



CHARITY COMMISSION
FOR ENGLAND AND WALES

Charity Commission for England and Wales Annual Report and Accounts 2025-2026

For the period 1 April 2025 to 31 March 2026

Charity Commission for England and Wales

Annual Report and Accounts 2025-26

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Introduction

The performance overview (pages 7-10) provides an overview of the role of the Commission, including our statutory and strategic objectives. It provides information on how we achieve these objectives, including how we are organised and the resources that are available to us. The performance analysis (pages 11-28) sets out what we have achieved in the past year to fulfil our role, including delivery against our operational performance standards, and activity against our strategic objectives.

Foreword from Dame Julia Unwin, Chair of the Charity Commission

Since joining the Commission in January, I have spent time getting to know the organisation and have also been able to engage with many across the charity sector. I am grateful to my predecessor, Mark Simms, who was Interim Chair before I arrived, and who visited a wide range of charities across England and Wales – from community kitchens in London to youth projects in Great Yarmouth and infrastructure bodies in Wales.

What I have learnt since then has confirmed what I already knew: that the charitable sector in England and Wales represents an invaluable precious asset for our two nations, not just in economic terms – though the role of charities as engines of economic growth and renewal should not be underestimated – but also in the social and community capital that the sector underwrites. Charities create communities of place and of cause, challenge social iniquities, preserve our natural landscapes and protect our collective heritage. Charities in this country are not just service providers, or safety nets – they form the living, beating heart of our society. And their impact extends globally, through the work of medical research charities based in the UK, to relief efforts to support the victims of conflict and natural disaster around the world.

There are, of course, challenges. In my conversations with those involved in charities, I have heard first-hand of the economic pressures David Holdsworth speaks to in his foreword. I am also concerned about the impact on charities of growing divisions, and violence within our society. We have heard about charities, and those involved in them, threatened and attacked simply for furthering their charity's lawful purposes, by those who dislike or disagree with their work.

But the charities we regulate are not simply victims of growing divisions, they also play an important role in responding to these societal



challenges. Not by offering false or cosy consensus on divisive issues – charities have always disagreed on many matters of conscience and values – but by modelling how we can disagree with respect, and how we can come together with people we might otherwise have little in common with, to promote a shared place or cause.

The Commission as regulator has an important task in this context: we must continue to hold robustly and visibly to account those that fall foul of charity law, without fear or favour. But we must also guard against being weaponised by those who seek to use our regulatory role as a way of undermining charities whose work they do not agree with. We must remain steady, calm – perhaps even a little boring – and above all, independent: independent from government as well as from the sector we regulate, accountable directly to Parliament and bound by the law. The independence of the charitable sector is one of its greatest assets. We must never let that be eroded.

None of what the charity sector achieves would be possible without the commitment and hard work of the millions who serve as volunteers, including the 700,000 people who volunteer as trustees, or the staff that support them. There is no better testament to the strength of our civil society than the willingness of so many people to volunteer their time and expertise in service of others. Over the months and years ahead, I hope to meet many

more of them – to learn about the challenges they face, and to understand how the Commission can best support and encourage them in running their charities in a way that commands public trust.

I have every faith that the Commission's staff, led by our board and by David Holdsworth as chief executive, will rise to the challenges this moment presents. My ambition and commitment as Chair is to offer both support and robust challenge in the board's oversight of the Commission's work. Good governance matters in charities – it is the promise on which the special status of charity rests – and it matters all the more for the Commission, as regulator of charities.



Dame Julia Unwin
Chair

Foreword from David Holdsworth, Chief Executive of the Charity Commission

Welcome to the Charity Commission annual report for 2025-26, a year in which the sector we regulate – like the society it reflects and serves – has continued to face intense systemic and economic pressures. As Dame Julia says in her foreword, this is a time of challenge for society and in turn the sector itself including the Commission as regulator. As I have stated throughout the year, however with great challenge also comes great opportunity both for the sector and for us as regulator.

Current Landscape

The financial climate has remained difficult, and recent global developments have both added to and extended the pressure on costs for everyone, in turn impacting on the ability to give, at a time when demand on charity services has been high. We have also seen a rise in disinformation alongside hostile outside threats for the first time in memory, resulting in instances of unacceptable physical and real impacts on charities and those simply trying to serve their communities. The Commission has not been immune from the impact of this landscape and has like charities themselves faced the competing issues of significantly rising demand as set out in this report at a time of reducing resources.

We saw another record year of applications to register a new charity: we assessed over 11,700 applications, leading to 4,650 new registrations. We also saw an increase year on year across most of our regulatory activities and caseloads with increases of 23% year on year in our regulatory compliance cases / complaints about a charity and 7% in our regulatory authority cases. These increases obviously required us as many charities have had to do to adapt often meaning our timeliness and response rates has not been where we want them to be despite improvements to



productivity achieved. This will remain a key challenge in the months ahead as we work to address capacity and demand pressures.

We have continued to make decisive, law-based regulatory interventions this year. We opened 69 statutory inquiries and concluded 68. Examples of our casework are set out in this report.

Alongside enforcement, it is equally important that we help trustees get things right. This year we continued to update our guidance, including a review of our guidance on conflicts of interest – a response, in part, to our first ever annual Charity Sector Risk Assessment, which found a sharp rise in alleged private benefit abuse, much of it linked to unmanaged conflicts.

Opportunity

We are grateful to HM Government and HM Treasury, to have secured investment both in people and technology to address resource and capacity issues and to improve the services we offer to charities, trustees and importantly the public whom we all serve. As we look forward, we have the opportunity to deploy technology to improve the effectiveness and efficiency of our regulation, develop more user centric services which will improve user experience of our services whilst also investing in our people. This offers the

opportunity for us to become a more proactive, enabling and impactful regulator moving forward. These improvements won't happen overnight, but our three-year programme is ambitious and innovative just like our sector.

We will also continue to work with government to ensure our powers keep pace with the risks facing the sector, including the growing threat of terrorist and extremist abuse of charities. We welcome the Government's announcement of stronger powers to disqualify individuals and close down charities that have repeatedly been misused as platforms for illegal hate speech.

For charities we are beginning to see green shoots of improvement in the landscape but not spread evenly. The charity landscape is rich and varied, and alongside these pressures we are seeing real signs of resilience. The most recent data from charities' annual returns shows that impact spending rose to £100bn in 2024, up £5bn on the previous year, matched by income growth to £102bn. The 2025 London Marathon alone raised a record-breaking £87.3m for charity – up nearly £14m on the previous year – and reports suggest this year's event has raised more still. This is a sector undergoing enormous change, but not a sector in decline. Charities remain the vehicles through which we collectively serve the most vulnerable, sustain communities, protect our heritage and culture, and seek solutions to society's most intractable problems.

The opportunity for trustees and charities is to use the challenges of today to be innovative and reimagine ways to deliver their charity's mission. We have seen examples this year of charity leaders making bold decisions to adapt while staying focused on their purposes. [Samaritans, for example, are undergoing a significant organisational redesign, in an effort to better serve those they exist to help, in the face of intense cost pressures.] These processes are rarely easy and often involve real pain. But I have been clear in my messages to sector leaders that the Commission will support those who actively grip

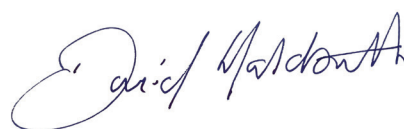
difficult decisions in the best interests of their charity's purposes and beneficiaries.

We welcome, for example, impactful mergers where these are in the best interests of beneficiaries. This year, we saw 360 Giving merging with Funders Together, and the merger between the cancer charities Maggie's and the Ruth Strauss Foundation (RSF). Merger decisions are rarely prompted by cost pressures alone, but indicate long term strategic thinking, informed by awareness of the wider context for the sector, and driven by the charities' purposes.

As Dame Julia points to in her earlier remarks there is also the opportunity for the sector to do what it does best and build bridges, understanding and a values-based discourse, building understanding where others seek to divide.

Finally, I want to acknowledge the work we have done this year to clarify our relationship with the Parliamentary and Health Service Ombudsman. Following a court decision disallowing a judicial review, which provided clarity as to the Ombudsman's powers, we have worked to ensure we understand the Ombudsman's expectations and that the Ombudsman in turn is clear about the Commission's powers, and the limits of those powers. We have also instigated a judge-led review to gain independent scrutiny of our handling of two cases that the PHSO has criticised us on.

I extend my sincere thanks to the Commission's Board for their challenge and support, and to our staff for their commitment, expertise and hard work during a year of considerable change.



David Holdsworth
Chief Executive

Overview

The role of the Charity Commission

The Charity Commission is the registrar and regulator of charities in England and Wales. We are an independent, non-ministerial government department accountable to Parliament. We are also accountable for the exercise of our powers to the First-tier Tribunal and the High Court.

As registrar, we are responsible for maintaining an accurate and up-to-date register of charities. This includes determining whether organisations are charitable, and therefore should be registered, as well as removing those that are no longer considered to be charities, have ceased to exist or do not operate.

As a regulator, we regulate both registered charities and charities that are not required to be registered. We operate within a clear legal framework and follow published policies and procedures, ensuring that in making regulatory decisions we are proportionate in our approach.

At 31 March 2026 there were 171,112 charities on the Register. During the financial year 2025-26, we regulated £106.992bn of charity income (2024-25: £102bn) and £106.997bn of charity spend (2024-25: £101bn).

Our statutory objectives

Parliament, through the Charities Act 2011, gives us five statutory objectives. These are to:

1. Increase public trust and confidence in charities.
2. Promote awareness and understanding of the operation of the public benefit requirement.
3. Promote compliance by charity trustees with their legal obligations in exercising control and management of the administration of their charities.
4. Promote the effective use of charitable resources.

5. Enhance the accountability of charities to donors, beneficiaries and the general public.

We have wide discretion in how we achieve our objectives.

Our strategy and values

In February 2024 we launched our Strategy for 2024-2029. This strategy sets out our ambition to be the expert Charity Commission that is fair, balanced, and independent so that charity can thrive.

It identifies five priorities that the Commission will seek to deliver against over the course of this strategy in order to achieve its ambition:

- We will be fair and proportionate in our work and clear about our role.
- We will support charities to get it right but take robust action where we see wrongdoing and harm.
- We will speak with authority and credibility, free from the influence of others.
- We will embrace technological innovation and strengthen how we use our data.
- We will be the expert Commission, where our people are empowered and enabled to deliver excellence in regulation.

Our regulatory approach

We are a risk-led regulator. Being risk-led in our regulation means being proactive in identifying risks and intervening, where possible, to prevent harm before it occurs; addressing harm effectively where it occurs; and focusing our resources on the highest risks. Our Regulatory and Risk Framework (now called 'Raising a concern with the Charity Commission (CC47)') outlines how we operate as a risk-led regulator, and in particular how we identify and assess risks, how we respond to risks, and how we review and adapt our approach.

We seek to hold charities to account to basic standards, and while we ensure concerns are

investigated and intentional wrongdoing dealt with, we also focus on supporting trustees to get things back on track when they do not go exactly as intended.

We continue to put the public interest front and centre of our approach to regulating charities – making sure that the public have the information they need to make informed choices about charities and that they are confident that our approach to regulation is clear and consistent.

Our quasi-judicial functions

As the charity registrar and regulator, we carry out quasi-judicial functions, regulating against both the common law and statutory obligations which govern charities. We adopt a rigorous approach in the exercise of our powers, act fairly and proportionately and give reasons for our decisions. Where the law is unclear or imprecise, we approach our work in the way we think the courts would. The common law is developed by the courts in the light of changing social and economic conditions and values, and we recognise this in our decisions. The exercise of many of our legal powers can be appealed to the First-tier Tribunal and, as a public authority, our decisions are subject to judicial review in the High Court. Decisions on charitable status and registration, the use of our powers to give formal advice and permissions, our compliance work, dealing with investigations, and taking remedial action against defaulting trustees and those who abuse charities, are all subject to appeal or review in this way. Some case reports are included within the Legal Developments section of this report.

Our governance

While day-to-day and operational management is delegated to our Chief Executive, our Board is ultimately responsible for all that we do. This includes:

- our purpose and strategy
- our overall performance
- our values
- how we meet our statutory objectives and use our legal powers
- our business direction and planning
- our Executive Leadership Team's performance, governance standards and delivery against plans

Orlando Fraser KC became Chair in April 2022, following appointment by the Secretary of State for the Department for Culture, Media and Sport. On 24 April 2025, Orlando's term as Chair came to an end. Following this, Mark Simms OBE was appointed to act as interim Chair and served in that capacity until Dame Julia Unwin's appointment by the Secretary of State for the Department for Culture, Media and Sport on 1 January 2026. David Holdsworth has been Chief Executive since 1 July 2024.

Alongside the Chair and CEO, there are currently eight non-executive members of the Commission's Board. Changes to the Board membership since last year's annual report are that, in December 2025, Will Lifford stepped down from the Board, in March 2026, Kate Sayer joined the Board for a three-year term.

Whilst referenced in the 2024-25 report it should also be recorded here that Tasnim Khalid and Alan Mather joined the Board in April 2025.

For more information about the Commission's governance, see the Accountability Report.

Our resources

In 2025-26 our revenue budget was £33.389m of which we spent £33.132m. This was largely funded by HM Treasury.

We had 443 staff on payroll as at 31 March 2026 (including 8 non-executive Board Members).

The Commission is structured in the following directorates:

- Communications and Policy
- Digital, Data and Technology
- Legal and Accountancy Services
- Regulatory Services
- Resources

We are based across four sites in Liverpool, London, Newport and Taunton. We adhere to the Welsh Language Standards.

The charity sector regulated by us
2025-26 at a glance



171,112
charities on the register
(170,862 in 2024-25)

11,759
applications to register
as a charity
(9,836 in 2024-25)

4,400
charities removed from
the register
(4,233 in 2024-25)

Total charity income we regulate



charity income
£106.992bn
(£102bn in 2024-25)

charity spend
£106.997bn
(£101bn in 2024-25)

Commission budget
£33.389m
(£32.149m in 2024-25)



920,862
trustee positions
(924,700 in 2024-25)

Contact Centre¹
66,994
calls answered
(110,642 in 2024-25)



32,562
number of individual
charities supported through the
Contact Centre
(50,370 in 2024-25)

1. During 2025-26 we completed a major programme of improvement work to 'My Charity Commission Account' (MCCA) including to self-service functionality, leading to significantly reduced demand on our Contact Centre.

Performance Analysis

Measuring delivery against our Strategy

This year we delivered robustly against our business plan, which was shaped around the five strategic priorities that form our Strategy for 2024-29.

- We will be fair and proportionate in our work and clear about our role.
- We will support charities to get it right but take robust action where we see wrongdoing and harm.
- We will speak with authority and credibility, free from the influence of others.
- We will embrace technological innovation and strengthen how we use our data.
- We will be the expert Commission - where our people are empowered and enabled to deliver excellence in regulation.

The following section of this report sets out how we have delivered against each of these objectives. This includes relevant operational performance and examples of our achievements throughout 2025-26 against the objectives.

Reporting against each our strategic risks and how we have mitigated against these is provided in the governance report under pages 52 to 55.

Strategic impact measures

The following narrative also sets out against each objective how we are measuring our strategic impact, by reporting against our new Strategic Impact Measures that were agreed by our Board in April 2024.

Our strategic impact measures are formed of six key indicators - one overarching indicator and five linked to each of the priorities in the strategy:

1. Levels of public trust and confidence in charities
2. Trustees' perception of the Commission as fair

3. Confidence in the Commission's regulatory approach
4. Perception of the Commission's independence
5. Use and quality of our data
6. Skilled and empowered staff

We use a range of data for evaluation, including the findings of our annual public and trustee surveys, as well as data from our day-to-day operations.

These measures should not be treated as fixed numerical 'targets' – they are neither deliverables nor things over which we have exclusive control. They are however designed to provide a broad measure of whether our strategy is resulting in the positive difference (outcomes) that we intend.

Some of the indicators provide new data, meaning comparisons with previous years do not exist. Where comparisons are available, we have provided this information.

Use of powers

The following also sets out, where relevant, information about the use of legal powers granted to us by Parliament. Previously, we have reported a sub-set of powers, focussing on those relating to compliance with charity law. We are now reporting all powers used, to give a more comprehensive overview of activity. The powers used have been categorised into groups as follows:

- **Register** – relating to accurate maintenance of the register of charities.
- **Permissive action** – generally used when a registered charity has applied to the Commission for authorisation to carry out an action.
- **Information sharing / gathering** – relating to the collection and exchange of information and evidence.
- **Regulatory action** – used to ensure compliance with charity law.

- **Inquiry powers** – powers that are exclusively used when a statutory inquiry is opened. These can cover a range of topics, including compliance and information gathering.

When using this updated, more comprehensive method of reporting use of powers, we see that a total 13,669 powers were utilised across 2025-26, an increase of more than 500 on the 2024-25 figure. Further breakdown of the different types of powers is provided in the narrative below.

Measuring our strategic impact - Levels of public trust and confidence in charities

Increasing public trust and confidence in charities is a statutory objective for the Commission. The ability of charities to play their vital role in our society rests on public trust and confidence; maintaining and increasing this trust is an overarching ambition and golden thread throughout our strategy.

Overall public trust in charities remains high and stable, with an average trust score of 6.5 out of 10, and 57% of people having high trust in charities (no change compared to 2024 and 2025). Charities continue to be ranked 2nd out of the institutions we benchmark against (only doctors are more trusted).

Our research consistently shows that what matters most to people's trust in charities is that they spend most of their funds on the end cause, make a real difference for the people and communities they serve, are accountable for how they use funds, and operate to high ethical standards. In 2025 there was a significant uptick across several of these measures, continuing this year. 63% of people thought charities they know about are spending most of their funds directly on the cause, 70% thought those charities are making a real difference, and 66% thought they operate to high ethical standards.

1

Strategic Objective 1: We will be fair and proportionate in our work and clear about our role

We are committed to dealing fairly and pragmatically with concerns, including to identify a swift resolution to issues wherever possible. Across our regulatory remit, we focus on the issues where the Commission can make the greatest difference, and act decisively to return charities to compliance with the law. We explain why our processes led to an outcome and share with the sector the steps they can take to apply any lessons learned.

Operational performance overview

Occasionally things go wrong in a charity due to the actions or failure to act of the trustees. The Commission will identify and investigate problems in charities so we can work to resolve issues of concern. In 2025-26, we concluded 4,996 regulatory concern cases² compared with 4,375 in 2023-24. This reflects the increased number of complaints we received about charities.

As a result of efficiencies in our handling of incoming concerns, productivity in our Regulatory Concern caseload improved in 2025-26, with 87 cases closed per full time equivalent number of employees (FTE) compared to 70 in 2024-25 and 55 in 2023-24.

We used regulatory action powers³ to ensure compliance with charity law 1,879 times in 2025-26 (1,888 in 2024-25).

In 2025-26, we assessed 3,072 new serious incident reports⁴, compared to 3,132 in 2024-25.

In 2025-26, we received 594 whistleblowing reports compared to 547 in 2024-25.

Key achievements against Strategic Objective 1

Helping the public and charities raise concerns effectively

We have taken a positive and practical approach to improving how we support the public and those working in charities to engage with the Commission. During the year we updated CC47, our guidance on raising a concern with the Charity Commission, to make clearer when concerns should be brought to us, what information helps us assess them, and where people should go when another route is more appropriate. This refresh has helped us present our role as regulator more clearly, improve signposting, and make it easier for people to understand how serious issues can be raised in a way that supports timely, proportionate and effective regulatory action.

We have continued our relationship with the whistleblowing charity Protect, which provides a dedicated, independent and confidential whistleblowing helpline, giving whistle-blower support and guidance, and enabling it to report wrongdoing in charities to the relevant authorities. including the Commission.

2. Regulatory concern cases include compliance cases and intelligence assessments. It does not include inquiries, Serious Incident Reports and Matters of Material Significance.

3. Regulatory action powers can be used in our regulatory concern caseload or in our Statutory Inquiries.

4. A serious incident is an adverse event, whether actual or alleged, which results in or risks significant: harm to a charity's beneficiaries, staff, volunteers or others who come into contact with a charity through its work; loss of a charity's money or assets; damage to a charity's property; or harm to a charity's work or reputation. More information on how charities can identify and report serious incidents is available on our website.

Alongside this, we published our first ever charity sector risk assessment, giving trustees and charity leaders a high-level, evidence-led picture of the key risks facing the sector and the steps they can take to manage them. Drawing on our casework, annual returns, serious incident reporting and wider intelligence, the assessment highlights where pressures are emerging while encouraging charities to respond in a way that is proportionate to their size, activities and circumstances.

Together, this work demonstrates our commitment to being a clear, fair and modern regulator: helping people raise the right concerns through the right channels, while equipping trustees with better insight to protect their charities, beneficiaries and public trust and confidence.

Enabling charity campaigning within the law during the 2026 Senedd and local elections

The Commission took a proactive approach ahead of the elections to help charities to get things right. This included hosting two joint webinars with the Electoral Commission and speaking at a number of events hosted by Welsh charity sector stakeholders focused on the Senedd Election. We published a dedicated Senedd and local election landing page and posted a blog from our Chief Executive to highlight the responsibilities of charity trustees and leaders in the run up to the election.

Throughout this engagement, we emphasised that charities can campaign to achieve their purposes, however in order to ensure they are doing so in a way that is consistent with the legal framework, they must be independent of party politics and must never be seen to promote or criticise any individual political party or candidate. We were also clear about the role of the Commission, which is to regulate charities in line with the law, ensuring that our decisions are fair, balanced and independent.

Overall, we observed high levels of compliance with the law from charities in their campaigning. Of more than 170,000 registered charities, the Commission was required to undertake just 34 new compliance cases to assess concerns. Of these, only 2 were designated as high-risk cases.

Compliance by local authority trustees

This year we continued our programme of engagement with local authorities. This followed evidence that some authorities were not complying with their legal duties in relation to charity assets for which they were responsible - such as recreation grounds, public gardens, concert halls and buildings of significant interest - and, in some cases, appeared to have lost sight of the assets' charitable status.

