	OSCR	Office of the Scottish Charity Regulator		
CSO	Civil Society Organisation	ISC	Independent Schools Council	OTS	Office of the Third Sector		
DCLG	Department for Communities and Local Government (also CLG)	IVR	Institute for Volunteering Research	PTA	Parent-Teacher Association		
		LFS	Labour Force Survey	RSL	Registered Social Landlord		
		LSC	Learning and Skills Council				

The authors

Jenny Clark manages NCVO's quantitative research programme and leads NCVO's annual UK Civil Society Almanac, charitable giving survey and research exploring the voluntary sector's workforce. Jenny also investigates the measurement of quality in public service provision as part of a three-year Office for National Statistics study. Previously Jenny managed the UK Workforce Hub and NCVO's workforce research programme. Jenny has an MSc in Social Research Methods and Statistics from City University.

David Kane leads the quantitative analysis of data for NCVO's work on the size and scope of civil society, and was an author of the UK Civil Society Almanac 2008 and 2009 and the UK Voluntary Sector Almanac 2007. David leads NCVO's involvement in the Northern Rock Foundation Third Sector Trends study and research to classify voluntary sector organisations.

Karl Wilding is NCVO's Head of Research. He is a Senior Visiting Fellow at Cass Business School's Centre for Charity Effectiveness, where he also contributes to the Centre for Charitable Giving and Philanthropy. Karl is also a trustee of St Albans Centre for Voluntary Service. He blogs at www.ncvo-vol.org.uk/karlwilding. For more details see <http://uk.linkedin.com/in/karlwilding>.

Jenny Wilton contributes to data management and analysis for the UK Civil Society Almanac and is also involved with the quarterly Charity Forecast Survey and the UK Giving survey. Jenny joined the research team in June 2008, having previously worked as part of an academic health inequalities research group.