As a result, management of these assets was at times inadequate. In some cases, assets were disposed of without the necessary consent, requiring our intervention and resulting in significant rectification costs for the local authority concerned. Our data also showed that a significant number of local authority trustees were failing to submit Annual Returns for the charities they oversee, reducing accountability and transparency.

Our work this year included written communications in a range of publications promoting our updated guidance on local authority trustees, as well as presentations and information sessions at nine local government sector events.

Before the first letters were issued to local authority Chief Executives at the start of our programme of work in November 2024, 404 charities with local authority trustees were in default of their financial reporting obligations, spanning 130 local authorities. As at 9 December 2025, this had fallen to 186 charities across 87 local authorities. This represents a 54% reduction in defaults among local authority trustees. However, two local authorities still have more than 10 charities currently in double default (as at 9 December 2025), and a further 43 local authorities have all of their charities in default.

Further actions are therefore planned, including one-to-one engagement with local authorities that continue to have multiple charities in default, and where appropriate and proportionate, regulatory action will be taken. We will also continue to work with the Local Government Association and other local authority stakeholder groups to emphasise our concerns.

Regulatory intervention to strengthen governance

Where we have identified weaknesses or shortcomings in critical governance processes, we have engaged swiftly and effectively with charities throughout the year. We have undertaken regulatory intervention to ensure key aspects such as decision-making, meeting conduct and the management of conflicts of interest are quickly improved and are fit for purpose. What follows are examples of our regulatory action in 2025-26.

Church of England

The Commission engaged with the Archbishops' Council following the publication of an 'Independent Learning Lessons Review' into the case of John Smyth (the "Makin Review") in late 2024. This followed other independent reviews in recent years, including the report by Sarah Wilkinson into the Church's Independent Safeguarding Board, and the 'Future of Church Safeguarding' report by Professor Alexis Jay.

Public debate about the Church's approach to safeguarding – and the Archbishop of Canterbury's resignation over the issue – exacerbated regulatory concerns that progress towards safeguarding improvements identified in the various independent reports was not happening with sufficient pace.

Our regulatory compliance case was informed by findings provided by bishops and Diocesan Boards of Finance, as well as the Archbishops' Council, at the Commission's request. The Commission found that:

- there was insufficient urgency and pace in implementing responses to past safeguarding reviews, and the approach to doing so was fragmented and overly complex. For example, the Council's timescale of 2028 to pass the necessary legislation to implement independent safeguarding was too slow
- the Church did not treat allegations of abuse from an adult not assessed to be "vulnerable" as a safeguarding allegation. The Commission's guidance is clear that trustees must take reasonable steps to protect from harm all people who come into contact with their charity

We issued a Regulatory Action Plan, setting out steps the trustees needed to take to address these concerns.

Separately, the Commission investigated safeguarding concerns relating to allegations about behaviour towards two adults by the then Bishop of Liverpool who resigned while maintaining no wrongdoing had occurred. These involved two charities - the Liverpool Diocesan Board of Finance and the Chelmsford Diocesan Board of Finance.

While the Commission recognises the need for sensitive handling of serious allegations among large trustee bodies, we found there were insufficient processes and procedures in place to ensure adequate oversight of safeguarding and the protection of those who came into contact with the charity. This meant that those trustees who knew of the allegations failed to take action that would have allowed the trustee boards to fully consider any risks and make a decision on the appropriate action to take. The Commission concluded that the failings it identified amounted to mismanagement, and issued Official Warnings to each charity, setting out steps that both must take to rectify matters.

Sentebale

In August 2025, the Commission published its findings in our compliance case into Sentebale, a charity which works with children and young people in South Africa.

In 2023, Sentebale's then trustees sought to implement a new fundraising strategy in the United States. In the period that followed, a serious dispute within the charity emerged between the charity's chair of trustees, Dr Sophie Chandauka, some of the other trustees of the charity, and one of its patrons, the Duke of Sussex. After a period of assessing concerns raised with the Commission, we opened [a regulatory compliance case](#) in April 2025.

After conducting interviews and thoroughly reviewing all evidence submitted, the Commission found that:

- the delegation of certain powers to the chair, including consideration of an 'executive chair' role, was a confusing, convoluted and poorly governed process, with a lack of clearly defined delegations over time
- the then trustees failed to have proper processes and policies in place to investigate internal complaints; and more generally, a lack of clear policies contributed to the failure to resolve disputes
- we were not satisfied that public statements made to the media and public criticism made in television interviews served the charity's best interests

We found that the failure to clarify delegations within the charity to the chair, and the failure to have proper processes for internal complaints, both amounted to mismanagement in the administration of the charity. More generally our assessment was that all the charity's trustees contributed to a missed opportunity to resolve issues which led to the dispute. The Commission issued the charity with a Regulatory Action Plan to address the identified weaknesses in governance.

Measuring our strategic impact - Trustees' perception of the Commission as fair

Fairness is a core value throughout our strategy and is key to the successful delivery of Strategic Objective 1 in particular. It is about ensuring that everyone who comes into contact with us experiences a fair process – whether or not the outcome of that process is one they would choose. If trustees perceive their regulator to be fair, then this means they can be confident on what they need to do to act with integrity, leaving them to focus on delivering impact for their beneficiaries.

This year has seen a significant increase in trustees saying they feel that the Commission is fair, up from 46% to 51% (only 1% think we are unfair; many still don't know). Of those trustees who had contact with us through casework (advice, permissions or enforcement action), a much higher proportion (73%) say that we treated them fairly, consistent with previous years' findings.

2

Strategic Objective 2: We will support charities to get it right but take robust action where we see wrongdoing and harm

Our strategy makes clear that we place equal emphasis on being a source of support to trustees, but also a tough enforcer. The sustainability of the charitable sector relies on the enthusiasm, generosity, and capability of trustees. We provide individuals with clear, relevant information and support to help them to build their understanding of what it means to be an effective trustee. However, where we uncover wrongdoing that harms an individual charity and diminishes the reputation of charity, we have been robust in using our powers to secure the right outcomes to protect beneficiaries, charitable resources, staff, and donors.

Operational performance overview

We have a number of permissive powers, which are used when a charity has applied for authorisation to carry out an action. We used our permissive action powers 3,240 times in 2025-26, compared to 3,321 in 2024-25.

On enforcement, statutory inquiries are our most serious type of regulatory engagement. They enable the Commission to formally investigate matters of regulatory concern within a charity and to use protective powers for the benefit of the charity and its beneficiaries, assets or reputation.

We concluded 68 statutory inquiries in 2025-26 (77 in 2024-25) and opened 69 new inquiries (112 in 2024-25).

We used our inquiry powers 1,608 times in 2025-26 (841 in 2024-25). We used our power to issue a charity with an Official Warning 44 times (38 in 2024-25), and our power to disqualify a trustee 25 times (37 times in 2024-25).

Key achievements against Strategic Objective 2

Revitalising Trusts

We know that sometimes, despite best efforts, charities can become inactive. The Commission's Revitalising Trusts programme ensures charitable funds that are lying dormant are spent and make a difference as originally intended. The programme helps charities by supporting and advising trustees who find it hard to spend their income, recruit new trustees, identify beneficiaries, or find time to run the charity.

Good causes, community foundations and charities across England and Wales have received a collective total of £154,199,121 since the programme started in 2021. In the last financial year, £11,839,425 has been revitalised. In September 2025, our Chief Executive visited two charities that benefitted from the programme via their local community foundation. LATCH a children's cancer charity, supporting children, young people and their families, who are under the care of the Paediatric Oncology Principal Treatment Centre at the Children's Hospital for Wales. The second was Daring to Dream, which supports and promotes the emotional health and well-being of adult hospital patients in Wales.

Changes to the Statement of Recommended Practice (SORP)

Following a consultation period where nearly 150 individuals and organisations took the time to share their views, we introduced an updated Charities SORP during the 2025-26 year which is now in effect. The new SORP is designed to make compliance more proportionate to a charity's size by introducing a three-

tier reporting framework, the move to which was well supported with 89% of respondents endorsing the concept. The new SORP is mandatory for reporting periods starting on or after 1 January 2026.

There are around 40,000 charities with an income over £250,000 or that are also registered companies so must prepare accounts using SORP. Other charities may also wish to use the framework.

Improving our guidance

The Commission has continued to improve our core governance and financial guidance, making it shorter and ensuring trustee responsibilities are easier to understand. In April, we refined our guidance on trustee payments to make it clearer, and easier to use. Later in the year, we published new versions of our guidance about fundraising and launching emergency appeals, making it more straightforward for charities to understand the law and good practice on raising money.

Supporting the sector where it was needed most

In autumn 2025 and spring 2026, we delivered a financial resilience communications campaign for charity trustees. The digital campaign focused on helping trustees address the financial pressures currently facing the sector, using creative social media posts to target trustees and charity staff and highlight the resources we have available. To support this, we created a financial toolkit campaign page on GOV.UK, bringing together key financial guidance, alongside a short health check quiz to direct trustees to the guidance most relevant to their individual circumstances.

The campaign performed strongly, reaching more than 3.8 million people on social media and exceeding government benchmarks. Since its launch, the health check tool has been visited more than 24,000 times, and it continues to provide a valuable resource for charities seeking to strengthen their financial management.

New trustee email journey

This year we piloted and evaluated a 'new trustee email journey', focussed on individuals joining charities as trustees for the first time, pointing them to our online guidance and support. We targeted 9,500 new trustees in total, with four emails sent during their first 12 months as a trustee. This was a change to our usual approach of sending them a welcome email when added to the charity register, but then no further tailored messages.

The pilot delivered high engagement, with many of the trustees clicking through to our guidance, peaking at the six-month email where content about our financial guidance drove click-through rates of up to 43% (against a 3.5% industry benchmark). There were very few 'unsubscribes'. Based on this successful trial, in the year ahead we are rolling the approach out to all 10,000 new trustees who are registered with us each month. We will continue to regularly review the performance of the emails, with a focus on further improving their supportiveness and trustees' engagement with our guidance.

Trusteeship – research, guidance and promotion

In April, working with think tank and social sector research organisation, Pro Bono Economics, we published the findings of the most comprehensive survey ever undertaken of trustee motivations and skills. The research found that the vast majority of trustees are "immensely positive" about their experience, with eight in ten likely to recommend the role to others.

The research also offers new data on charity board skills and demographics. It suggests movement towards gender parity on trustee boards - 43% of trustees are female compared to 36% in 2017, when the last comparable research project was undertaken. The research indicates that a lower percentage of trustees are from ethnic minority backgrounds compared to the general population, with analysis of the data suggesting the difference is related to the age profile of trustees; over half of trustees are retired, more than double the proportion in the general population, and the older population is less ethnically diverse.

Then in May, we published refreshed guidance on recruiting and onboarding new trustees, encouraging charities to use this to help improve their recruitment and induction practices. The guidance focusses on practical steps charities can take to connect with a broader range of candidates, and to identify and remove barriers that may put people off applying for the role. During 2025-26 we used the insights from the research, alongside our new guidance, to promote actively trusteeship including by attending the annual 'Civil Service Live' event in July and through a range of activities during Trustees Week, which we organised in early November.

Delivering economic benefit with our permissions work

We have a number of permissions powers that deliver financial benefit both for individual charities as well as the wider UK economy, through enabling innovation and investment. These include the power to authorise financial transactions, the disposing of charity property, and charity mergers. The scale of our permissions casework is significant.

For example, in September 2025, we acted quickly to help secure the future of Ironbridge Gorge Museums in Shropshire. This important tourist destination with UNESCO World Heritage status, run by Ironbridge Gorge Museum Trust, struggled to increase footfall following the pandemic. The Trust faced financial difficulty and so trustees concluded that the best long-term solution for financial stability would be for the charity to transfer its museums and property to the care of the National Trust. Our team worked with the trustees to provide the regulatory permissions needed to facilitate the transfer and the museum was due to re-open to the public early in the new financial year.

Investigations that make a difference

This year we concluded a number of complex investigations where we took actions against individuals who have abused their positions within a charity and to protect the charity sector. We have also intervened to protect charity property and assets and restored charities to good governance.

In August 2025 we closed the statutory inquiry into Organisation of Blind Africans and Caribbeans (OBAC). The Commission first engaged with OBAC in July 2021 to explore concerns around potential wrongdoing and/or abuse by the charity's Chief Executive Officer ('CEO'). The inquiry found serious governance failings and a lack of oversight of the CEO, with the charity found to have been used as a front for criminal activity. The trustees failed to properly engage and cooperate with the Commission or provide assurance that they were acting responsibly and in accordance with their legal duties. OBAC was dissolved in 2024, removed from the register, and all trustees were disqualified for misconduct and/or mismanagement.

In April we published a class inquiry report involving four charitable incorporated organisations established to advance education of people under 18 across Ethiopia; the charities were established by a management advisory services company with one sole director who was a trustee of all four charities. Our inquiry found that the trustee transferred over £270,000 from the charities' bank accounts into

his personal bank account. The trustee failed to comply with any orders and directions issued by the Commission and the inquiry found that they set up and used the charities in order to personally benefit them. The Commission removed them by Order under the Charities Act 2011 which disqualifies them from acting as a trustee or senior manager of any other charity. As the charities never truly operated and delivered no charitable activity, the Commission took action to dissolve them and remove them from the Register of Charities to prevent further abuse.

We published our inquiry report into Mountain of Fire and Miracle Ministries International in October. The charity is established to advance the Christian faith and has approximately 50 branches across the UK. We opened our inquiry in March 2018 to examine a range of governance concerns at the charity, its administration and that its property was properly protected. The inquiry appointed an Interim Manager to undertake various reviews of the charity's governance and financial arrangements and to make recommendations, where necessary, to improve them. Our inquiry concluded that there was serious misconduct or mismanagement in the charity's administration by former and current trustees of the charity, who failed to ensure that the charity's governance and financial management kept pace with its growth.

Through the inquiry's intervention, these issues were addressed and managed – initially through the Commission's appointed Interim Manager and then the charity's trustees. The Commission issued an Order to the charity's trustees to complete certain actions to address the inquiry's outstanding concerns and is satisfied that these have now been complied with. The trustees continue to embed the improved governance and administrative processes at the charity, moving forward.

The Commission's approach to tackling extremism

The Charity Commission is clear that extremism and violence have no place in the charity sector and we take as robust action as possible, within the legal framework set by Parliament, to root out and tackle the few who abuse the status of charity to promote extremism and terrorism. Such abuses are abhorrent and corrosive to the trust on which the entire charity sector depends.

In March, we published guidance for charities on the evolving situation in Iran which addresses staff safety in the UK and overseas, political activity and the risks of supporting extremism or terrorism as well as linking charities to existing relevant advice from the Commission and the Home Office and Foreign, Commonwealth & Development Office.

Since October 2023, the Charity Commission has opened over 400 cases to examine potential wrongdoing in charities in the context of the escalation of conflict in the Middle East and made over 80 referrals to the police where we considered that a criminal offence might have been committed. During 2025-26 the Commission's specialist team dealing with terrorism, extremism and state-threat issues made a total of 656 disclosures to police and other agencies, issued 7 disqualification Orders (suspending a further 7 trustees pending consideration of their removal of disqualification), and issued 29 Official Warnings.

During 2025-26 the Commission concluded numerous cases (opened in previous financial years), details of which may be found on our website. A number of these complex cases have taken considerable time to conclude: in some instances this reflects the need to gather sufficient evidence to take regulatory action, but also the fact that during inquiries, the Commission has additional powers at its disposal to monitor a charity's activities and step in where we see wrongdoing. We only conclude cases once we are satisfied that risks to the charity (or others) have been mitigated. What follows are summary examples of regulatory action taken to tackle extremism.

Places of worship warned by regulator over inflammatory and divisive language:

In July, the Commission reported on two separate cases, one into the Central Oxford Mosque Society, following concerns raised about posts on its social media, and the other into the Mosque and Islamic Centre Brent, following concerns raised in the media regarding speeches held at the charity's premises. Both resulted in Official Warnings setting out the steps each charity needed to take.

Disqualification of trustee following inflammatory sermon:

Also in July, we concluded a compliance case into Nottingham Islam Information Point, a charity set up to provide relief to those in need, including by providing a support network for victims of Islamophobic attacks. This followed concerns raised over a sermon delivered on the charity's premises by a trustee, Harun Abdur Rashid Holmes.

The Commission found that it contained inflammatory language and included statements on politics which could be interpreted as encouragement to disengage from the democratic process. Whilst we recognised some of the content had been taken from a specific Hadith, a narration of historical events ascribed to the prophet Muhammad, the sermon was given without the appropriate context to its source material and as such was inflammatory and divisive. There was no consideration given to how appropriate it would be to deliver such a sermon just six days after the events in Israel of 7 October 2023. It showed Mr Holmes lacked the good judgement expected of a trustee. The sermon did not further the charity's purposes and was not in the charity's best interests. As such we found that the sermon amounted to misconduct and/or mismanagement.

The Commission also found Mr Holmes did not act in accordance with his trustee duties, despite the charity receiving previous guidance when he was the charity's Chair. Failure to comply with regulatory advice amounts to misconduct and/or mismanagement.

As a result, the regulator made an order to disqualify Mr Holmes from serving as a trustee or holding any senior management position in a charity in England and Wales for three years. As part of its case, the Commission also issued the charity with an Official Warning, as the whole trustee Board had a collective responsibility to have effective policies in place to manage the charity, including those related to speakers.

Recovering almost £150k for the public purse

In April we published the outcome of our Statutory Inquiry into The Saint George Educational Trust, which was registered to carry out activities that advance the Catholic religion and education about the faith. We discovered that the charity's bank account was being used as a conduit for money from unknown sources, and the charity was wrongly claiming Gift Aid on these funds. More than £30,000 of charitable assets were also being held as gold bullion by individuals unconnected to the charity. The charity's website and social media were found to have posted content linked to the leader of a far-right political group, not in furtherance of its charitable purposes, as well as an Islamist terrorist organisation.

Having identified the false gift aid claims, the Commission recovered a sum of £146,166.14 (including interest and a penalty) for the taxpayer. The Commission appointed Interim Managers, who will settle outstanding debts and redistribute any remaining charitable funds to a charity with similar charitable purposes before winding up the organisation. The Commission removed the trustees from the charity and disqualified them from serving as trustees or holding any position with senior management function in relation to any charity in England and Wales.

Measuring our strategic impact - confidence in the Commission's regulatory approach

Trustees that are confident in our regulatory approach are more likely to come to us for support and guidance, meaning they have a better understanding of their obligations and are less likely to make accidental mistakes. This is balanced with the need for timely and robust enforcement action, ensuring charitable assets are secure and vulnerable people protected.

Trustees continue to be confident that we will identify wrongdoing and harm in charities (86%), and that once it is identified, we will deal with it effectively (93%), similar to last year.

46% of trustees said they used the Commission as a source of guidance at least once a year; 97% of trustees who used Commission guidance said they found it helpful. (Consistent with last year.)

Our research continues to show that trustees who use our guidance are more aware of their responsibilities than those who don't, although the gap closed slightly this year as overall awareness of these responsibilities increased.

3

Strategic Objective 3: We will speak with authority and credibility, free from the influence of others

We are the authority on charity regulation, leading the agenda within our statutory remit. We will provide leadership and valuable insight to promote understanding of the role of charities in society, and support the sustainability of a diverse, well-resourced, and effective charity sector. We listen to and understand all perspectives across England and Wales, recognising the diversity of the sector across the nations. Our decision-making processes have been grounded in the law and guided by expert intelligence, analytical rigour, and an improved understanding of risk.

Key achievements against Strategic Objective 3

Supporting charities through challenge and change

These are challenging times for many charities. At our Annual Public Meeting in December, our Chief Executive made a clear statement that it is not the role of the Commission to second guess trustees who make tough decisions in the face of straitened financial circumstances and do so within the law and our guidance. Rather than setting the course for charities or telling them how to do their work, our regulatory function is to be sure that trustees comply with their legal duties, follow proper processes, and act in accordance with charity law when making significant decisions about their charity's future. Where trustees are fulfilling these duties, the Commission will defend their right and duty to make such decisions, even where those decisions are controversial or difficult.

On the same day, we published guidance for charities facing a hostile environment when delivering their charitable purposes. Speaking at the Annual Public Meeting, our interim Chair, Mark Simms, acknowledged the growing challenge many of those involved in charities are facing. We have heard reports of charity workers being verbally or even physically abused, including receiving death threats, and of damage and vandalism to charity offices. We are disturbed to hear about the measures some are having to take simply to protect staff and their families from harm. Charities are not above the law, or beyond scrutiny, and their work should be open to challenge and debate. But nobody should face abuse for doing their job. Mark was clear that we will assess every concern that comes to us, with no complaint dismissed out of hand. But we will refuse to be dragged into complaints that seek to weaponise the legitimate work of charities, and will be unambiguous in upholding the law, and the right – indeed the duty – of charities to pursue their charitable purposes.

Advancing the contribution of philanthropy to charities

Our strategy includes a commitment to work to amplify donor and philanthropic confidence through robust but proportionate regulation, recognising the central role that sustainable funding streams play in delivering upon charitable purposes.

Amidst ongoing political and economic instability, the charity sector in England and Wales is regarded as one of the safest and most trusted jurisdictions in which to practise philanthropy. In this context, a number of overseas charities have relocated their operations to the UK over the past 12 months: we have supported the work of the Office for Investment, amongst others, to enable this, whilst maintaining our rigorous regulatory expectations.

Our senior leaders remain active and visible at philanthropy events, combining panel appearances and keynote speeches. We have used these moments to highlight the impact that philanthropists and grant-

makers are having across the country, proudly supporting charities to deliver their objects. We have also contributed to sector reports and strategies, such as the place-based giving roadmap produced by DCMS.

In May 2025, our Chief Executive convened a roundtable of grant-makers. This gave insight into the changing funding landscape and how foundations are becoming more strategic in their grant-making. For philanthropists choosing to establish their own charitable foundations, it is important they understand the legal requirements of grant-making: during the year we have developed new guidance on this which will be published in 2026-27.

Delivering on our plan for Wales

As the registrar and regulator for charities in Wales and England, we recognise that engaging with and understanding the Welsh charity sector is vital for effective and enabling regulation.

During the year we have significantly increased our headcount in our Newport office, which means more people on the ground with knowledge of the Welsh context – the language, the communities, and the distinct policy landscape that characterises Wales.

Our Chair, Chief Executive and Directors have made visits throughout the country across the course of the year and liaised closely with sector bodies in Wales to engage positively on matters of shared interest. This has included engaging the sector ahead of the Senedd election to ensure they could engage confidently and lawfully in public debate.

Promoting safer giving

We shared our safer giving messaging with the public over both the Christmas period, and during Ramadan. Both occasions represent significant moments of generosity and charitable giving and, unfortunately, provide opportunities for fraudsters to take advantage of people's willingness to give. Across both campaigns, the Commission helped to disseminate advice on the simple checks donors can undertake to ensure their money reaches the right place, working in partnership with the Fundraising Regulator and (for Ramadan) the Muslim Charities Forum.

Measuring our strategic impact - Perception of the Commission's independence

This strategic objective seeks to improve the perception of the Commission's independence by both charity trustees and the wider public. We are statutorily independent, and this independence is key to us doing, and being seen to do, the right thing; motivated by the proper application of law, and without undue or improper influence.

Trustees continue to perceive that the main influence on the Commission's decision-making is charity law. Other factors (charities themselves, the media, politicians and the public) continue to be seen as less influential, although still significant.

Around half of the public say they have heard of the Commission (consistent with previous years). Of those who have heard of the Commission, this year 21% recalled seeing media reporting about the Commission. A slight fall. Of those, 77% felt more positive about the Commission as a result – a significant increase since 2024 (67%).

4

Strategic Objective 4: We will embrace technological innovation and strengthen how we use our data

It is critical that we deliver efficient digital solutions to enable charities to use technology to deliver information we need. We have continued to improve our online services with a focus on how trustees interact with us so that people can easily find what they need from us, themselves. We also look at how we can share data and information more broadly, particularly to reduce any duplication in collection points, both by ourselves and from other bodies.

Operational performance overview

Maintaining an up-to-date register of charities is key to ensuring that charity data is accessible and that the public can make informed choices. During 2025-26, we received 11,759 applications (9,836 in 2024-25) to register a charity and registered 4,650 organisations as charities.

This increase in applications received is a long running trend that, that continues to have been driven by similar geopolitical, environmental and socioeconomic factors as last year, such as ongoing financial uncertainty, responding to environmental changes, and global conflicts.

We used our register powers (relating to accurate maintenance of the register of charities) 4,577 times in 2025-26, a 9% increase on 2024-25, when the figure was 4,191.

As a result of improved processes, productivity in the Registration team has increased over 2025-26, with 415 cases closed per FTE, compared to 374 in 2024-25 and 342 in 2023-24.

Key achievements against Strategic Objective 4

Changes to My Charity Commission Account

The introduction of My Charity Commission Account (MCCA) was a significant transformation for both the Commission and the sector. While most charities were able to transition successfully, we recognised that the initial roll-out created challenges for some users.

During 2025-26, we completed the major programme of improvement work, delivering substantial enhancements to system functionality, usability and reliability. This work was shaped directly by user feedback and involved close collaboration across operational, digital and customer service teams.

These improvements have led to a demonstrable step change in performance. Customer satisfaction improved markedly, with usability scores increasing by over ten points year-on-year, and system stability strengthened through comprehensive testing with minimal post-release defects.

Importantly, the changes have significantly reduced demand on our contact channels. By January 2026, MCCA-related contact had reduced by around 77% compared to earlier peaks, reflecting improved self-service functionality and clearer user journeys. This has also delivered efficiency savings for the Commission, with a substantial reduction in staff time spent handling enquiries.

The system is now more mature and self-sustaining, with improved internal capability, clearer documentation, and reduced reliance on manual processes. While further enhancements will continue, the completion of this phase represents a major milestone in establishing MCCA as a stable, user-friendly and efficient digital service for charities.

Commission Futures Programme

In June we learned the outcome of our Spending Review bid, which made the case that the Commission required a significant uplift in funding to address rising casework volumes and so we could invest in our digital platforms to offer better and more efficient services for charities. We were successful in making this case and will receive around a 25% uplift in funding on average over the coming three years. Much of this investment will go into improving our digital services and processes so that they are more intuitive for customers, and more efficient for the taxpayer. Operating within our existing constrained resources, we have worked to stand up a programme to 'hit the ground running' in April 2026 when the funding becomes available. Working under the title of the 'Commission Futures Programme', we have established five end-to-end 'services' where we will focus our efforts, such as how we process new Registration applications or how we consider complaints about charities. We have held workshops with our staff, established new governance arrangements and assigned staff members to lead each service, procured external suppliers to join our teams from April, and agreed the high-level phases of our work over the next three years. This will start with 'discovery' in establishing what the problems and opportunities are to make our services better, including by working with our stakeholders and staff and through user research, to prioritise the changes we make.

Annual Return data from charities

The Annual Return questions collect rich data so as to identify risks and problems in the sector earlier, help the public make informed and confident choices about charities, and allow policy-makers, researchers, the sector, and the public to gain a valuable improved understanding of the sector in England and Wales. This year we expanded on our two previous published analyses of this data, such as adding 'money going overseas' and information specific to the sector in Wales.

We have also added insights into our quarterly data reporting, an innovation begun in 2024 intended to ensure we are using data about the register and our casework to better inform the public about our work and that of charities. The reports now include data on regulatory authority casework as well as our customer contact centre.

Measuring our strategic impact - Use and quality of our data

High-quality, easily accessible data about charities helps to ensure that they are accountable to the public. It also creates more opportunities to unlock the potential for sharing data we hold about the size and scale of the sector, whilst retaining high data protection standards, generating benefit for charities and the public.

In our public survey, 14% of respondents said they had used the register of charities to check charity details, consistent with previous years. The customer satisfaction (system usability) score for the register has improved but remains at 'OK'.

94% of charities were up to date with filing at the end of 2025-26, showing a steady increase year on year since 2024. Filing rates in 2023-24 (81%) had been impacted by the launch of MCCA, but the improvements to the system described above, alongside the introduction of a strategic email reminder programme, have contributed to this much higher level of compliance.

5

Strategic Objective 5: We will be the expert Commission, where our people are empowered and enabled to deliver excellence in regulation

Our strategy envisions an organisation that is highly skilled and operates with excellence at the heart of all we do. We aim for our to culture attract, retain, engage, and develop talented people who believe in what the Commission does.

Key achievements against Strategic Objective 5

People and Culture programme initiatives

Throughout the year, the Commission has continued with our People and Culture Programme, first set up in 2022-23 with the aim of creating an expert Commission.

The main activities have been rolling out our new performance management system and the development of a comprehensive induction programme. This Academy-based approach runs over 40 weeks with a mixture of face to face, on-line and on- the job learning. Using new digital technology to illustrate key case-working concepts, the programme launched in the Spring of 2026 and is expected to decrease the time taken for new recruits to perform effectively. This will be crucial in the year ahead as we onboard around 50 new case officers from April as a 'surge' investment in new capacity under our Spending Review settlement to help address growing volumes of casework.

Demand for our work has grown significantly in recent years and our teams have been working under sustained pressure for some time. The investment secured in the Spending Review gives us opportunity to strengthen our foundations and reshape how we organise our work so we can build a more resilient organisation.

In the second half of the year, Directors worked with our Human Resources team to develop structures which will both enable more cohesive ways of working and strengthen our ability to respond to demand. This meant ensuring we have the right balance of roles, responsibilities and capacity to delivery effectively. The next financial year will see a phased move into the new structures across the Commission.

Full details are contained in the Staff Report (page 67), including details of our employee engagement and some changes and improvements to HR policies.

Strategic impact measure - skilled and empowered staff

This measure tracks the extent to which our people are equipped to serve and regulate charities well, fulfilling our ambition in this space. The indicators we use for this are completion of technical training, and whether we get decisions right the first time.

Our Technical Competence training has high completion rates. Level 1, which is for all staff, had a 95.8% completion rate. Level 2, which provides more specialised training for caseworkers, had a 100% completion rate.

Customers requested internal reviews of 102 of our decisions in 2025-6. This is a very small proportion (less than 1%) of the total number of decisions we made in the year. 63 decisions (55%) were upheld, 34 (30%) were changed (of those, 26 (23%) related to decisions about registering a new charity); 17 requests were withdrawn.

Delivery against operational performance standards

OUR AIM

WHAT WE ACHIEVED

If you need to contact us by phone, we aim to answer within 7 minutes (a different measure from the 9 minutes measure in 2024-25)

We answered 87% of calls within 7 minutes (84% of all calls within 9 minutes in 2024-25)

We aim to acknowledge all written enquiries to the Commission within four working days and start work on our initial assessment

We acknowledged 99% of all written enquiries within four working days (100% in 2024-25)

We aim to decide registration, permission and advice requests within 30 working days

We decided 80% of all requests within 30 working days (86% in 2024-25)

We aim to investigate and provide a response to complaints about the Charity Commission within 30 working days

We provided a response to 83% of complaints within 30 working days (76% in 2024-25)⁵

We aim to respond to Freedom of Information requests and letters from Members of Parliament within 20 working days

We responded to 93% of Freedom of Information requests and letters from Members of Parliament within 20 working days (88% in 2024-25)

Over 2024-25, a number of service improvements to My Charity Commission Account (MCCA) were made and we started to see a drop in the number of incoming MCCA-related calls. As a result, the Board conducted a further review of the operational performance standards in April 2025, which saw the call waiting target drop to 7 minutes for 2025-26.

5. The decrease in performance is explained by the fact that in 2023-24 we received a higher number of low risk, quick resolution complaints due to My Charity Commission Account, that were faster to handle.

Part 2

Legal Developments

Many of our decisions are challengeable in the courts, and this year we have successfully defended a record number of challenges to the exercise of our regulatory powers and decisions. These include challenges by individuals that the Commission considered were unfit to act as trustees and sought to remove from trusteeship either through disqualification or removal, challenges to high-profile registration decisions, challenges to schemes and challenges to decisions refusing a waiver. This section gives an overview of some of the main developments relevant to our legal framework during the year in the First-tier Tribunal and the courts. It focuses on decisions in which the Court or the Tribunal considered significant points of law or of the regulatory framework for charities, and which will inform our approach to their regulation.

For Women Scotland Ltd v The Scottish Ministers [2025] UKSC 16

Judgment was handed down on 16 April 2025 in this Supreme Court case which involved an appeal regarding the meaning of ‘sex’ under the Equality Act 2010 (**EA10**). The Court found that for the purposes of the Act, sex means biological sex, either female or male. This is fixed at birth and cannot be changed, even where a Gender Recognition Certificate has been obtained. ‘Women’ means biological women, which includes trans men; and ‘men’ means biological men, which includes trans women.

The Court’s findings have a wide impact in a significant number of areas, including for charities and their beneficiaries: particularly those which provide services, run schools and sporting events, and membership associations.

As a result of the judgment, the Equality and Human Rights Commission (**EHRC**) is updating the existing statutory guidance on this topic - the

Code of Practice for services, public functions and associations (**the Code**). The EHRC ran a public consultation seeking views on the draft updated Code between 20 May and 30 June 2025, before submitting an updated version to the government.

On 21 May 2026, the Minister for Women and Equalities laid the Code before Parliament. It will become statutory after 40 days, if there are no objections in Parliament. The Commission is now updating its own guidance for charities on the Equalities Act, to ensure it reflects the judgment and the final Code.

[For Women Scotland Ltd v The Scottish Ministers judgment](#)

Evans and another v The Charity Commission for England and Wales [2025] UKFTT 1547 (GRC)

Judgment was handed down on 16 December 2025 in this Charity Tribunal case which dismissed the appeal against the Commission’s decision to disqualify both Appellants from being a trustee of any charity due to misconduct and mismanagement under Section 181A of the Charities Act 2011 (**the Act**) for 4.5 years and 3.5 years respectively.

The Tribunal found that both Appellants were de facto trustees of the Dot Com Children’s Foundation charity, having general control and management of its administration (under Section 177 of the Act), despite Mrs Evans never formally being appointed as a trustee. The misconduct and mismanagement related to the Appellants’ receiving personal benefit from the charity; their failure to manage conflicts of interest; and their disregard for charity law.

The Tribunal found that the statutory criteria for disqualification under Section 181A of the Act were satisfied both in relation to Condition

D (misconduct and/or mismanagement) and Condition F (other conduct likely to be damaging to public trust and confidence). The Tribunal concluded that the Appellants' conduct was damaging to public trust and confidence in charities, they were unfit to be charity trustees, and disqualification was desirable in the public interest.

[Sharon Evans & Anor v The Charity Commission for England and Wales decision](#)

Centore and another v Charity Commission for England and Wales [2026] UKFTT 77 (GRC)

Judgment was handed down on 20 January 2026 in this Charity Tribunal case which dismissed an appeal against the Commission's decision to refuse to register the Research Network for the Study of Esoteric Practice (**RENSEP**) as a Charitable Incorporated Organisation (**CIO**) because its purposes - specifically, the advancement of education - did not meet the requirements under Section 208 of the Charities Act 2011 (**the Act**) of being exclusively charitable and for the public benefit.

The Tribunal also found that the requirements had not been proved by RENSEP because its purposes were not unambiguously exclusively charitable, due to the vague definition of esotericism and the lack of clarity about the scope of RENSEP's functions; as well as the evidence suggesting that RENSEP might provide private benefit (namely by supporting people engaging in some sort of private ritual) rather than public benefit.

[Andrea Centore & Anor v The Charity Commission for England and Wales decision](#)

MacLennan v British Psychological Society (The Secretary of State for Business and Trade and The Charity Commission for England and Wales intervening) Case Number: 2602281/2021 (citation of original Judgment: [2024] EAT 166)

Judgment was handed down on 4 February 2026 in this Employment Tribunal (**the Tribunal**) case which involved a further hearing in September 2025, having been remitted by the Employment Appeal Tribunal (**the EAT**) for two issues to be determined (after upholding the remainder of the original Tribunal Judgment given in October 2024).

The case addressed whether a charity trustee is able to bring a claim in the Tribunal for whistleblowing protection if they suffer a detriment for making a protected disclosure within that regime. Given the impact of the Judgment on the charitable sector, the Commission was given permission to intervene in the proceedings, which it did throughout.

The Tribunal had previously found that as there was no contractual relationship between the parties and the Claimant's trustee role was voluntary, he was not a worker: meaning that he could not bring a whistleblowing claim. However, on appeal, the EAT found that other relevant factors needed to be considered, including under the European Convention of Human Rights (**the ECHR**).

In the latest Judgment, the Tribunal confirmed that charity trustees are not in an analogous situation with an employee or a worker: and instead, they have "other status" under Article 14 of the ECHR. Although this means that the relevant legislation (the Employment Rights Act) treats charity trustees less favourably, their exclusion is both justified and proportionate. Namely, to avoid the risk of a conflict of interest (between a charity trustee's responsibilities and them bringing a whistleblowing claim), and to preserve a charity's

financial interests by avoiding the risk of associated damage caused by having to defend such a claim. The Tribunal emphasised that its findings apply both in relation to the Claimant's case, and more generally to charity trustees.

[MacLennan v The British Psychological Society ET decision](#)

Potanin v The Charity Commission for England and Wales [2026] UKFTT 271 (GRC)

Judgment handed down on 25 February 2026 in this Charity Tribunal case which dismissed an appeal against the Commission's decision in June 2023 to remove the Appellant from his position as an officer of the charity under Section 79(4) of the Charities Act 2011 (**the Act**) after he failed to resign. The Commission had also made a related order to terminate the Appellant's membership of the charity under Section 83(4) of the Act: the validity of which is dependent on the removal order being in place.

The basis for Claimant's removal was that he had been sanctioned via a UK designation (under the Russia (Sanctions) (EU Exit) Regulations 2019) in June 2022 (**the Designation**).

The Tribunal found that the Appellant was an 'officer' under the Act, as his constitutional powers as Founder - which included powers to appoint and remove trustees, and to alter the charity's Articles - constituted an office from which he could be removed. The Designation meant that the charity was deemed 'owned or controlled' by him, which banned use of its assets without an Office of Financial Sanctions Implementation (**OFSI**) licence and therefore paralysed its operations. This element also breached the Appellant's fiduciary duty to the charity.

The Tribunal found that the Appellant's failure to resign due to the designation amounted to misconduct or mismanagement as his conduct met all three limbs of Section 79(4)(a)-(c) of the Act (namely he was responsible for the misconduct;

knew of the risks; and failed to take reasonable steps to avoid them). His removal was necessary or desirable, as well as proportionate: both to protect and enable the charity to function, plus to ensure that the Commission can deliver its regulatory function.

[Vladimir Potanin v The Charity Commission for England & Wales decision](#)

CHARITY COMMISSION V PARLIAMENTARY OMBUDSMAN [2026] EWHC 486 (Admin)

Judgment handed down on 6 March 2026 in this Admin Court application by the Charity Commission for permission to bring a judicial review (JR) claim as against a decision by the Parliamentary Ombudsman (PHSO). The Commission sought permission to challenge a decision by the PHSO of 'continuing injustice' made pursuant to Section 10(3) Parliamentary Commissioner Act 1967 (PCA 1967) on the basis that the PHSO exceeded its own jurisdiction by considering the merits of the Commission's decisions and by misunderstanding the Commission's jurisdiction.

The Court refused permission on the basis that (1) the claim was now academic as the decision in question was overtaken by a motion in Parliament after the claim was issued calling for the PHSO reports to be laid before Parliament and (2) in any event the claim was not arguable as the PHSO jurisdiction in this case under Section 10(3) PCA 1967 was different to the usual maladministration jurisdiction pursuant to Section 10(1) PCA 1967 and that the PHSO was correct to conclude that the Commission failed to evidence its risk assessments in the two specific cases.

[Charity Commission for England and Wales v Parliamentary and Health Service Ombudsman judgment](#)

Part 3

Financial Review

The resource accounts report a revenue underspend of £0.257m (2024-25: £0.105m). This underspend amounts to 0.8% of our net £33.389 annual budget, which reflects the tight margins under which the Commission operates in order to maximise resource utilisation.

Our funding was largely via the HM Treasury Vote of £33.389m supplemented by additional funding from other government departments to cover the cost on ongoing projects delivered on their behalf.

The following table sets out our funding limits over the current spending period (2023-27).

	2022-23	2023-24	2024-25	2025-26	2026-27
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Revenue DEL	32,348	32,254	32,149	33,389	37,851
of which non ring-fenced	28,533	28,678	28,555	29,795	37,851
of which ring-fenced depreciation	3,815	3,576	3,594	3,594	N/A
Capital DEL	3,107	2,250	4,450	2,650	2,874
Revenue AME	N/A	N/A	N/A	N/A	3,400

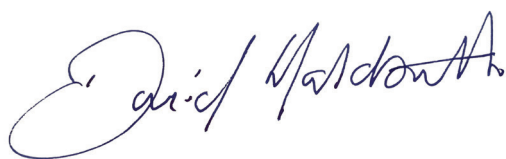
Note: The Vote set aside for depreciation and amortization has historically been classified as Revenue DEL ring-fenced expenditure, however this is being reclassified as Resource AME from 2026-27.

Financial performance against statutory limits

The level of expenditure incurred by government departments, including the Commission, is subject to statutory funding limits approved by Parliament. It is a fundamental form of accountability that expenditure within a financial year must not exceed these limits. There are three key financial limits which the Commission must achieve and all three of them were duly met. These are Revenue DEL, Capital DEL and Net Cash Requirement.

	Revenue DEL	Capital DEL	Net Cash Requirement
	(£'000)	(£'000)	(£'000)
Main Estimate	33,389	4,500	34,170
Supplementary Estimate	0	(1,800)	(1,800)
Final Limit	33,389	2,650	32,370
Expenditure and/or cash used	33,132	2,494	32,083
Surplus for year	257	156	287
Performance within funding limit?	✓	✓	✓

The above expenditure was used to deliver the strategic objectives of the Commission.



David Holdsworth
Chief Executive and Accounting Officer
06 July 2026

1. Task Force on Climate-Related Financial Disclosures (TCFD) Compliance Statement

The Charity Commission has reported on climate-related financial disclosures consistent with HM Treasury's TCFD-aligned disclosure application guidance, which interprets and adapts the framework for the UK public sector.

Climate considerations on Property, Business Continuity and Security are incorporated into CC'S principal risks. Due to the nature of our operations, climate-related issues are not currently considered to be a principal risk for the Commission under our risk assessment processes, which consider the impact, proximity and likelihood of each risk. This position will continue to be reviewed as part of our ongoing risk management process.

The Charity Commission is committed to sustainable development (meeting the needs of the present without compromising the ability of future generations to meet their own needs). Concern for the environment is an integral and fundamental part of this commitment. Our aim is to reduce the impact on the environment from our operations.

As the Charity Commission is on minor tenancy lease agreements within all four Government buildings that we occupy, there is a limit in what we can contribute in respect of the management of the buildings we occupy.

The Charity Commission has prepared its climate-related financial disclosures in line with HM Treasury's TCFD-aligned Disclosure Application Guidance, interpreting the framework proportionately as a minor tenant across four Government-occupied buildings.

The Charity Commission has complied with the recommended disclosures across Governance, Strategy, Risk Management, and Metrics & Targets, while recognising limited influence over building-level emissions due to landlord control.

Task Force on Climate-related Financial Disclosures (TCFD).

TCFD Compliance Statement summary

TCFD Area & Recommended Disclosure	Compliance Status	Explanation
Governance (a)	Complied	Oversight embedded in organisational risk processes; environmental risks are escalated to the Executive Leadership Team and Board if required.
Governance (b)	Complied	Estates team leads; Directorates identify risks; AD Finance, Estates and Commercial reports to ELT.
Strategy (a-c)	Partially Complied	Risks assessed and mitigations adopted; influence limited by tenant status.
Risk Management (a-c)	Complied	Environmental risks integrated into risk management processes.
Metrics & Targets (a)	Partially Complied	Scope 3 travel metrics reported; broader emissions reporting limited by landlord control.
Metrics & Targets (b)	Partially Complied	Scope 3 reportable only by the Charity Commission as minor tenants; Scope 1/2 data unavailable (controlled and data provided by Landlords).
Metrics & Targets (c)	Partially Complied	Initiatives in place; building-level targets determined by landlords.

2. Governance (TCFD Disclosures)

Within our organisational structure we identify, evaluate and manage both principal, new and emerging risks.

Organisational Structure:

The Charity Commission is organised into Directorates, each of which has its own Risk Register within which consideration will be given to any risks and opportunities arising from operations that can either minimise environmental impacts or provide environmental benefits.

Roles and Responsibilities, including Risk Management:

The Charity Commission Estates team lead on the review and management of the environmental impact of our activities. The Assistant Director of Finance, Estates and Commercial reports directly risk to the Executive Leadership team; relevant environmental risks are reported to Board.

More information on how risks are identified and managed across the organisation, can be found in our Risk Management Framework within the Charity Commission's overarching annual report.

3. Risk Management

Climate risks are embedded in CC's risk management framework.

Climate risk is not considered to be a principal risk to the Charity Commission.

Within the Charity Commission, our approach is as follows:

Strategy and Business model:

Climate-related risks and opportunities are built into our overarching Sustainability Policy, which is proportionate for our organisation, given that we are a minor tenant in all buildings. We consider the potential impact of climate change risks on our workforce and address this as part of our overarching risk assessment.

Impact on Strategy:

The Charity Commission has risk assessed and will continue to revisit the potential risks (e.g. rising temperatures, floods), also considering and building in, so far as reasonably practicable, mitigations, such as staff working from home if required; purchasing and using more energy efficient IT products to reduce risks in overheating; and working with landlords to understand risks relating to climate change and what mitigation plans they have in place to manage risks.

4. Metrics & Targets

Although the Charity Commission operations cover both England and Wales, as we are funded directly by the UK Government, we report against the relevant targets within that structure.

Although the Charity Commission cannot directly influence the reduction of Scope 1 and 2 emissions it is worth noting that we are in the process of creating a new Comfort and Environmental policy for which we will be obtaining quarterly performance reports from our landlords during 2026-27. We will challenge any anomalies identified.

5. Greening Government Commitments

Mandatory requirements

Scope 1 and 2 emissions

The metrics align to the Greening Government Commitments for Central Government. Scope 1, 2 are not reportable for the Charity Commission; we are unable to directly influence the reduction of scope 1 and 2 emissions as these are the responsibility of our landlords in the buildings in which we are minor tenants.

This aligns with existing requirements in the Sustainability Reporting Guidance (SRG).

This is in line with the central government's TCFD-aligned disclosure implementation timetable.

Greenhouse Gas emissions Scope 3 (Official business travel)

Monitoring business travel to reduce Greenhouse Gas emissions.

The majority of our business travel is by rail, with some car usage and minimal air travel. We are working with our car hire provider to identify options to reduce the environmental impact of our domestic travel.

CCEW Business travel year on year comparison:

Year	Mileage (train and car)	Co2 Emissions (tonne)	Cost to the Charity Commission in train and car fares	Air mileage KM (all Flights)	Air cost to the Charity Commission in air fare	Air Co2 Emission (tonne)
2023-24	548,184	42	£271,021	3,016	£372	0.35
2024-25	415,530	31	£211,720	6,217	£1,171	0.82
2025-26	365,705	24	£174,816	39,184	£5,791	3.18

An analysis of air travel between domestic and international flights is only available for 2024-25 & 2025-26:

Year	Domestic/ international travel	KM's	CO2 (tonne)kg	Travel Class Business/ Economy	Destination Countries July 2025- February 2026	Purpose of travel	Personnel attending
2024-25	Domestic Flights	2866	0.64	Economy	Data currently not available	Data currently not available	Data currently not available
2025-26	Domestic flights	0	0	Economy	Data currently not available	Data currently not available	Data currently not available
2024-25	International Flights	3391	0.18	Economy	Data currently not available	Data currently not available	Data currently not available
2025-26	International Flights	39184	3.18	Economy	Tajikistan USA Switzerland Ireland	Meeting with External bodies and attending conferences	CEO and senior investigating officers

Mitigating climate change: working towards Net Zero by 2050

Scope 3 covers all types of travel undertaken by Charity Commission staff and the use of couriers

It is clear that the Charity Commission has made significant progress in reducing Co2 emissions, predominantly through a commitment to making more use of virtual technology and choosing more sustainable travel options.

Internal Carbon pricing

Due to the very limited impact of the Charity Commission's operations on carbon emissions, we do not use a system of internal carbon pricing, although the environmental impact of our actions is always a consideration in our decision making.

We do not have any carbon offsets.

6. Scope of Reporting

Transparent disclosure of limitations due to CC's minor tenant status.

7. Waste Management

Waste minimisation and management

The gross figures for waste relate to our largest site – Redgrave Court, Bootle based on our occupancy level of 5.22%. As our Redgrave Court office is the only site in which we occupy over 500SQM, it is the only site we are required to report on under the Greening Government Commitments.

All waste on site at Redgrave Court is recycled, with nil to landfill.

We have collaborated with our landlords across all sites to promote waste reduction, and efficient use of recycling schemes, for example through reducing under desk waste bins and staff being encouraged to use site recycling facilities.

ICT and digital waste

Sustainability ICT Waste Management

End of Life IT Equipment

Via our approved supplier the Charity Commission utilise a secure, environmentally responsible IT lifecycle service (including circular economy options).

Secure Data removal

All data is securely erased using Blancco drive erasure software. We receive supporting documentation, including erasure and destruction certificates.

Hardware Recycling

Depending on the agreed route, hardware is either processed for re-use (to extend its life) or securely destroyed (including shredding) with remaining components recycled in sustainable ways to avoid landfill.

Avoiding Landfill

Our end-of-life process is underpinned by a zero-to-landfill policy, with a focus on re-use where possible and sustainable recycling where re-use is not appropriate.

Buy-back Initiative

Where we have equipment to dispose of, we receive an estimated buy-back figure based on inventory and condition through our approved supplier. Value can be shared through buy-back credit.

How does re-use support sustainability compared with recycling?

Processing equipment for re-use helps avoid usable assets being classified as WEEE, reduces demand for new equipment, and decreases extraction and transport of raw materials. Raw materials can account for a significant portion of an IT item's overall lifecycle carbon footprint.

Approved Supplier Environmental Commitment

Focus on four key areas: recycled and reduced packaging, responsible delivery, device assessments (including eco-friendly manufacturing considerations and RoHS compliance), and end-of-life secure disposal.

They work with partners to minimise delivery mileage and emissions through route mapping, consolidation and palletisation of shipments, and requesting lower-emission vehicles (including hybrid, electric, and Euro VI options). We also encourage packaging reduction and greener delivery methods where possible.

Supporting Government

We work with a supplier who supports the UK Government's Net Zero ambition for 2050 and aim to contribute toward national emissions-reduction targets.

Credit details for recycled ICT equipment 2025-26

Date	Credit value
29/04/2025	6,984
26/06/2025	2,638
30/07/2025	1,619
Total	11,242

Redgrave Court year on year waste consumption – Data not available for 2025-26 from our landlords

Based on RGC occupancy of 5.22%	Waste to energy (tonne)	Recycling (tonne)	WEEE (tonne)	Landfill (tonne)	Food bio energy recovery (tonne)
2021-22	0.26	0.58	0.05	0.00	0.06
2022-23	2.14	1.03	0.02	0.00	0.18
2023-24	2.70	4.16	0.16	0.00	0.20
2024-25	2.08	2.09	0.67	0.00	0.30
2025-26	-	-	-	-	-

Water

The HMT's Sustainability reporting guidance states the following:

Direct water use

Direct water use shall be reported in cubic metres and broken down by source if possible (water from a third-party supplier, abstracted water, and where data exists, collected water).

Central government bodies must ensure that KPIs and reported results on water usage conform to the common reporting requirements on reporting boundaries, materiality, comparatives and location.

Water minimum requirement

Central government bodies shall report their total potable water consumption (in cubic metres).

Through participation in site wide water efficiency measures the Charity Commission has delivered a sustained reduction in water consumption across the last five years. The table below includes the metrics and expenditure for water consumption for the Charity Commission's use in Redgrave Court, our largest site.

Based on RGC occupancy of 5.22%	Water (cubic metres)	Annual Expenditure figures £ (Data not currently available from our Landlords)
2021-22	550	-
2022-23	433	-
2023-24	469	-
2024-25	261	-
2025-26	423 (please note this is an estimate provided by our landlords as there is a reported fault on the water meter)	-

8. Net Zero & Climate Mitigation

Our journey towards net zero for each of our sites

- We continue to reduce the impact of our business travel on carbon emissions by encouraging use of more technical solutions or meetings.
- We continue to monitor, review, and identify further actions to reduce our carbon footprint.
- We will continue to reflect on the requirements of the Climate Change Adaptation Strategy, reducing environmental impact – Information technology, digital products, and services.

Our accommodation footprint

In line with the principles set out in the Government Estate Strategy we continue to review our office accommodation requirements.

In respect of our Taunton site, we have reduced our footprint by a further 138 sqm generating annual savings of approximately £23k per annum.

We have redesigned our offices to provide more collaborative spaces in line with the Government Estates Strategy and work to the Smart Code of Practice PAS3000.

We continue to work with the Government Property Agency to consider our London footprint, as part of the Whitehall Campus Review and the Levelling Up Agenda.

Our office efficiency ratio is now at 3.92m²/FTE, which is already significantly below the Government target for office utilisation of 6m²/FTE by 2030.

CCEW Sustainability Policy and planning 2026-27

During 2025-26 We have clearly outlined our goals and expectations from all staff in contributing to sustainability initiatives, e.g., using recycling schemes in place across the Charity Commission sites, and overall energy efficiency responsibilities. We are also developing a Comfort and Environment policy, which whilst meeting our obligations as an employer to comply with health and safety standards it will also serve as a means to monitor environmental conditions and compliance with our landlords towards environmental goals.

Summary of the key areas we have and will continue to work towards:

- We engage with and encourage our landlords to develop carbon reduction plans to map plans to meet reduction targets and monitor performance.

Summary of current initiatives across our offices

The Charity Commission encourages cycling/walking to work through the provision of a cycle to work scheme and shower facilities at all sites.

Further initiatives include the following:

- Electric car charging points at 2 of our 4 sites.
- Lights are on sensors in 3 out of 4 of our offices, reducing the amount of time these are in use.
- Recycling facilities and initiatives on sites provided by major occupier; staff are encouraged to use.

Other initiatives provided by our landlords by site

Redgrave Court, Liverpool (1234 Sqm):

- All waste that leaves the building is nil to landfill and is utilised in a variety of recycling and upcycling initiatives.
- Reduced paper towel waste by introducing more energy efficient hand dryers and innovative 'sanitising' door handles.
- Planting around the property has been allowed to grow higher than usual as this promotes biodiversity in the building perimeter.
- A study of gas usage in the building, with a view of switching the kitchen assets over from gas to electric is being considered.
- Under desk wastepaper bins have been scaled back to encourage staff to recycle more, using the dedicated recycling bins.
- Within the restaurant and deli areas, a hot drinks price reduction scheme is in place when a reuseable lidded container is used.
- LED lighting has been installed to improve efficiency.
- CHP – Combined Heating and Power – providing heat and electricity in an efficient manner within the demand of the building (no electricity or heating is exported).
- Planning net zero pathway – decarbonising building with a view to removing all gas appliances, boilers and switching to heat pumps.

102 Petty France, London (350 Sqm):

- A variety of recycling and recycling initiatives. All under desk wastepaper bins have been removed to encourage staff to recycle more, using the dedicated recycling bins.
- Within the restaurant and deli areas, a hot drinks price reduction scheme is in place when a reusable lidded container is used.
- LED lighting has been installed to improve energy efficiency.

Government Buildings, Newport (81 Sqm):

- A variety of recycling and upcycling initiatives.
- All under desk wastepaper bins have been removed to encourage staff to recycle more, using the dedicated recycling bins.
- Within the restaurant and deli areas, a hot drinks price reduction scheme is in place when a reusable.

County Hall, Taunton (126 Sqm)

During 2025-26, the Charity Commission relocated its Taunton office from Brendon House to Somerset County Hall as part of estate efficiencies.

The relocation reduced the office footprint from 264sqm to 126sqm, resulting in annual financial savings of approximately £23,000.

Environmental benefits are also anticipated, as County Hall has established sustainability measures and more efficient building systems, which are expected to contribute to reduce energy. County Hall has an impressive energy rating of B, compared to our previous office, which was rated E, the Government minimum rating standard.

10. Sustainable Procurement

Procuring sustainable products and services

The Charity Commission's annual procurement spend on goods and services is circa £7m and we use Crown Commercial Service (CCS') Frameworks wherever feasible. Each of our procurements include sustainability and social value criteria.

All prospective suppliers are evaluated when submitting their tender response and must demonstrate how they achieve social value, with one of the themes (theme 3) being 'Fighting Climate Change'.

Additionally, a mandatory schedule is included in all CCS contracts stating suppliers must comply with the standards set within the framework schedule. This forms part of the contractual documents that both the Charity Commission and our suppliers enter.

Performance towards delivering Sustainable Development Goals

The Sustainable Development Goals (SDGs) form part of the 2030 Agenda and provide a framework for ending poverty and promoting peace and prosperity worldwide. There are 17 goals, set out below.

As noted above, our minor tenancy arrangements limit the extent to which we can directly influence building-level sustainability outcomes. However, through close engagement with our landlords and targeted staff awareness of initiatives in place across our buildings, alongside sustainable procurement practices, we are contributing to the delivery of the wider SDGs.

The core purpose of the Charity Commission is to regulate the charity sector which is directly relevant to SDG 16 'build effective, accountable and inclusive institutions at all levels' and the 13 principles of charity, which underpin the sector we regulate, also align with the 17 SDGs.

Sustainable Development Goals

Goal 1. End poverty in all its forms everywhere

Goal 2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Goal 3. Ensure healthy lives and promote well-being for all at all ages

Goal 4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Goal 5. Achieve gender equality and empower all women and girls

Goal 6. Ensure availability and sustainable management of water and sanitation for all

Goal 7. Ensure access to affordable, reliable, sustainable, and modern energy for all

Goal 8. Promote sustained, inclusive, and sustainable economic growth, full and productive employment and decent work for all

Goal 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Goal 10. Reduce inequality within and among countries

Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable

Goal 12. Ensure sustainable consumption and production patterns

Goal 13. Take urgent action to combat climate change and its impacts

Goal 14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development

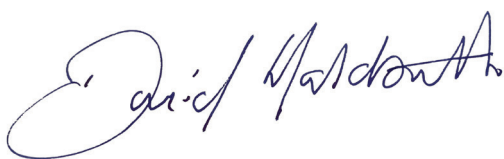
Goal 15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Goal 16. Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Goal 17. Strengthen the means of implementation and revitalize the global partnership for sustainable development

Conclusion

This report demonstrates our commitment to transparency, accountability, stewardship and sustainability.



David Holdsworth
Chief Executive and Accounting Officer
06 July 2026

Introduction

The accountability report (pages 43 to 75) sets out our key accountability requirements to Parliament. It includes:

- a statement of the Accounting Officer's responsibilities
- a governance statement on how the Commission is organised and how it manages risk
- a remuneration and staff report setting out the pay and benefits received by the executive directors and non-executive Board members
- disclosures on pay and pensions policies, and details of staff numbers and costs
- Parliamentary and accounting disclosures, setting out how we have spent money provided to us by Parliament
- a copy of the audit certificate and report made to Parliament by the Comptroller and Auditor General, setting out their opinion on the financial statements

Statement of Accounting Officer's responsibilities

I have been appointed as Accounting Officer of the Charity Commission by HM Treasury. The responsibilities of an Accounting Officer, which include responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Commission's assets, are set out in *Managing Public Money* published by HM Treasury.

As Accounting Officer, I am required to prepare for each financial year resource accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the department during the year. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Commission and of its net resource Outturn, application of resources, changes in taxpayers' equity and cash flows for the financial year.

In preparing the accounts, I am required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on a going concern basis
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable

The annual governance statement below sets out the Commission's governance, risk management and internal control arrangements for the financial year 2025-26 and up to the date of approval of our annual report. I have not prepared a separate Directors' Report as the contents of this are included within the Performance Report.

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the Charity Commission's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

I confirm that the annual report and accounts as a whole is fair, balanced and understandable, and I take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

Governance Statement

The systems reported on in this statement have been in place for the year under review and up to the date of approval of the annual report and accounts.

During 2025-26, we operated a structured system of risk management and internal control to support delivery of our objectives.

The Chief Executive, as Accounting Officer, has overall responsibility for the effectiveness of risk management and internal control. The Board retains collective ownership of strategic risks and sets the overall direction, while the Audit and Risk Assurance Committee (ARAC) provides independent scrutiny and advice. The Executive Leadership Team (ELT) owns and reviews risks, and Directors and Assistant Directors are accountable for risks within their areas.

Risk management is underpinned by a Corporate Risk Management Policy, which defines a consistent process of identifying, assessing, treating, monitoring and reporting risk. During 2025-26, risks were managed through a strategic risk framework, supported by directorate and operational risk registers, ensuring risks were managed and escalated at the appropriate level. In parallel, we developed a Principal Risk framework, which will replace the strategic framework from 2026-27 and provide a more integrated and forward looking view of risk aligned to delivery.

Strategic risks were reviewed regularly by ELT and ARAC, with Board oversight. Risk management is supported by key risk indicators, performance information and risk event reporting, enabling monitoring against agreed tolerance levels. A three lines of defence model operates to provide assurance, including operational controls, oversight functions and independent internal audit.

The strategic risk register captured the most significant risks to delivery during 2025-26. Emerging risks are identified through horizon scanning, stakeholder engagement and governance processes. The Principal Risk framework developed for 2026-27 consolidates and strengthens coverage of material risks across key thematic areas, improving alignment with planning and performance.

The Accounting Officer, supported by the Board and ARAC, has reviewed the effectiveness of the system of risk management and internal control, informed by risk reporting, assurance activity and performance monitoring. This confirms that systems have been in place throughout the year and up to the date of approval of the Annual Report and Accounts, and are operating effectively. Where improvements have been identified, actions are in place to strengthen capability and embed the organisation's approach further.

Our arrangements are consistent with the principles of the Orange Book and the Corporate Governance Code for central government. No significant departures have been identified.

The Commission's governance structures

The Commission's Board is responsible for the strategic oversight of the Commission. It is responsible for developing strategy, monitoring progress in delivering that strategy, overseeing legal matters, providing corporate governance and assurance, and managing corporate risks.

The Board comprises the Chair, Chief Executive, two members with legal qualifications, one member with knowledge of conditions in Wales and up to five additional members with relevant skills and expertise in operations, accountancy, digital and data, the charity sector, and risk management. They use their range of backgrounds, skills and expertise to provide the necessary strategic direction and oversight.

All Charity Commission Board members, bar the Chief Executive, are appointed by the Secretary of State for the Department for Culture, Media and Sport (DCMS) through open and competitive selection and serve for an initial term of three years. The Secretary of State may renew a board appointment for up to a maximum of ten years.

Changes to the Board

On 24 April 2025, Orlando Fraser KC's term of appointment as Chair came to an end. Mark Simms OBE acted as interim Chair from 25 April 2025 to 31 December 2025. Dame Julia Unwin was appointed Chair for a three-year term, from 1 January 2026.

Whilst referenced in the 2024-25 report it should also be recorded here that Tasnim Khalid and Alan Mather joined the Board in April 2025.

In December 2025, Will Lifford stood down from the Board.

In February 2026 Shrenik Davda and Rory Brooks were each reappointed for a second three-year term which commenced in March 2026.

In March 2026 Kate Sayer was appointed to the Board, as Chair of the Audit and Risk Assurance Committee for a three-year term.

The Board's work

This year, the Board has overseen delivery of the Commission's Strategy for 2024-29. It has reviewed quarterly performance against the 2025-26 business plan, which was again mapped against the five priorities of our strategy. It has reviewed the strategic risks, financial performance, and performance against the operational performance standards.

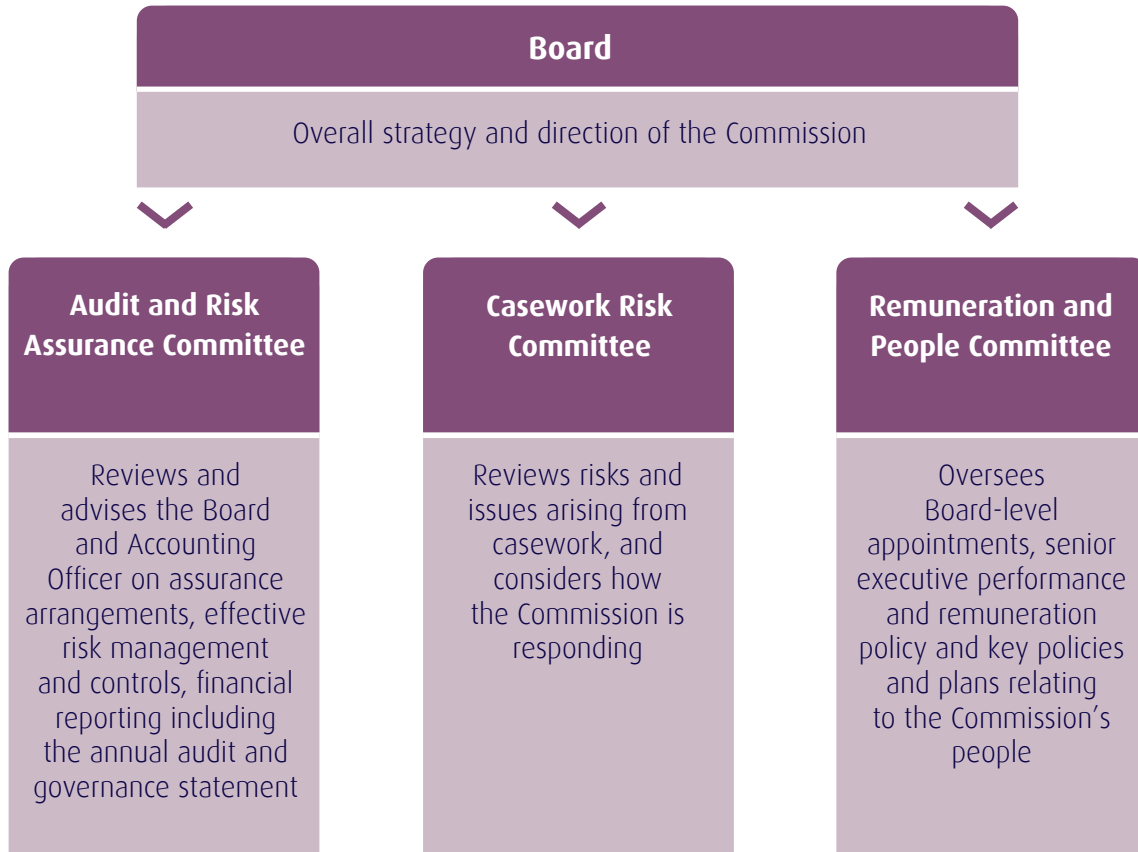
The Board oversaw a successful bid as part of the Spending Review, which has resulted in the development of our Commission Futures Programme, the first year of which will be reported against in the 2026-27 annual report.

Board Effectiveness

The Board considered the results of the most recent internal Board Effectiveness Review at its November 2025 meeting. It noted that the results were positive, finding that the Commission's governance framework is well understood by Board Members, with a clear division of roles and responsibilities and good reporting lines between the Committees. No significant areas for improvement were identified, and the Board did not therefore consider any further actions were required.

Committees of the Board

Our Committee structure is as follows:



Committee membership

The Board's committee membership at the start of 2025-26 was as follows:

- Audit and Risk Assurance Committee: Will Lifford (Chair), Pippa Britton OBE, Shrenik Davda, Ann Phillips.
- Casework Risk Committee: Orlando Fraser (Chair), Ann Phillips, Shrenik Davda, and Mark Simms OBE.
- Remuneration and People Committee: Rory Brooks CBE (Chair), Pippa Britton, Mark Simms and Jonathan Russell CB (independent member).

In June, Ann Phillips stepped down from the Audit and Risk Assurance Committee and Alan Mather was appointed in her place.

In December, Will Lifford stepped down from the Board. Kate Sayer was appointed to the Board as Chair of the Audit and Risk Assurance Committee from March.

In April, Orlando Fraser stepped down as Chair of the Commission, Ann Phillips was then appointed as Chair of the Casework Risk Committee, Tasnim Khalid was appointed to the Board and the Casework Risk Committee in April.

The work of the Committees

Set out below is an overview of the work the committees have undertaken during 2025-26. As part of their terms of reference, all committees are required to provide oral reports to the Board following each of their meetings.

The **Audit and Risk Assurance Committee** met four times during the year to support the Accounting Officer and the Board in their responsibilities for ensuring the adequacy of risk management, internal control and governance arrangements, and that public funds are used efficiently and effectively. Across the year, the Committee has reviewed the Commission's approach to risk management, in line with the requirements of the HM Treasury Orange Book, overseeing the maintenance of our strategic risk register. The Committee has also continued its rolling programme of deep dives scrutinising controls in place for each strategic risk, supported by the relevant assurance maps.

In addition, the Audit and Risk Assurance Committee has received and reviewed the planned activity and results of the annual assurance programme undertaken by our internal auditors, the Government Internal Audit Agency (GIAA), and management progress against actions resulting from this programme. It has also considered the results of the annual audit undertaken by our external auditors, the National Audit Office (NAO), which provides assurance on the integrity and accuracy of our financial accounts. All meetings of the Committee were attended by the NAO and GIAA.

The Committee has provided oversight and scrutiny of any reportable incidents such as data breaches, health and safety incidents, whistleblowing or allegations of fraud. No significant trends have been identified in the health and safety incidents reported this year, and all incidents have been resolved as and when they occur. There were no instances of staff whistleblowing (raising a concern) to report for the period and no allegations of fraud.

The **Casework Risk Committee** met five times during the year to review emerging themes and trends in casework risk; how the Commission is responding, or planning to respond, to this risk; and to provide advice and guidance, where appropriate, on the handling of high-risk casework. It also reviews the results of Executive-led quality assurance of casework.

The **Remuneration and People Committee** met three times during the year to evaluate the performance of our most senior officials and to determine fair remuneration levels. It reviewed key people activity and provided oversight of Organisation Design work and Board member succession planning. It also considered People Survey results, performance against the People Performance Standards, and development and implementation of the new performance management system for delegated grades. It also reviewed and updated induction plans for new Board members.

Quality of information provided to the Board and Committees

The Executive continued to work closely with the Board to ensure it has the information it needs to support informed decision making, enable effective monitoring of the Commission's work and performance, and to maintain the quality of our Board and Committee papers.

Corporate governance code

The HM Treasury's "Corporate Governance in central government: code of good practice" (the 'code') remains in force. Whilst it is primarily applicable to government departments, as a non-ministerial department we adopt and adhere to the code where it is constructive and practical to do so, and not incompatible with our statutory duties.

Attendance at meetings

Attendance of Board members and independent members during 2025-26 is listed in the below table.

Key:

√ = Attended

A = Apologies

a = absent, without notice

Board

	Apr-25	May-25 Extra Board Meeting	Jun-25	Aug Planning Day	Sep-25	Nov-25	Feb-26	Mar-26 (Call)
Unwin, Julia - Chair	N/A	N/A	N/A	N/A	N/A	N/A	√	√
Britton, Pippa	√	√	√	A	√	A	√	√
Brooks, Rory	√	√	√	√	√	√	√	√
Davda, Shrenik	√	√	√	√	√	√	√	√
Khalid, Tasnim	N/A	A	A	√	√	√	A	√
Lifford, Will	√	√	√	√	√	√	N/A	N/A
Mather, Alan	N/A	√	√	√	√	√	√	√
Phillips, Ann	√	√	√	√	√	√	√	A
Simms, Mark (Int. Chair)	√	√	√	√	√	√	√	√
Fraser, Orlando - Chair	√	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Holdsworth, David - CEO	√	√	√	√	√	√	√	√

Audit and Risk Assurance Committee

	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
Britton, Pippa	√	√	√	√	√
Davda, Shrenik	√	√	√	√	√
Lifford, Will (Chair)	√	√	√	√	N/A
Mather, Alan	N/A	N/A	√	√	√
Sayer, Kate (Chair)	N/A	N/A	N/A	N/A	√
Holdsworth, David (CEO)	√	√	√	√	√

Casework Risk Committee

	Mar-25	Jun-25	Sep-25	Nov-25	Jan-26	Mar-26
Davda, Shrenik	√	√	√	√	√	A
Fraser, Orlando	√	N/A	N/A	N/A	N/A	N/A
Khalid, Tasnim	N/A	A	√	√	√	A
Phillips, Ann (Chair)	√	√	√	√	√	√
Simms, Mark	√	√	√	√	√	√

Remuneration and People Committee

	Mar-25	Jul-25	Nov-25	Mar-26
Brooks, Rory, Chair	√	√	√	√
Britton, Pippa	√	√	√	A
Fraser, Orlando	√	N/A	N/A	N/A
Simms, Mark	N/A	√	√	√
Jonathan Russell (Independent Member)	√	√	A	a

Members' interests

All Board members declare all relevant personal or business interests and these are recorded in our register of interests, published on GOV.UK.

Any potential conflicts of interest are declared and recorded at the outset of each board or committee meeting and, if needed, the individual(s) take no further part in decision making or withdraws as required.

Executive leadership

Our Chief Executive and our Directors make up the Executive Leadership Team (ELT). The ELT works together as the decision-making body on all operational matters, ensuring that we deliver our strategy. The ELT develops and delivers the business plan, assesses resource against priorities and risks, making appropriate resource allocations; plans and oversees the recruitment of staff, all with the aim of achieving the Commission's statutory duties and strategic objectives. The ELT meets formally on a monthly basis.

At the start of 2025-26, the Executive Leadership Team was as follows:

- David Holdsworth, Chief Executive
- Nick Baker, Chief Operating Officer
- Roberto Confessore, Director of Data, Digital and Technology
- Helen Earner, Director of Regulatory Services
- Paul Latham, Director of Communications and Policy
- Eva Abeles, interim Director of Legal and Accountancy Services

In August 2025 Roberto Confessore left the Charity Commission to take up another position. Since then, Empyrean Digital Ltd. have been providing professional services; senior DDAT advice and support predominantly in respect of our forthcoming digital transformation programme.

In January 2026, Jan Lasik took on the role of Director of Legal and Accountancy Services at which time Eva Abeles stepped down from the Executive Leadership Team.

Executive interests

All our staff should avoid doing anything that might reasonably be seen as compromising their judgement or integrity. Our policy and process for the declaration and management of outside interests continues to be in place to ensure that we have robust arrangements in place for identifying and managing conflicts appropriately. The policy is reviewed on an annual basis with regular communications to the wider organisation to promote good awareness and understanding. Our policy and process reflects the provisions set out in the Civil Service Management Code (section 4.3).

Executive governance structures

The **Executive Casework Committee** met eight times in 2025-26. The Committee, which is chaired by the Chief Executive, oversees the management of casework, assures the consistency and quality of casework, and considers emerging sector risks, ensuring the Commission responds as required. The Committee also enables the Chief Executive to provide assurance to the Board about the effectiveness of casework and that cases are appropriately escalated to the Board in line with the agreed guidelines.

In November a new time limited governance group, the **Strategic Change Board**, was stood up to oversee the Commission Futures Programme as a blended executive / non-executive project board.

The **Portfolio Delivery Board** has been reviewed and recast to better meet the needs of the Commission Futures Programme and align with the Strategic Change Board. It is now called the Portfolio Board and features revised membership and reporting. Its Terms of Reference have been updated to reflect its changed remit regarding the Commission Futures Programme, the Commission's portfolio of projects and associated business change activity. It meets monthly and is chaired by the Chief Operating Officer.

The **People and Culture Group** oversees the work of the People and Culture Programme in developing and delivering on the Commission's strategic ambitions for its people. It agrees project deliverables, including outcomes, milestones, and timescales, and assigns actions to Group members as well as monitoring the delivery of those actions. It meets monthly and is chaired by the Chief Operating Officer.

The **Data Protection Oversight Group** met quarterly in 2025-26. The group is chaired by the Chief Operating Officer in his role as SIRO (Senior Information Risk Owner) and provides oversight and direction on data protection matters within the Commission, as well as monitoring compliance with legislation;

assessing data protection risks; overseeing improvement plans; reviewing relevant policies and procedures and planning for any future change.

Our **Inclusive Culture Group** is a cross-Commission forum, established in August 2024 with the aim of creating an inclusive culture at the Commission. It encompasses all previous diversity groups and there is a direct link to the People and Culture Group for oversight of the impact and direction of its work. It meets monthly and is chaired by the Assistant Director of Finance and Commercial Services.

The **Health and Safety Committee** meets quarterly to review compliance with Health and Safety legislation and guidance; assess risks to staff while working at home and in the office; analyse information on health and safety incidents reported, including identifying any preventative actions that may be taken; and review relevant policies and procedures. It is chaired by the Head of Estates and comprises representatives from cross-business functions, office locations and the trade union.

The **Security Steering Group** has met quarterly to provide direction in terms of security issues, including managing the response to security incidents; ensuring compliance with central policies, guidance and legislation; as well as adequate protection of government assets for which the Commission has responsibility. It includes representation from Security, Digital, Data and Technology, Estates and HR.

Risk management

During 2025-26, we have continued to strengthen our approach to risk management, building on our existing processes while taking forward our ambition to increase organisational risk maturity.

The Board has maintained oversight of risk management, supported by the Audit and Risk Assurance Committee (ARAC), which has monitored strategic risks, key risk indicators and performance against agreed tolerances. Regular discussion of emerging risks has further strengthened our ability to identify and respond to new and evolving threats.

At an executive level, the Executive Leadership Team (ELT) has provided oversight through regular review of the strategic risk register, supported by ongoing reporting between formal review points. Across the organisation, risk champions promote active risk identification and discussion, supported by induction and ongoing engagement to foster a positive risk culture.

During the year, we have also progressed a more integrated and organisation wide approach to managing risk, strengthening the links between risk management, planning, and delivery, and improving the quality and consistency of risk information. This supports more effective decision making and ensures that risk considerations are embedded at all levels of the organisation.

A summary of our strategic risks as set out in the strategic risk register and how we mitigated against them is set out below.

Political and financial uncertainty

This relates to the risk that political or financial uncertainty impacts our ability to operate effectively as a regulator.

With regard to political risk, we have continued to strengthen our engagement with key political stakeholders across government and Parliament, including ministers, select committees and wider representatives. This has supported delivery of commitments in the Government's Social Cohesion Action Plan, including measures to strengthen our ability to tackle extremism in the charity sector. We have also actively managed reputational and parliamentary risks arising from ongoing engagement with scrutiny bodies, including work relating to the Parliamentary and Health Service Ombudsman (PHSO).

We have built on our preparations for the 2024 General Election to support the sector ahead of further electoral events, including the Senedd and local elections. This has included updated guidance on campaigning and political activity, targeted engagement in higher-risk areas, and direct communication with political parties to support compliance.

With regard to financial risk, following the Spending Review settlement the Commission has secured additional investment across the SR period. This funding is linked to the delivery of operational improvements, including reducing queues and delivering technological change through the Futures Programme. However, the settlement remains subject to future review, and wider economic uncertainty, including inflationary pressures, continues to present a risk to funding stability. We continue to engage with HM Treasury to manage these risks and ensure delivery remains aligned to available resources.

Delivery of people-related priorities

Our People and Culture programme seeks to deliver the ambition set out in our five-year Strategy that we will be the expert Commission, where our people are empowered and enabled to deliver excellence in regulation. Being half way through the five years gives us an opportunity to consider our progress towards this ambition.

The Programme was set up in 2023 and overseen by a Programme Board chaired by the CEO. It has successfully delivered under its four workstreams of:

- Fair Reward
- Development
- Purposeful Work
- Culture

Outputs over the three years have included: implementation of a new pay and grading structure; evidence-based business case for review and investment in our Training Academy; embedding of the new performance management and reward approach; annual Employee Awards event; infusing our values throughout the organisation; and creation of the new inclusive Culture Group.

The Programme Board has overseen all initial deliverables but there is much work still to be done related to our digital transformation and Casework Academy review.

See the staff report for more detailed information on people related activities.

Delivery of the programme portfolio

Critical to the delivery of the Commission's strategy and priorities is the effective, joined-up delivery of the Commission's portfolio of programmes and projects. Delivery of the Commission's portfolio has remained broadly on track, supported by strengthened governance arrangements and clearer structures for change management and programme oversight. The Portfolio Delivery Board transitioned to the new Portfolio Board, which continues to provide oversight of delivery, including scrutiny of capacity, interdependencies, risks and budget.

Key programmes delivered during the year include the Annual Returns programme and improvements to the My Charity Commission Account (MCCA), with both delivered to schedule and with measurable improvements to user experience and operational efficiency. Work has also progressed on the next phase of Annual Returns, including redevelopment of system architecture to support future delivery.

In parallel, significant progress has been made in strengthening programme and change capability, including new governance structures for the Futures Programme, clearer roles across PMO and change functions, and the development of improved tools, processes and controls. These changes are supporting increased maturity in portfolio management and improving confidence in delivery across the organisation.

Securing our infrastructure and protecting our information

The risk of confidential information, including personal data controlled or processed by the Commission, being misused, lost, stolen or corrupted remains a risk. We have continued to strengthen our cyber security and resilience through the implementation of enhanced monitoring and response capabilities. This includes the introduction of a new Cyber Security Operations Centre, enabling improved threat detection, automation of responses, and faster incident management, including out-of-hours coverage.

We have maintained Cyber Essentials Plus accreditation and continued to develop our approach to security through alignment with the NCSC Cyber Assurance Framework and development of a 'secure by design' approach to future systems and services.

In data governance, we have delivered a significant upgrade to our records management system, reducing reliance on legacy technology and improving the management of over 11 million records. This includes enhanced automation of retention and disposal processes, supporting improved compliance and reduced data risk. While incident volumes remain broadly stable, recent trends highlight the continued risk of human error, and we are strengthening awareness and controls in response. More information about the ways in which we are monitoring and controlling data protection can be found in the data protection section below (pages 55-56).

Casework and customer services

The risk of failure in executing casework or providing the appropriate levels of service to charities and other external customers continues to be a critical focus for the organisation. The services we provide must be efficient and delivered effectively, while identifying and tackling wrongdoing in charities.

Demand for regulatory services has continued to increase significantly, with sustained growth in casework volumes across multiple areas, including complaints and registration. This has coincided with reduced staffing capacity, resulting in increased pressure on operational delivery, growing queues and longer waiting times in key areas. Despite these pressures, productivity has improved through process efficiencies and more effective deployment of resources, with increased case closures per FTE across several areas of work.

We have continued to focus on improving quality and capability through the Quality Assurance Framework, Technical Competence training, and enhancements to operational guidance. Alongside this, digital improvements, particularly through MCCA, have supported improvements in customer interaction and reduced demand on contact centre services.

Governance

It is essential that we fulfil our statutory duties and act within our remit, recognising that public and stakeholder trust could be harmed if the Commission were to materially misuse the powers entrusted to it in law, or the public funds under its control.

Effective board and committee oversight of the executive has continued throughout the year. The

Commission's governance framework has continued to operate effectively, supported by positive findings from the most recent Board Effectiveness Review, which identified strong clarity of roles, responsibilities and reporting lines, with no significant areas for improvement.

Board and committee capability has been strengthened through targeted recruitment and succession planning, including appointment of a new Chair and additional members to address identified skills gaps. We have also continued to manage governance risks associated with external scrutiny, including ongoing work to resolve matters with the PHSO and strengthen clarity of roles and responsibilities through improved working arrangements.

Identifying and responding to sector risk

We have continued to strengthen our structured approach to identifying and responding to risks within the charity sector, supported by our Strategic Risk Assessment and ongoing intelligence gathering across casework, stakeholder engagement and external insights.

Our current assessment highlights a number of priority risks, including financial resilience within charities, abuse by dominant individuals, and exploitation of charity status. These are reflected in both casework trends and wider sector intelligence. We have also identified emerging risks, including challenges linked to technological change, workforce pressures and the impact of misinformation.

We have used a combination of communications, guidance and engagement to support trustees in managing these risks, including targeted campaigns focused on financial resilience and ongoing dialogue with sector bodies. This is supported by internal coordination through the Commission Tasking and Coordination Group, ensuring a joined-up organisational response to emerging risks.

Data protection

The Commission is data controller for a significant amount of personal data, including, for example, the public Register of Charities, which is key to the Commission's official functions and responsibilities and contains names of trustees. It remains a priority to ensure all personal data is treated lawfully and ethically, and is kept safely and securely and in compliance with data protection legislation.

A corporate data protection framework maintains Commission policies and procedures alongside ongoing performance monitoring and training. The Data Protection Officer reports quarterly to the Executive Leadership Team and six-monthly to the Audit and Risk Assurance Committee on compliance with legislation, any identified trends, incident management, overall performance and horizon scanning. During the past year, data protection activity has been focused on finalising impact assessments on key projects such as phase 2 of MCCA development, the updated SORP, implementation of phase 4 of the Charities Act 2022 and launching our first significant use of AI through CoPilot Chat. With The Data Use and Access Act receiving royal assent in June 25, the Commission has been working on implementing the various requirements to ensure compliance. These include understanding how we approach automated decision making, developing a specific data protection complaints process, exploring ways to incorporate digital verification, working with the ICO on guidance for the soft opt for charities and discussing with key stakeholders on how we can be more effective through the use of compatible processing.

The Commission's priority is to prevent personal data incidents from happening via an ongoing and evolving education and awareness programme both with training, support or targeted communications that are relevant to trends and near-miss occurrences. However, data incidents will still inevitably happen at times, and our data incident management policy and procedure ensures that prompt action is taken to

contain and resolve them where possible. This year we saw a slight decrease in the number of incidents reported overall, but the actual number of confirmed breaches increased by 13% (from 41 to 47). This increase, whilst not significant, was driven mainly by human error in sending to incorrect recipients and charities supplying incorrect or unnecessary personal data through documentation or incorrect updates made to their contact details. There were a small number of MCCA and digital form related breaches which have prompted policy and guidance improvements. Most breaches were low to medium risk, accidental and none were reported to the ICO.

As the Commission's Futures portfolio programme starts, we are seeing an increase in proposed AI solutions. These will continue to be assessed alongside both our Generative AI policy and the additional DPIA AI checklist that now gives us a better framework for assessing privacy risks relating to the use of AI.

	Category/Nature of personal data breach	2025-26	2025-26 Notified to ICO
I	Loss of inadequately protected electronic equipment, devices or paper documents from secured government premises	0	0
II	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured government premises	0	0
III	Insecure disposal of inadequately protected electronic equipment, devices or paper documents	1	0
IV	Unauthorised disclosure	42	0
V	Other	4	0
	Total	47	0

Loss of confidential information or data breaches

There is an ongoing risk of confidential information, including personal data controlled or processed by the Commission, being misused, lost, stolen or corrupted. Alongside the practices to control cyber security risk, we have focused efforts on relevant and tailored training and education to staff, ensuring that they are aware of their obligations and responsibilities for information security.

This year, we have continued to roll out the specific training as well as focus efforts on awareness campaigns specific to trends of incidents or near-miss incidents reported. We continue to encourage an open and transparent culture where data breaches and incidents and concerns are readily recognised, reported and managed.

In the wake of the recent MOD breach, Cabinet Office have updated guidance to government departments through a checklist of principles to ensure a repeat is prevented. In response, we are currently working with teams across the Commission to identify improvements to our approach to data ownership, clearer policy for data sharing and how to protect vulnerable and at-risk individuals who would be most at risk of harm in the event of a breach.

Independent assurance and scrutiny

As in previous years, the Government Internal Audit Agency (GIAA) has delivered our annual assurance programme. Of the five audits completed as part of the 2025-26 assurance programme, two received an

overall 'substantial' assurance rating. These audits covered the delivery of internal professional services; and the key financial controls relating to payroll. Three audits received an overall 'moderate' assurance rating. These audits covered information technology, and the handling of joiners, movers and leaver; the recording of case decisions; and the establishment of the Commission's Futures Programme. The GIAA also completed an advisory report into our commercial functionality in response to the new Public Procurement Regulations and also the Commission's contract management arrangements.

The GIAA's annual internal audit opinion provided moderate assurance on the overall adequacy and effectiveness of the framework of governance, risk management and internal controls for the financial year 2025-26. There were no matters arising from the work of internal audit during the period that require separate comment. Internal audit found no fundamental or systemic control weaknesses by design or operation, fraud or improbity. It did find areas where controls have not yet been fully implemented or require improvement, for which appropriate actions to address the risks have been agreed.

Corporate Complaints

The Charity Commission takes complaints against it seriously. Our complaints procedure is available on our website. Where applicable, we feed findings from complaints into our future casework to ensure we are learning from them.

If members of the public remain dissatisfied with the outcome of their complaint, they may pursue their complaint via a Member of Parliament to the Parliamentary and Health Services Ombudsman (PHSO).

The PHSO does not investigate every complaint they receive. A primary investigation is conducted to determine if a detailed investigation is warranted. The PHSO will not usually complete a detailed investigation if there is no evidence of wrongdoing or the complaint can be resolved. In the period covering 1 April 2024 to 31 March 2025, the PHSO closed 13 cases at the primary investigation stage.

The below table sets out the latest published figures from the PHSO regarding the number of detailed investigations conducted by the PHSO about the Charity Commission. It covers the period 1 April 2023 to 31 March 2024.

Number of complaints accepted for detailed investigation by the Parliamentary Ombudsman in 2024-25	1
Number of detailed investigations reported on in 2024-25:	
a) Investigations fully upheld	0
b) Investigations partly upheld	0
c) Investigations not upheld	1
Number of Ombudsman recommendations in 2023-24 ⁶ :	
d) Complied with	0
e) Not complied with	0

6. The recommendations for the investigations reported on in 2023-24 are required to be completed in the following reporting year.

The following links to the PHSO report that this data is taken from [Annual data on complaints | Parliamentary and Health Service Ombudsman \(PHSO\)](#).

Clarifying the respective remits of the Commission and the Parliamentary and Health Service Ombudsman (PHSO)

The Legal Developments section above on page 29 summarises the court’s consideration of a judicial review claim brought by the Commission to seek clarity over the lawfulness of the PHSO’s decision making in relation to two reports.

The reports relate to separate complaints raised by individuals previously anonymised as ‘Miss A’ and ‘Mr U’. Both of these cases relate to safeguarding concerns within charities. The Commission accepts there were failings in how it handled both cases. Our internal records should have been clearer on how we undertook risk assessments at different stages of the cases, how we reached conclusions on appropriate regulatory action and how we explained these decisions to the complainants.

However, the PHSO’s decision raised important points of legal principle in relation to our organisations’ respective jurisdictions.

Specifically, in each case, we believed that the PHSO had identified unremedied injustices on the basis that it did not agree with the conclusions of our regulatory reviews. We were concerned that, in seeking to review the merits of our decision making in this way, the PHSO had overstepped its statutory role and therefore acted unlawfully. This assessment was supported by both internal and external legal advice and reviewed carefully by the Commission’s Board.

The Commission at the time was also concerned that the PHSO’s position sought to impose requirements for us to investigate the credibility of criminal allegations, where the police have already investigated and made a determination to take no action. We were concerned that such an obligation would run contrary to the principles of natural justice.

On both these points the Commission was motivated by the need to secure clarity for both organisations as well as for the volunteer-led sector that we regulate. It is important that there is clarity on the nature of the Commission’s powers to sanction them, and the role of the PHSO in reviewing our regulatory decisions.

The court decision summarised on page 31 provides helpful clarity on the issues raised by the cases, in particular on when PHSO decisions can properly be challenged in the courts and what powers it has to assess a public body’s compliance with its recommendations.

In response to the court judgment, a retired member of the senior judiciary has been commissioned by the Commission’s Board to serve as an independent external reviewer of how the Commission handled the two cases. Their review will provide an external perspective on our regulatory judgements in closing the two cases, and aims to provide greater assurance to the complainants, PHSO and Parliament of the Commission’s commitment to remedying the remaining injustice. The Commission is liaising closely with the PHSO on the terms of these case reviews which will conclude in the 2026-27 financial year.

Whistleblowing (raising a concern)


Our whistleblowing policy (also known as “Raising a Concern”) is available on our staff intranet site. We have a number of routes available for our people to raise concerns, including Nominated Officers, who are staff volunteers that act as confidential and independent source of support, and an independent helpline.

We post regular reminders of the Raising a Concern policy to staff and participated in this year's Civil Service-wide "Speak up" campaign.

The Chair of the Audit and Risk Assurance Committee holds overall Board responsibility for whistleblowing, and this Committee receives reports on any whistleblowing as a standard agenda item.

Accounting officer's statement of effectiveness

I have reviewed the effectiveness of the Commission's governance structures, risk management and internal controls. Taking into account: the results from our internal audit programme and other external assurances; assurance letters from each of my directors summarising the effectiveness of their systems of governance, risk management and control; and the ongoing review of our governance arrangements, I have concluded that the Commission has satisfactory governance and risk management systems in place, with effective plans to ensure continuous improvement.

A handwritten signature in black ink, reading "David Holdsworth". The signature is written in a cursive style with a large initial 'D'.

David Holdsworth
Chief Executive and Accounting Officer
06 July 2026

Remuneration and staff report

Remuneration Report

Service contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise. All appointments are overseen by the Civil Service Commission.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

All Board members terms of appointment are agreed with the Department for Culture, Media and Sport. The Chief Executive and the directors are all directly employed by the Commission.

Further information about the work of the Civil Service Commission can be found at: www.civilservicecommission.org.uk.

Remuneration Policy

The Chair and non-executive Board members

In accordance with Schedule 1, paragraph 4(1) of the Charities Act 2011, remuneration, and such other allowances, for Non-Executive Board Members, including the Chair, is determined by the Secretary of State for Culture, Media and Sport. Remuneration for Non-Executive Board Members is paid by the Commission.

SCS executive

Our senior staff pay policy is in line with the work and recommendations of the Senior Salaries Review Body. The Non-Executive Board Members agree the annual bonus arrangements for the Chief Executive, on the recommendation of the Remuneration and People Committee. The Chief Executive is the final decision-maker for the performance rating and bonus for the members of the SCS executive, but the Board Remuneration and People Committee moderates and provides vital challenge based on their knowledge and experience.

Charity Commission staff

The Charity Commission is responsible for employing staff and keeps the terms broadly in line with those that apply to the Civil Service through compliance with the annual Civil Service pay remit guidance. Our staff normally hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme. Levels of remuneration are set at an appropriate level to recruit, retain and motivate able, qualified and high-calibre people within the budget available to the Commission.

Remuneration (including salary) and pension entitlements

The following sections provide details of the remuneration and pension interests of Board members and the most senior executive officials of the Commission.

Remuneration (audited)

All non-executive Board members (excluding the Chair) serving in 2025-26 are entitled to a fee of £350 per day (unchanged from last year), so their overall fee/salary reflects days worked.

No pension contributions are paid for non-executives (2025-26: £nil).

Board, Chair and Chief Executive	Fee/salary		Bonus payment		Pension benefits ⁷		Single total figure of remuneration	
	£'000		£'000		£'000		£'000	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25 ⁸	2025-26	2024-25
Orlando Fraser KC (Chair to 24/04/2025)	0-5 (60-65 full year equivalent)	60-65	N/A	N/A	N/A	N/A	0-5 (60-65 full year equivalent)	60-65
Dame Julia Unwin (Chair from 01/01/2026)	15-20 (60-65 full year equivalent)	N/A	N/A	N/A	N/A	N/A	15-20 (60-65 full year equivalent)	N/A
David Holdsworth (Chief Executive)	150-155	110-115 (145-150 full year equivalent)	5-10	5-10	84	138	240-245	250-255 (290-295 full year equivalent)
Pippa Britton OBE (Board Member)	0-5	0-5	N/A	N/A	N/A	N/A	0-5	0-5
Rory Brooks CBE (Board Member)*	-	0-5	N/A	N/A	N/A	N/A	0-5	0-5
Shrenik Davda (Board Member)	0-5	0-5	N/A	N/A	N/A	N/A	0-5	0-5
Will Lifford (Board Member to 31/12/2025)	0-5	5-10	N/A	N/A	N/A	N/A	0-5	5-10
Ann Phillips (Board Member)	5-10	5-10	N/A	N/A	N/A	N/A	5-10	5-10
Mark Simms OBE (Board Member to 24/04/2025 & 25/01/2026 to current date)	0-5	0-5	N/A	N/A	N/A	N/A	0-5	0-5
Mark Simms OBE (Chair 25/04/2025 to 24/01/2026)	45-50 (60-65 full year equivalent)	N/A	N/A	N/A	N/A	N/A	45-50 (60-65 full year equivalent)	N/A
Tasnim Khalid (Board Member from 23/04/2025)	0-5	N/A	N/A	N/A	N/A	N/A	0-5	N/A

Board, Chair and Chief Executive	Fee/salary		Bonus payment		Pension benefits ⁷		Single total figure of remuneration	
	£'000		£'000		£'000		£'000	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25 ⁸	2025-26	2024-25
Alan Mather (Board Member from 23/04/2025)	0-5	N/A	N/A	N/A	N/A	N/A	0-5	N/A
Kate Sayer (Board Member from 09/03/2025)	0-5	N/A	N/A	N/A	N/A	N/A	0-5	N/A

*Rory Brooks did not claim any reimbursement in 2025-26.

Directors and Chief Operating Officer	Fee/salary		Bonus payment		Pension benefits ⁷		Single total figure of remuneration	
	£'000		£'000		£'000		£'000	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25 ⁸	2025-26	2024-25
Nick Baker (Chief Operating Officer)	120-125	125-130	0-5	5-10	47	47	170-175	175-180
Roberto Confessore (Director of Digital, Data and Technology to 05/08/2025)	35-40 (100-105 full year equivalent)	100-105	0-5	0-5	14	22	45-50 (115-120 full time equivalent)	125-130
Helen Earner (Director of Regulatory Services)	100-105	100-105	0-5	0-5	38	58	140-145	155-160
Paul Latham (Director of Communications and Policy)	110-115	110-115	0-5	5-10	29	70	140-145	185-190
Jane McGarry (Interim Director of Legal and Accountancy Services to 31/05/2025)	10-15 (80-85 full year equivalent)	25-30 (80-85 full year equivalent)	0-5	N/A	29	11	15-20 (85-90 full year equivalent)	35-40 (90-95 full year equivalent)

7. The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.
8. Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022.

Directors and Chief Operating Officer	Fee/salary		Bonus payment		Pension benefits ⁷		Single total figure of remuneration	
	£'000		£'000		£'000		£'000	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25 ⁸	2025-26	2024-25
Eva Abeles (Interim Director of Legal and Accountancy 01/06/2025 to 23/01/2026)	50-55 (80-85 full year equivalent)	N/A	0-5	N/A	20	N/A	70-75 (100-105 full year equivalent)	N/A
Jan Lasik (Director of Legal and Accountancy from 12/01/2026)	25-30 (110-115 full year equivalent)	N/A	0-5	N/A	10	N/A	35-40 (120-125 full year equivalent)	N/A

The role of Director of Digital, Data and Technology has not been filled since 06/08/2025. The Commission contracted Empyrean for specific deliverables covering aspects of the Digital Data and Technology function which also included input into day-to-day management alongside the existing Assistant Directors.

Salary

Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the Department and thus recorded in these accounts.

Benefits In kind

No benefits in kind were paid in 2025-26.

Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. The bonuses reported in 2024-25 relate to performance in 2023-24 and the comparative bonuses reported for 2023-24 relate to the performance in 2022-2023. The exception to this is the bonuses paid to David Holdsworth, Roberto Confessore, and £0-£5,000 of the bonus paid to Paul Latham, which all relate to performance in 2024-25 and were paid in the same year.

7. The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increase or decreases due to a transfer of pension rights.

8. Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Alpha scheme for the period from 1 April 2015 to 31 March 2022.

Reimbursement of expenses

Expenses claimed by Board Members are in respect of actual receipted expenditure for travel, subsistence and accommodation in 2025-26. For the Chair, Chief Executive, Directors and other Commission staff, expenses claimed are in respect of costs expended for business travel and accommodation and subsistence allowance, in accordance with Civil Service guidelines. The Commission publishes on its website details of expenses claimed by the Chair, Board Members and the Chief Executive.

Pension Benefits (audited)

	Accrued pension at pension age at 31 March 2026 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31 March 2026	CETV at 31 March 2025 ⁹	Real increase in CETV
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
David Holdsworth	45-50 plus a lump sum of 100-105	2.5-5 plus a lump sum of 2.5-5	854	750	54
Nick Baker (Chief Operating Officer)	15-20	2-2.5	281	228	35
Roberto Confessore (to 05/08/2025)	15-20	0-2.5	232	222	9
Helen Earner	35-40 plus a lump sum of 75-80	0-2.5 plus a lump sum of 0	733	667	24
Paul Latham	45-50	0-2.5	845	781	15
Jane McGarry (Interim Director of Legal and Accountancy Services to 31/05/2025)	25-30	0-2.5	461	442	22
Eva Abeles (Interim Director of Legal and Accountancy 01/06/2025 to 23/01/2026)	5-10	0-2.5	76	61	11
Jan Lasik (Director of Legal and Accountancy from 12/01/2026)	0-5	0-2.5	7	0	5

The data in this table is provided directly by the civil service pension provider and due to service issues this year many members do not have the information available for them to be able to agree it's accuracy.

Opening balances for pension disclosures for some members are not consistent with the closing balances reported in the prior year. This is due to the availability in 2025-26 of more up to date data relevant to the calculation of the prior year benefits.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2026.

9. Taking account of inflation, the CETV funded by the employer has decreased in real terms.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the Principal Civil Service Pension Scheme (PCSPS), which is divided into a few different sections – classic, premium, and classic plus provide benefits on final salary basis, whilst nuvos provides benefits on a career average basis. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis. All newly appointed civil servants, and the majority of those already in service, are in Alpha.

The PCSPS and alpha are unfunded statutory schemes. Employees and employers make contributions (employee contributions range between 4.6% and 8.05%, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year. Pensions in payment are increased annually in line with the Pensions Increase legislation. Instead of the defined benefit arrangements, employees may opt for a defined contribution pension with an employer contribution, the partnership pension account.

In alpha, pension builds up at a rate of 2.32% of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HM Treasury. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. All members who switched to alpha from the PCSPS had their PCSPS benefits ‘banked’, with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha.

The accrued pensions shown in this report are the pension the member is entitled to receive when they reach normal pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over normal pension age. Normal pension age is 60 for members of classic, premium, and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. The pension figures in this report show pension earned in PCSPS or alpha – as appropriate. Where a member has benefits in both the PCSPS and alpha, the figures show the combined value of their benefits in the two schemes but note that the constituent parts of that pension may be payable from different ages.

When the Government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members differently based on their age. Older members of the PCSPS remained in that scheme, rather than moving to alpha. In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members.

As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The Public Service Pensions Remedy is made up of two parts. The first part closed the PCSPS on 31 March 2022, with all active members becoming members of alpha from 1 April 2022. The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the PCSPS on 1 October 2023. This is known as “rollback”.

For members who are in scope of the public service pension remedy, the calculation of their benefits for the purpose of calculating their Cash Equivalent Transfer Value and their single total figure of remuneration, as of 31 March 2025 and 31 March 2026, reflects the fact that membership between 1 April 2015 and 31 March 2022 has been rolled back into the PCSPS. Although members will in due course

get an option to decide whether that period should count towards PCSPS or alpha benefits, the figures show the rolled back position i.e. PCSPS benefits for that period.

The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute but, where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement).

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost.

CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Fair Pay Disclosure (audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

In 2025-26, Nil (2024-25: Nil) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £25,853 to £155,000-£160,000 (2024-2: £26,632 to £150,000-£155,000).

Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

Fair Pay Disclosures

Percentile ratio to highest earner

	2025-26	2024-25
75th percentile ratio	3.2:1	3.3:1
Median pay ratio	4.0:1	4.1:1
25th percentile ratio	4.8:1	4.7:1

	2025-26		2024-25	
	Total pay and benefits	Salary component of pay and benefits	Total pay and benefits	Salary component of pay and benefits
75th percentile	49,493	46,585	47,251	45,524
Median pay	39,247	37,440	37,241	35,964
25th percentile	33,230	31,228	32,731	32,651

Increase/(decrease) in Salary and Allowances and Performance Pay and Bonus

Year	Highest Earner		Mean Earner	
	Salary and Allowances	Performance Pay and Bonuses	Salary and Allowances	Performance Pay and Bonuses
2025-26	3%	0%	3%	7%

The highest earner salary has increased in line with the Senior Civil Service 2025-26 pay award. The 'Performance Pay and Bonus' has remained the same as 2024-25. The mean earner salary has increased broadly in line with civil service pay awards and performance pay and bonuses increasing by 7% (£81).

The 75th and Median percentile ratios have decreased slightly, and the 25th percentile ratio has increased slightly.

Staff Report

Building an expert Commission

This was the roll-out year for our new performance management system, which aimed to lift performance and engagement through comprehensive and regular one-to-one meetings. The template for discussions featuring career development, wellbeing and recognition ideas alongside performance conversations was popular with staff and line managers. This was aligned with a new process for rewarding performance based on criteria which required a demonstration of excellence in either achievement or behaviours. 60% of staff were in receipt of at least one of these awards during the first year and we continue to assess the impact of both new systems through staff feedback and performance.

Much of our L&D resource was dedicated to a fully comprehensive review of our Casework Academy. The successful delivery and implementation of a new approach to technical training for our frontline staff is integral to our ambition of offering excellent and consistent regulation. The refreshed induction

programme consisting of a blended approach of digital and in-person training will be delivered to our cohorts of new starters in 2026-27.

Other training activities during the year included:

- Customer service excellence workshops
- Continuing Line Manager CPD focussing on high performing teams; performance management roll-out and updates on legal duties to prevent sexual harassment
- “One Big Thing” Digital and AI baseline training for all staff
- Updated recruitment training for panel members and superuser Chairs
- Delivery of Train the Trainer sessions and new toolkit

Seven Apprenticeships were ongoing and Accounts Level one and two training was delivered to frontline staff to broaden their skillsets. Compliance with our line manager essential training reached 95% by year end. All staff have to undergo civil service mandatory learning related to security & data protection, health and safety and resilience training and we achieved an average compliance rate of 98% against these corporate expectations.

Low attrition rates led to an overall drop in the number of recruitment campaigns – we appointed 25 new starters during the year into the job roles deemed absolutely critical to business success. Our focus was on identifying and recruiting the digital skills needed to deliver new technology programmes and planning and executing bulk recruitment campaigns to secure 60 new recruits by the first quarter of the next financial year.

Once a year we compile data on the culture and performance of each Directorate through a deep dive report into attrition and absence statistics, compliance with mandatory training requirements and engagement. Outcomes are shared with the Board and senior leaders are held accountable for action planning for improvements where appropriate.

The other main focus in the second half of the year was preparing the organisation for change by reviewing how best to structure teams and workflows. To improve our customer journey, we need to put people where the work is needed most and equip them for those roles. We are entering a period of change and need to engage our staff on that journey, so internal communications has been a priority too.

Staff changes over the year

		31 March 2024	31 March 2025	31 March 2026
Staff on payroll	Number in post	488	457	443
Contingent Labour (Agency & Contractors)	Number in post	1	9	9
Workforce shape*	Headcount at Executive Officer and below	28% (131)	26% (119)	27% (118)
	Headcount at Higher Executive Officer and above, excluding SCS	71% (336)	72.5% (331)	72% (320)
	Senior civil servants	1% (7)	1.5% (7)	1% (5)
Workforce diversity	All other ethnic groups combined	5%	6%	8.2%
	Women	61%	61%	59%
	Women (SCS only)	42%	28.5%	20%
	Disabled	6%	6%	13%
Attendance	Average working days lost	8.5	6	8.2
Civil Service People Survey	Engagement Index %	65	64	65

* Our staff on payroll also includes 8 public appointments as at 31 March 2026. The Commission employed 5 Senior Civil Servants as at 31 March 2026 (4 at SCS pay grade 1 and 1 at SCS pay grade 2).

There is increased representation of staff with disabilities and those from all other ethnic groups combined- the figures are based on self-declarations on our HR databased- in both instances there remains a significant number of “undeclared” responses.

The size of the workforce has decreased in headcount by 14 (3%). Attrition dropped from 10.3% at the end of Quarter 1 down to 7.7% by the end of Quarter 4 and this is the lowest level for a number of years.

Amongst the 35 leavers, 2 were dismissed, 9 transferred to other Government Departments and a further 19 left the Civil Service.

Type of appointment	31 March 2024	31 March 2025	31 March 2026
Permanent Employee	94% (458 headcount)	97% (450 headcount)	99.5% (441 headcount)
Fixed Term	6% (30 headcount)	1% (6 headcount)	0.5% (2 headcount)
Secondment In	0% (0 headcount)	0% (1 headcount)	0% (0 headcount)
Contingent Labour	0% (1 headcount)	2% (9 headcount)	9

Staff policies

All staff policies are reviewed on a two-year basis except where legislative changes or new working practices require immediate update. Over the year 26 policies were refreshed or introduced including:

- Adopting guidance for line managers on coping with terminal illness in the workplace;
- Updating Redeployment and Redundancy guidance to include reference to a new mutually agreed exit scheme;
- Publicising the new entitlement to statutory neonatal leave; and
- Refreshing our Social Media policy with key principles for staff to follow when using social media in the workplace or for personal use.

All relevant policies and entitlements coming under the Employment Rights Act will be introduced at the point of legislation over the coming 18 months.

Diversity and Inclusion

The Inclusive Culture Group was formed in 2024, and its purpose is to promote and help create an inclusive culture, where everyone feels comfortable and able to bring their whole self to work. Specifically championing diversity, inclusion, and well-being.

The work of the group is championed by an assistant director and volunteers from across the business meet quarterly to contribute to the strategy and to set a workplan for the year. Notable achievements in its first full year included:

- the trialling and adoption of noise reduction headphones for staff for whom the office environment can feel disruptive
- creating guidance on running accessible meetings and writing accessible documents
- monthly awareness communications featuring topics such as; World Mental Health Day, Blog on living with a borderline personality disorder, Baby loss awareness week, World menopause Day and International Volunteer Day

In terms of pay equality our gender pay gaps are:

Median pay gap 1.2% (in 2024 it was 2.7%)

Mean pay gap 5.3% (in 2024 it was 2.8%)

The gaps remain relatively small compared with the wider Civil Service and are largely attributable to proportionately having more women at lower grades and fewer at Senior Civil Service grades. This demographic also impacts the pay gaps associated with bonus payments with the median at 7.8% and the mean on 16.7%. The other reason for the bonus disparity is related to the pro-rating of bonus payments to part-timers, which flows through into the calculation. We have four times more women part-timers than men.

This is the first year that the Civil Service has been asked to investigate pay gaps relating to disability and ethnicity. This is the benchmark year and numbers declared are too low for publication, but initial research demonstrates that we do need to investigate an adverse pay gap for staff with disabilities and those from some minority ethnic groups.

Engagement

Engagement is particularly important at a time of change in an organisation. We value our annual People Survey for its insight into how our people are feeling. Our response rate of 86% gives us confidence in outcomes and is a positive indicator of staff's willingness to engage with us. Our headline engagement score remained at 65% which is the same as the civil service benchmark. It was pleasing that our highest scores related to staff feeling positive about both the future of the organisation and the vision that senior leaders have.

Themes around pay and benefits and organisational objectives and purpose scored higher than the civil service averages with resources and workload being marginally lower. When analysed against age, our older staff (over 60) had an engagement rate 10% higher than those under 30. Less than 2% separated the engagement score on all four sites with some variation between individual directorates. Because of these differences each Directorate is responsible for analysing its own results, holding focus groups and creating an action plan designed to tackle key areas of local engagement.

The annual staff awards celebration was run with the same six award categories used previously: Delivering for our Customers, Chair's Award for Excellence, Supportive, Innovative, Collaborative, and Unsung Hero. Evaluation panels received 183 nominations and nomination videos were created for all staff who were shortlisted or winners. Celebrations took place across all four sites as everyone watched the 40-minute video broadcast in early December. The celebration has received positive staff feedback.

The CEO has demonstrated his commitment to staff engagement through his "time to talk" events which give staff members an opportunity to speak with him direct.

Health and safety at work

The Commission recognises the requirements imposed by Health and Safety regulations and the duties imposed upon the employer. We are committed to providing a safe place of work and a safe means of access within all parts of the workplace. This also applies to our hybrid working arrangements, with staff working part of their week from home, and to staff whose roles involve offsite visits.

Our Health and Safety Committee (see page 52) is responsible for oversight of health and safety matters at the Commission. We are compliant with our legal duty to hold regular meetings with Departmental Trade Union safety representatives through this Committee.

Business Appointment Rules

In compliance with Business Appointment Rules (BARs), we are transparent in the advice given to individual applications for senior staff. We publish guidance on our staff intranet site, which provides links to the wider [Civil Service guidance](#) on GOV.UK. We inform all leavers to whom the BARs apply of the requirements.

The below sets out our data for 2025-26 relating to the application of the Business Appointment Rules.

Number of exits from the Senior Civil Service (SCS)	1
Number of BARs applications submitted to the department over the year (by grade - SCS2, SCS1, and delegated grades)	1 SEO grade
Number of BARs applications approved by the department over the year (by grade - SCS2, SCS1, and delegated grades)	1 SEO grade
Number of BARs applications where conditions were set by the department over the year (by grade - SCS2, SCS1, and delegated grades)	1 SEO grade
Number of applications that were found to be unsuitable for the applicant to take up by the department over the year (by grade - SCS2, SCS1, and delegated grades)	0
Number of breaches of the rules in the preceding year	0

Employee relations

The Commission recognises two Civil Service Trade Unions, and the relationship operates under the Civil Service Employment Relations framework. Emerging issues or critical business decisions are discussed at monthly meetings between management and Trade Unions.

In our engagement we seek to ensure that staff views on key changes are discussed and taken into account, and that relations are positive and constructive.

Not all staff are members of the Trade Unions, and the role of our Internal Communications Team is to inform and engage all staff on such issues as well as news and updates about our work and business.

Staff costs (audited)

	2025-26			2024-25		
	Permanently employed staff	Temporarily employed staff	Total	Permanently employed staff	Temporarily employed staff	Total
	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)	(£'000)
Wages and salaries	19,106	0	19,106	19,264	0	19,264
Social security costs	2,506	0	2,506	2,058	0	2,058
Other pension costs	5,254	0	5,254	5,313	0	5,313
Agency staff	0	878	878	0	769	769
Severance costs	24	0	24	(58)	0	(58)
Total	26,890	878	27,768	26,577	769	27,346
Charged to Capital	(1,021)	(689)	(1,710)	(861)	(396)	(1,257)
Total Net Costs	25,869	189	26,058	25,716	373	26,089

Staff costs include an accrual for holiday pay in accordance with IAS19 Employee Benefits.

As a non-Ministerial Government Department, the Commission's pay costs relate to staff. There are no Ministers or Advisors.

The Principal Civil Service Pensions Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as ‘alpha’ – are unfunded multi-employer defined benefit schemes in which the Charity Commission is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2016. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation.

For 2025-26, employers’ contributions of £5.230 million were payable to the PCSPS (2024-25 £5.279 million) at a single employer contribution rate of 28.97% introduced as at 1st April 2024 (2024-25 28.97%) of pensionable earnings.

The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet costs of the benefits accruing during 2025-26 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers’ contributions of £35k (2024-25 £42k) were paid to one or more of a panel of three appointed stakeholder pension providers. Employers’ contributions are age-related and range from 8% to 14.75% (2024-25 8% to 14.75%). Employers also match employee contributions up to 3% of pensionable earnings. In addition, employer contributions of £nil was payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

One staff member retired early on ill health grounds in 2025-26.

Contributions due to the partnership pension providers at 31 March 2025 were £9k. Contributions prepaid at that date were £nil.

Average number of persons employed (audited)

The average numbers of full-time equivalent persons (FTE), including senior management, employed during the year was as follows:

	Permanently employed staff	Temporarily employed staff	2025-26 Number	2024-25 Number
Charity Commission staff	417	2	419	439
Agency staff	0	5	5	6
Total	417	7	424	445

Reporting of Civil Service and other compensation schemes – exit packages (audited)

Unless otherwise stated, redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (CSCS), a statutory scheme made under the Superannuation Act 1972. Where the Commission has agreed early retirements, the additional costs are met by the Commission and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

The table below shows the total cost of exit packages agreed and accounted for in 2025-26:

Exit package cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
£0 - £24,999	0	0	1	0	1	0
£25,000 - £49,999	0	0	0	0	0	0
£50,000 - £99,999	0	0	0	0	0	0
£100,000 - £150,000	0	0	0	0	0	0
Total number of exit packages	0	0	1	0	1	0
Total resource cost (£'000)	0	0	24	0	24	0

Off-payroll engagements

Highly paid off-payroll worker engagements as at 31 March 2026, earning £245 per day or greater

No. of existing engagements as of 31 March 2026	6
Of which...	
No. that have existed for less than one year at time of reporting	5
No. that have existed for between one and two years at time of reporting	1
No. that have existed for between two and three years at time of reporting	0
No. that have existed for between three and four years at time of reporting	0
No. that have existed for four or more years at time of reporting	0

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2026, earning £245 per day or greater

No. of temporary off-payroll workers engaged during the year ended 31 March 2026	15
Of which...	
Not subject to off-payroll legislation	0
Subject to off-payroll legislation and determined as in-scope of IR35	15
Subject to off-payroll legislation and determined as out-of-scope of IR35	0
No. of engagements reassessed for compliance or assurance purposes during the year	0
Of which: no. of engagements that saw a change to IR35 status following review	0

For any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2025 and 31 March 2026	
No. of off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, during the financial year. (1)	0
Total no. of individuals on payroll and off-payroll that have been deemed “board members, and/or, senior officials with significant financial responsibility”, during the financial year. This figure should include both on payroll and off-payroll engagements. (2)	19

Expenditure on consultancy

The Commission spent £73k (2024-25 £45,100) on consultancy.

Statement of Outturn against Parliamentary Supply (audited)

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires the Commission to prepare a Statement of Outturn against Parliamentary Supply (SoPS) and supporting notes.

The SoPS and related notes are subject to audit, as detailed in the Certificate and Report of the Comptroller and Auditor General to the House of Commons.

The SoPS is a key accountability statement that shows, in detail, how an entity has spent against their Supply Estimate. Supply is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated fund), that Parliament gives statutory authority for entities to utilise. The Estimate details supply and is voted on by Parliament at the start of the financial year.

Should an entity exceed the limits set by their Supply Estimate, called control limits, their accounts will receive a qualified opinion.

The format of the SoPS mirrors the Supply Estimates, published on GOV.UK, to enable comparability between what Parliament approves and the final Outturn.

The SoPS contain a summary table, detailing performance against the control limits that Parliament have voted on, cash spent (budgets are compiled on an accruals basis and so Outturn won't exactly tie to cash spent) and administration.

The supporting notes detail the following: Outturn by Estimate line, providing a more detailed breakdown (note 1); a reconciliation of Outturn to net operating expenditure in the SOCNE, to tie the SoPS to the financial statements (note 2); a reconciliation of Outturn to net cash requirement (note 3); and, an analysis of income payable to the Consolidated Fund (note 4). In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FReM) requires the Commission to prepare a Statement of Parliamentary Supply (SoPS) and supporting notes to show resource Outturn against the Supply Estimate presented to Parliament, in respect of each budgetary control limit. The SoPS and related notes are subject to audit.

Summary of Resource and Capital Outturn 2025-26

								2025-26 Voted	2024-25 Outturn
	Estimate				Outturn			Outturn compared with Estimate: saving/ (excess)	Total
	SoPS note	Voted	Non- voted	Total	Voted	Non- voted	Total		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Departmental Expenditure Limit									
- Resource	1.1	33,389	0	33,389	33,132	0	33,132	257	32,044
- Capital	1.2	2,650	0	2,650	2,494	0	2,494	156	4,364
Annually Managed Expenditure									
- Resource	1.1	200	0	200	0	0	0	200	0
- Capital		0	0	0	0	0	0	0	0
Total Budget		36,239	0	36,239	35,626	0	35,626	613	36,408

Non-Budget									
- Resource	1.1	0	0	0	0	0	0	0	0
Total		36,239	0	36,239	35,626	0	35,626	613	36,408

Total Resource		33,589	0	33,589	33,132	0	33,132	457	32,044
Total Capital		2,650	0	2,650	2,494	0	2,494	156	4,364
Total		36,239	0	36,239	35,626	0	35,626	613	36,408

Net cash requirement 2025-26

				2025-26	2024-25
	SoPS Note	Estimate	Outturn	Net Outturn compared with Estimate: saving/(excess)	Total Outturn
		£'000	£'000	£'000	£'000
Net cash requirement	3	32,370	32,083	287	32,853

Administration costs 2025-26

		2025-26	2024-25
Estimate		Outturn	Total Outturn
£'000		£'000	£'000
33,389		33,132	32,044

Figures in the areas outlined in bold are control limits voted by Parliament. In addition, although not a separate voted limit, any breach of the administration budget will also result in an excess vote.

All Estimate and Outturn balances disclosed under the Departmental Expenditure Limit relate to administration costs. Administration expenditure reflects the costs of running the Commission. The classification of expenditure as administration follows the definition of administration costs set by HM Treasury. All Estimate and Outturn balances disclosed under Annually Managed Expenditure are classified as programme costs and relate to transactions in respect of Provisions.

Statement of Outturn against Parliamentary Supply

SoPS 1. Net Outturn

SoPS 1.1 Analysis of net Resource Outturn by section

2025-26										2024-25
Outturn								Estimate		Outturn
Administration			Programme					Net total	Net total compared to Estimate	Total
Gross	income	Net	Gross	income	Net	Total				
£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Spending in department expenditure limit										
Voted: Giving the public confidence in the integrity of charities										
	34,591	-1,459	33,132	0	0	0	33,132	33,389	257	32,044
Total	34,591	-1,459	33,132	0	0	0	33,132	33,389	257	32,044
Annually managed expenditure										
Voted: Giving the public confidence in the integrity of charities										
	0	0	0	0	0	0	0	200	200	0
Total	34,591	-1,459	33,132	0	0	0	33,132	33,589	457	32,044

SoPS 1.2 Analysis of net Capital Outturn by section

	2025-26					2024-25
	Outturn			Estimate		Outturn
	Gross	income	Net	Net	Net total compared to Estimate	Net
Spending in department expenditure limit	-	-	-	-	-	-
Voted: Giving the public confidence in the integrity of charities	2,494	0	2,494	2,650	156	4,364
Total	2,494	0	2,494	2,650	156	4,364

SoPS 2 Reconciliation of net Resource Outturn to net operating expenditure

	SoPS Note	2025-26	2024-25
		£'000	£'000
Total Resource Outturn in Statement of Parliamentary supply	1.1	33,132	32,044
Net operating expenditure in Statement of Comprehensive Net Expenditure		33,132	32,044

As noted in the introduction to the SoPS above, Outturn and Estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. Therefore, this reconciliation bridges the Resource Outturn to net operating expenditure, linking the SoPS to the financial statements.

SoPS 3 Reconciliation of net Resource Outturn to net cash requirement

	SoPS Note	Estimate	Outturn	Net total Outturn compared with Estimate: Saving/ (Excess)
		£'000	£'000	£'000
Resource Outturn	1.1	33,589	33,132	457
Capital Outturn	1.2	2,650	2,494	156
Accruals to cash adjustments:				
Accruals to remove non-cash items:				
Depreciation/Amortisations		-3,594	-1,731	-1,863
Interest Right of Use assets		0	2	-2
Intangible Asset Revaluation		0	-400	400
Leased Asset Revaluation		0	17	-17
Loss on disposal of fixed asset		0	-1	1
New provisions		-200	0	-200
Auditors remuneration		-75	-79	4
Capital expenditure under IFRS 16		0	-331	331
Adjustments to reflect movements in working balances:				
Increase/(decrease) in trade and other receivables		0	-191	191
(Increase)/decrease in trade and other payables		0	-829	829
Net cash requirement		32,370	32,083	287

As noted in the introduction to the SoPS above, Outturn and the Estimates are compiled against the budgeting framework, not on a cash basis. Therefore, this reconciliation bridges the Resource and Capital Outturn to the net cash requirement.

SoPS 4 Amounts of income to the Consolidated Fund

	Outturn Total		Prior Year 2024-25	
	Accruals	Cash basis	Accruals	Cash basis
	£'000	£'000	£'000	£'000
Income outside the ambit Estimate	0	0	0	0
(Excess) cash surrenderable to the Consolidated fund	0	0	0	0
Total payable to the Consolidated fund	0	0	0	0

Regularity of expenditure (audited)

There are no disclosable losses and special payments for the year. There are no material remote contingent liabilities for the year.

Fees and charges disclosure requirements under Managing Public Money are met in Note 3 to the Accounts. The column headed 'Other Government Funded projects' relates wholly to services for which costs are fully recovered.

No gifts were made in 2025-26.

Government functional standards

As of March 2022, all central government departments and their Arm's Length Bodies (ALBs) were required to have a plan in place to comply with each functional standard in a way that meets its business needs and priorities.

We continue to assess our position in relation to the standards and are satisfied that we are complying in a way that is proportionate and appropriate for an organisation of our size and scope. This assessment is subject to monitoring and review, including to identify actions that can be taken to improve any gaps in compliance.



David Holdsworth
Chief Executive and Accounting Officer
06 July 2026

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSE OF COMMONS

Opinion on financial statements

I certify that I have audited the financial statements of the Charity Commission for England and Wales for the year ended 31 March 2026 under the Government Resources and Accounts Act 2000.

The financial statements comprise the Charity Commission for England and Wales’:

- Statement of Financial Position as at 31 March 2026;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers’ Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Charity Commission for England and Wales’ affairs as at 31 March 2026 and its net operating expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2026 and shows that those totals have not been exceeded; and
- the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024). My responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council’s Revised Ethical Standard 2024. I am independent of the Charity Commission for England and Wales in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Charity Commission for England and Wales' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity Commission for England and Wales' ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Charity Commission for England and Wales is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Charity Commission for England and Wales and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Charity Commission for England and Wales or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Charity Commission for England and Wales from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- assessing the Charity Commission for England and Wales's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Charity Commission for England and Wales will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted

in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations, including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Charity Commission for England and Wales' accounting policies;
- inquired of management, the Charity Commission for England and Wales' head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Charity Commission for England and Wales' policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Charity Commission for England and Wales' controls relating to the Charity Commission for England and Wales' compliance with the Government Resources and Accounts Act 2000, Managing Public Money and the Charities Act 2011.
- inquired of management, the Charity Commission for England and Wales' head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud.
- discussed with the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Charity Commission for England and Wales for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Charity Commission for England and Wales' framework of authority and other legal and regulatory frameworks in which the Charity Commission for England and Wales operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Charity Commission for England and Wales. The key laws and regulations I considered in this context included

Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2025, employment law, pensions legislation, tax legislation and the Charities Act 2011.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Assurance Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain appropriate evidence sufficient to give reasonable assurance that the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement.

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General
07 July 2026

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

Part 8

Resource Accounts

Statement of Comprehensive Net Expenditure

For the year ended 31 March 2026

This account summarises the expenditure and income generated and consumed on an accruals basis.

The notes form part of the financial statements.

	Note	2025-26	2024-25
		£'000	£'000
Operating income	5	-1,459	-2,321
Total operating income		-1,459	-2,321
Staff costs	4	26,058	26,089
Other administration costs	4	8,533	8,276
Total operating expenditure		34,591	34,365
Net operating expenditure		33,132	32,044

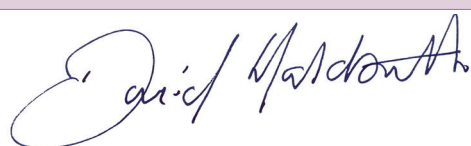
Statement of Financial Position

As at 31 March 2026

The Statement of Financial Position is a summary of all the Commission's assets and liabilities as at 31 March 2026.

The notes form part of the financial statements.

	Note	31 March 2026	31 March 2025
		£'000	£'000
Non-current assets:			
Property, plant and equipment	6	350	521
Intangible assets	7	5,818	5,615
Right of use assets	8	1,764	2,828
Total non-current assets		7,932	8,964
Current assets:			
Trade, other receivables and prepayments	10	714	905
Cash and cash equivalents	9	287	85
Total current assets		1,001	990
Total assets		8,933	9,954
Current liabilities:			
Trade and other payables	11	-4,810	-3,708
Total current liabilities		-4,810	-3,708
Total assets less liabilities		4,123	6,246
Non-current liabilities:			
Trade and other payables	11	-351	-1,504
Total non-current liabilities		-351	-1,504
Total assets less total liabilities		3,772	4,742
Taxpayers' equity:			
General fund		3,772	4,742
Total taxpayers' equity		3,772	4,742



David Holdsworth
 Chief Executive and Accounting Officer
 06 July 2026

Statement of Cash Flows

For the year ended 31 March 2026

The Statement of Cash Flows records the actual transfer of cash into and out of the Commission during the financial year.

The notes form part of the financial statements.

	Note	2025-26	2024-25
		£'000	£'000
Cash flows from operating activities:			
Total net operating expenditure		-33,132	-32,044
Non-cash transactions	4	3,603	3,336
Lease interest	4	108	136
Decrease/(increase) in trade and other receivables	10	191	-354
(Decrease)/increase in trade and other payables	11	792	-518
Net cash outflow from operating activities		-28,438	-29,444
Cash flows from investing activities			
Purchase of plant, property and equipment	6	-124	-349
Purchase of intangible assets	7	-2,001	-1,532
Net cash outflow from investing activities		-2,125	-1,881
Cash flows from financing activities			
From Consolidated Fund (Supply) – current year		32,285	32,510
Capital element of payments in respect of leases		-1,520	-1,528
Net financing		30,765	30,982
Net (decrease)/increase in cash in the period		202	-343
Cash and cash equivalents at the beginning of the period		85	428
Cash and cash equivalents at the end of the period		287	85

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2026

The Statement of Changes in Taxpayers' Equity summarises the movement in the net worth of the Commission.

The notes form part of the financial statements.

	Note	£'000
Balance as at 1 April 2025		4,742
Non-cash charges – auditors' remuneration	4	79
Net operating cost for the year		-33,132
Total recognised income and expense for 2025-26		-33,053
Net Parliamentary Funding – drawn down		32,285
Net Parliamentary Funding – deemed		85
Supply payable		-287
Balance as at 31 March 2026		3,772
Changes in taxpayers' equity for 2024-25		
	Note	£'000
Balance as at 1 April 2024		3,858
Non-cash charges – auditors' remuneration	4	75
Net operating cost for the year		-32,044
Total recognised income and expense for 2024-25		-31,969
Net Parliamentary Funding – drawn down		32,510
Net Parliamentary Funding – deemed		428
Supply payable		-85
Balance as at 31 March 2025		4,742

Notes to the Departmental Resource Accounts

1. General information

The Charity Commission is an independent, non-ministerial government department, accountable to Parliament with our registered head office at: 102 Petty France, London, SW1H 9AJ.

Our responsibilities are to:

1. Increase public trust and confidence in charities.
2. Promote awareness and understanding of the operation of the public benefit requirement.
3. Promote compliance by charity trustees with their legal obligations in exercising control and management of the administration of their charities.
4. Promote the effective use of charitable resources.
5. Enhance the accountability of charities to donors, beneficiaries and the general public.

2. Statement of accounting policies

These financial statements, which cover the accounting period 1 April 2025 to 31 March 2026, have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Commission for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Commission are described below.

In addition to the primary statements prepared under IFRS, the FReM also requires the Commission to prepare one additional primary statement. The Statement of Parliamentary Supply and supporting notes show Outturn against Estimate in terms of the net resource requirement and the net cash requirement.

In common with other government departments, the Commission's liabilities are expected to be met by future grants of supply and the application of future income, both to be approved annually by Parliament. There is no reason to believe that future Parliamentary approval will not be forthcoming, and therefore, in accordance with FReM 8.2.2, it has been concluded as appropriate to adopt the going concern basis of preparation for these accounts. There is reasonable expectation that the Accounting Officer has reasonable expectation that the department will continue in operational existence for at least 12 months from the date the Financial Statements are authorised for issue.

2.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and intangible assets.

2.2 Property, plant and equipment

Expenditure on the acquisition, creation or enhancement of property, plant and equipment is capitalised on an accruals basis where that expenditure exceeds £1,000 and the benefit it yields has a life of more than one year. Expenditure on routine repairs and maintenance that does not add to the value of the asset is not capitalised. Grouped assets with a total value exceeding £1,000 and individual item value exceeding £500 are also capitalised.

Property, plant and equipment held for their service potential are stated at depreciated historical cost which is regarded as a suitable proxy for current value in use given their short lives and low value. Such expenditure includes any costs such as installation directly attributable to bringing them into working condition.

2.3 Intangible assets

Intangible assets are assets that do not have physical substance but are identified and controlled by the Commission and have a life of more than one year, such as software licences. Expenditure on intangible assets is initially recorded at cost. This includes directly attributable costs for bringing the intangible asset into use. New intangible assets will only be recognised where these costs exceed £30,000. Once the assets have been brought into use, they are amortised at a rate calculated to write them down to an estimated residual value on a straight-line basis over their estimated useful life. They are therefore stated at depreciated historical cost as required by the FRem.

The Commission capitalises intangible assets in line with IAS 38. Projects are separated into two clearly identifiable stages (the discovery phase and the delivery phase). Costs are capitalised when the development phase is entered and there is a commitment and funding to see the project through to completion, bringing future benefit to the Commission.

2.4 Depreciation and Amortisation

Property, plant and equipment and intangible assets are depreciated/amortised at a rate calculated to write down their value to their estimated residual value on a straight-line basis over their estimated useful life. Depreciation on property, plant and equipment, and amortisation of intangible assets, is applied in the year of acquisition for purchased assets or, in the case of assets under construction, in the year which the asset is brought into use. Asset lives are estimated drawing on experience of similar assets in the past and our expectations of new asset usage. Asset lives are normally in the following ranges:

- Information technology (equipment): 2-7 years
- Information technology (laptops): 2 years
- Furniture and fittings: 5-7 years
- Leasehold improvements: Term of lease or initial break point
- IT databases (inc. management systems): 2-5 years

2.5 Right-of use assets

Where a lease has been identified, the Commission recognises the right-of-use asset and a corresponding lease liability. Right-of-use assets are depreciated on a straight-line basis over the associated lease term, or estimated useful life where this is shorter. Impairment losses are charged in the same way as those arising on property, plant and equipment.

As permitted by the FRem, right-of-use assets are subsequently measured using the cost model as a proxy for the measurement of the cost value in use. This is because lease terms require lease payments to be updated for the market conditions, for example, rent reviews for leased properties, which will be captured in the IFRS 16 provisions. Right-of-use assets also have shorter useful lives and values than their respective underlying assets and, as such, cost can be used as a proxy for assets with shorter economic lives or lower values in accordance with the FRem.

2.6 Impairments

The value of databases and assets under construction are reviewed at the end of each financial year for evidence of reduction in value. Where an impairment is identified that is attributable to the clear consumption of future economic benefit, the loss is charged to the Statement of Comprehensive Net Expenditure.

2.7 Operating income

Operating income is income which relates directly to the operating activities of the Commission. Operating income is stated net of VAT. Income is recognised as it is earned. This income has been recognised as follows in line with IFRS 15 principles:

- contracts have been agreed and approved by both parties
- performance obligations have been identified and agreed
- transaction prices have been agreed and revenue recognised on the following basis:

fees for services which are charged as a fixed annual fee for the service provided in that year have been recognised in full for that financial year on the basis that when the year comes to an end the service has been fully provided

Fees charged to recover costs incurred where it has been agreed that these costs will be charged to other Government departments have been recognised in line with when those costs have been recognised by the Commission. Our main source of operating income relates to our work for which we receive funding from the Home Office. Income under this arrangement is claimed quarterly in arrears based on actual costs incurred.

2.8 Administration expenditure

Administration expenditure reflects the costs of running the Commission. The classification of expenditure as “administration” follows the definition of administration costs set by HM Treasury.

2.9 Foreign currency

As part of the Commission’s limited international work, work is undertaken in foreign countries and expenditure will be incurred in the local currency. These transactions are converted into £ sterling using the exchange rate at, or close to, the official exchange rate on the date of the transaction.

2.10 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme and alpha scheme, which are described in the Remuneration Report. The Commission recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees’ services by payment to the schemes of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS and alpha, and is not, therefore, reflected in the Commission’s Statement of Financial Position. In respect of the defined contribution schemes, the Commission recognises the contributions payable for the year.

2.11 Value Added Tax

Most of the activities of the Commission are outside the scope of VAT. In general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT on revenue expenditure is charged

to the Statement of Comprehensive Net Expenditure. VAT incurred on capital expenditure is included within the cost of property, plant and equipment and intangible assets. Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT.

2.12 Contingent liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37, the Commission discloses for Parliamentary reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to Parliament in accordance with the requirements of Managing Public Money. Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to Parliament noted separately. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to Parliament.

2.13 Significant estimates and judgements

The Commission is required, when applying its accounting policies, to make certain judgements, estimates and associated assumptions relating to assets, liabilities, income and expenditure. These judgements, estimates and associated assumptions are based on knowledge of current facts and circumstances, assumptions concerning past events and forecasts of future events and actions. Actual results may differ from the estimates stated for the provisions and the useful economic lives of the tangible and intangible assets.

2.14 Standards issued but not yet effective

IFRS 18 Presentation and disclosure in financial statements

IFRS 18 will replace IAS 1 Presentation of Financial Statements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 18 on the Public Sector is still being assessed, and a decision has not yet been taken on an implementation date.

IFRS 19 Subsidiaries without public accountability: disclosures

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 19 on the Public Sector is still being assessed, and a decision has not yet been taken on an implementation date.

3. Statement of Operating Costs by Operating Segment

For internal reporting purposes, the Charity Commission operates two segments: Charity Commission core business and other Government funded projects. The other Government funded projects are reported separately as they have their own funding streams and are operated as distinct units within the Commission. The primary financial statements record the total income, expenditure, assets and liabilities of the Charity Commission and the other Government funded projects. The note below shows the amounts attributable to the two segments.

	2025-26			2024-25		
	£'000			£'000		
	Charity Commission: core business	Other government funded projects	Total	Charity Commission: core business	Other government funded projects	Total
Gross Expenditure	33,132	1,459	34,591	32,044	2,321	34,365
Income	0	-1,459	-1,459	0	-2,321	-2,321
Net Expenditure	33,132	0	33,132	32,044	0	32,044
Total Assets	8,933	0	8,933	9,954	0	9,954
Total Liabilities	5,161	0	5,161	5,212	0	5,212
Net Assets	3,772	0	3,772	4,742	0	4,742

4. Expenditure

		2025-26	2024-25
	Note	£'000	£'000
Staff costs:			
Wages and salaries		19,106	19,264
Social security costs		2,506	2,058
Other pension costs		5,254	5,313
Agency staff		878	769
Severance costs		24	-58
Total staff costs		27,768	27,346
Charged to Capital		-1,710	-1,257
Total net staff costs		26,058	26,089
Goods and services:			
Property costs		68	52
Interest Right of Use assets		108	136
Travel, subsistence and staff related costs		751	860
Accommodation		89	9
Office services		66	82
Contracted services/consultancy		782	552
Information systems and telephony		2,668	2,753
Specialist services		398	447
Ex-Gratia		0	48
Total Goods and services		4,930	4,939
Non-cash items:			
Depreciation	6 & 8	1,690	1,658
Amortisation	7	1,436	1,550
Interest Right of Use assets		-2	54
Loss on disposal of fixed asset	6 & 7	1	0
Revaluations		399	0
Auditors' remuneration		79	75
Total non-cash items		3,603	3,337
Total expenditure		34,591	34,365

Revaluations relate to the write-off of assets that shouldn't have been charged to capital in prior years.

Further analysis on staff numbers, compensation scheme packages and pension disclosure can be found within the accountability report.

Auditors

This year's resource accounts have been audited by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General. No further services were provided by the NAO. The cost of audit work was £78,900 (2024-25: £75,400). This includes fees charged to the Commission for the audit of the Official Custodian of Charities' Financial Statements.

5. Income

	2025-26	2024-25
	£'000	£'000
Income received from other UK government departments:		
Income received for Commission work funded by the Home Office	1,422	2,300
Income received for Commission work funded by the Foreign, Commonwealth & Development Office	15	0
Income in respect of services rendered	22	21
Total income	1,459	2,321

6. Property, plant and equipment

	Information technology	Furniture and fittings	Leasehold improvements	Total
	£'000	£'000	£'000	£'000
2025-26				
Cost or valuation				
At 1 April 2025	1,773	2	858	2,633
Additions	111	1	12	124
Disposals	-229	-2	-181	-412
Impairments	0	0	0	0
At 31 March 2026	1,655	1	689	2,345
Depreciation				
At 1 April 2025	1,353	2	756	2,111
Charged in year	243	0	52	295
Disposals	-228	-2	-181	-411
At 31 March 2026	1,368	0	627	1,995
Net Book Value at 31 March 2025	419	0	102	521
Net Book Value at 31 March 2026	287	1	62	350
2024-25				
Cost or valuation				
At 1 April 2024	1,782	2	835	2,619
Additions	363	0	23	386
Disposals	-372	0	0	-372
Impairments	0	0	0	0
At 31 March 2025	1,773	2	858	2,633
Depreciation				
At 1 April 2024	1,494	2	725	2,221
Charged in year	232	0	31	263
Disposals	-372	0	0	-372
At 31 March 2025	1,354	2	756	2,112
Net Book Value at 31 March 2024	288	0	110	398
Net Book Value at 31 March 2025	419	0	102	521

All assets are owned by the Commission.

7. Intangible assets

	Databases and management systems	Assets under construction	Total
	£'000	£'000	£'000
2025-26			
Cost or valuation			
At 1 April 2025	18,901	599	19,500
Additions	0	2,039	2,039
Transfers	1,206	-1,206	0
Disposals	0	0	0
Revaluations	-891	0	-891
At 31 March 2026	19,216	1,432	20,648
Amortisation			
At 1 April 2025	13,885	0	13,885
Charged in year	1,436	0	1,436
Revaluations	-491	-491	0
At 31 March 2026	14,830	0	14,830
Net Book Value at 31 March 2025	5,016	599	5,615
Net Book Value at 31 March 2026	4,386	1,432	5,818
2024-25			
Cost or valuation			
At 1 April 2024	18,945	0	18,945
Additions	0	1,518	1,518
Transfers	919	-919	0
Disposals	-963	0	-963
At 31 March 2025	18,901	599	19,500
Amortisation			
At 1 April 2024	13,298	0	13,298
Charged in year	1,550	0	1,550
Disposals	-963	0	-963
At 31 March 2025	13,885	0	13,885
Net Book Value at 31 March 2024	5,647	0	5,647
Net Book Value at 31 March 2025	5,016	599	5,615

Revaluations relate to the write-off of assets that shouldn't have been charged to capital in prior years.

There are no intangible assets held under leases (nil in 2024-25). Assets under construction represent expenditure on IT developments.

My Charity Commission Account (MCCA) is an intangible asset that is material to the financial statements.

MCCA is a portal for trustees, charity contacts and relevant third parties (such as charity's accountant or lawyer) access our online services. As at 31-03-26 the carrying value of MCCA was £2.8m with a remaining amortisation period of 36 months. Carrying values and amortisation periods are reviewed in line with our asset review processes.

8. Right-of-use assets

2025-26	Buildings
	£'000
Cost or Valuation	
At 1 April 2025	6,799
Additions	331
Revaluations	0
At 31 March 2026	7,130
Depreciation	
At 1 April 2025	3,971
Charged in year	1,395
At 31 March 2026	5,366
Carrying amount at 31 March 2025	2,828
Carrying amount at 31 March 2026	1,764

2024-25	Buildings
	£'000
Cost or Valuation	
At 1 April 2024	4,512
Additions	2,460
Leases ended in period	-173
At 31 March 2025	6,799
Depreciation	
At 1 April 2024	2,749
Charged in year	1,395
Lease ended in period	-173
At 31 March 2025	3,971
Carrying amount at 31 March 2024	1,763
Carrying amount at 31 March 2025	2,828

In-year additions relate to corrections of 2024-25 calculations, consisting of extensions to the current lease on the Newport and London offices (£0.327m), and a discount rate correction of the Liverpool Office Lease (£0.003m).

9. Cash and cash equivalents

	2025-26	2024-25
	£'000	£'000
Balance at 1 April	85	428
Net change in cash and cash equivalent balances	202	-343
Balance at 31 March	287	85
The following balances at 31 March were held at:		
Government Banking Services	287	85
Balance at 31 March	287	85

The Commission holds no cash equivalents.

10. Trade, other receivables and prepayments

	2025-26	2024-25
	£'000	£'000
Amounts falling due within one year:		
VAT	91	203
Other receivables	39	7
Prepayments and accrued income	584	695
	714	905

11. Trade and other payables

	2025-26	2024-25
	£'000	£'000
Amounts falling due within one year:		
Taxation and social security	570	492
Trade payables	1,136	695
Staff exit costs	0	0
Lease Liabilities*	1,484	1,415
Accruals	1,333	1,022
Amounts issued from the Consolidated Fund for Supply but not spent at year end*	287	85
Total current payables	4,810	3,709
Amounts falling due after more than one year:		
Lease Liabilities*	351	1,504
Total non-current payables	351	1504
	5,161	5,213

* For the purposes of the Cash Flow Statement, movements in these figures are excluded.

12. Lease Liabilities

Total future lease payments under leases are given in the table below:

	2025-26	2024-25
	£'000	£'000
Obligations for the following periods comprise:		
Buildings		
Not later than one year	1,545	1,502
Later than one and no later than five years	378	1,655
Subtotal	1,923	3,157
Less interest element	88	238
Present value of obligations	1,835	2,919
Comprising:		
Current	1,484	1,415
Non-current	351	1,504

The Commission adopted IFRS 16 in 2022-23, as interpreted and adapted in the FReM, with effect from 1 April 2022. In accordance with the FReM, intra-UK government agreements, including Memorandum

of Terms of Occupation (MOTO) with the Government Property Agency, are treated as contracts and therefore within the scope of IFRS 16 where they convey the right to use an asset.

Where a lease has been identified, the Commission recognises a right-of-use asset and a corresponding lease liability, except for short term leases and leases for which the underlying asset is of low value. For such leases, the lease payments are recognised as an expense on a straight line basis over the lease term.

The Commission has not set a specific threshold for identifying assets that are of low value, and applies the guidance in IFRS 16 on a case-by-case basis.

The Taunton Brendon House office lease has been accounted for as a short-term lease to 01 December 2025 due to the remaining term.

Where the interest rate implicit in a lease cannot be readily determined, the Commission calculates the lease liability using the HM Treasury discount rates promulgated in the Public Expenditure System paper as the incremental borrowing rate. For leases that commence or are remeasured in the 2026 calendar year, this rate is 5.32% (2025: 4.81%).

The Commission does not apply IFRS 16 to leases of intangible assets and recognises these in accordance with IAS 38 where appropriate.

Movements on lease liabilities	2025-26
	£'000
Opening lease liabilities 1 April 2025	2,919
Lease repayments	-1396
Additions	0
Other movements	312
Closing lease liabilities 31 March 2026	1,835

Amounts recognised in SoCNE	31 March 2026	31 March 2025
	£'000	£'000
Interest on lease liabilities - Finance cost	106	190
Variable lease payments not included in measurement of lease liabilities	63	67
Expenditure relating to short-term leases	59	29
Total	228	286

13. Legal

The Commission had no material legal commitments or liabilities as at 31 March 2026 (nil as at 31 March 2025).

14. Contingent Liabilities

The Commission has no contingent liabilities as at 31 March 2026 (£40k as at 31 March 2025).

15. Financial Instruments

The Commission's resource requirements are met from Parliament through the Estimates process and minimal income from other Government Departments. The Commission has no powers to borrow money or to invest surplus funds. The only financial instruments held by the Commission are those that arise from the Commission's day-to-day operational activities and include trade and other receivables (Note 10) and trade and other payables (Note 11). The carrying value of the financial instruments approximates to their fair value and the Commission is exposed to limited credit, liquidity or market risks.

Liquidity risk

The Commission's net revenue resource requirements and capital expenditure are financed by resources voted annually by Parliament or through the reimbursement of costs charged to bodies funded by Parliament. The Commission is therefore not exposed to material liquidity risks.

Credit risk

The Commission recharges other Government Departments for the re-imburement of costs relating to joint Departmental projects. These parties receive funding from Parliament and there has been no history of default on any amounts due to the Commission and management assesses its counter parties to not present a significant credit risk.

Market Risk

From time-to-time the Commission has some exposure to foreign currency markets because some purchases are denominated in US Dollars or Euro's. Due to the minimal value of these transactions management assesses that there are no significant market risks.

16. Related party transactions

During the year 2025-26, no Board Member, key manager or other related parties undertook any material transactions with the Commission except remuneration (Board and senior staff salaries are disclosed within the accountability report). As an entity, the Commission had a small number of transactions with other government departments and other central government bodies. These transactions were with the Ministry of Justice, the Home Office, the Department for Work and Pensions, the Office of National Statistics, the Government Internal Audit Agency, the Government Property Agency (an executive agency of the Cabinet Office), the Foreign, Commonwealth and Development Office and the Charity Commission for Northern Ireland. All transactions were undertaken on arm's length terms.

17. Events after the reporting period date

There have been no events after the Statement of Financial Position date requiring an adjustment to the financial statements.

The Annual Report and Accounts were authorised for issue on the same date that the Comptroller and Auditor General signed his Certificate.

Part 9

Glossary (not audited)

Accruals

Income or expenditure relating to the financial year which had not been received or paid by the financial year end but is reflected in the financial statements.

Amortisation

The writing off of the value of an intangible asset over the useful life of that asset.

Annually managed expenditure (AME)

Expenditure incurred by the Commission that falls outside the scope of DEL control totals. In general, this relates to the creation of, and increase to, provisions.

Capital expenditure

Tangible Assets -Expenditure greater than £1,000 on the acquisition of plant, property and equipment assets is capitalised. Grouped assets with a total value exceeding £1,000 and individual item value exceeding £500 are also capitalised. All laptops are capitalised.

Intangible Assets – Expenditure greater than £30,000 on the acquisition or construction of intangible assets, or on enhancing the value of such assets is capitalised.

Consolidated fund

The Government's 'current account' operated by HM Treasury and used to finance central government spending. The main source of income to the Fund is taxation receipts.

Contingent liability

A possible liability to make a future payment that is dependent on the outcome of certain events, for example, legal action.

Corporate governance

The systems and processes by which organisations are directed and controlled to ensure they meet their aims and fulfil statutory requirements.

Delegated Expenditure Limit (DEL)

A control total specified for the Commission. Separate DELs are set for Resource and Capital. The Commission's expenditure cannot exceed its DEL.

Depreciation

The measure of wearing out, consumption or other reduction in the useful economic life of property, plant and machinery.

Estimate/Supply Estimate

A summary of the resources and cash voted by Parliament to the Commission for the financial year, against which we monitor our expenditure.

Excess vote

Additional funding that is approved by Parliament where expenditure by a government department exceeds the Estimate for the financial year.

Finance lease

A lease that transfers substantially the risks and rewards of ownership of the asset to the lessee.

Financial instrument

A contract that gives rise to a financial asset for one party and a financial liability to another party.

Financial Reporting Manual (FreM)

The technical accounting guide to preparing the financial statements of Government Departments, written by HM Treasury.

General fund

This represents the historic costs of the total assets less the liabilities of the Commission. It is included in Taxpayers' Equity in the Statement of Financial Position.

Impairment

The reduction in value of plant, property and equipment and intangible assets reflecting either the consumption of economic benefits, such as obsolescence, or physical damage, or a general fall in prices.

International Financial Reporting Standards (IFRS)

The financial reporting standards under which the Commission's financial statements are prepared. IFRSs are set by the International Accounting Standards Board.

Managing public money

HM Treasury publication setting out the principles Government Departments should follow when dealing with resources.

Materiality

The extent to which a misstatement or omission in the financial statements might reasonably be expected to impact on the understanding of the reader.

National Audit Office (NAO)

The external auditors of the Commission.

Net book value

The amount at which non-current assets are included in the Statement of Financial Position after providing for amortisation, depreciation and revaluations.

Net cash requirement

The amount of cash to be released from the Consolidated Fund to fund the Commission's expenditure for the financial year. The Net Cash Requirement will be different from the DEL as DEL takes into account

'non-cash' expenditure such as depreciation and notional charges for which there is no physical transfer of cash.

Net current replacement cost

The current cost of replacing or recreating an asset in its existing use.

Net resource outturn

The net total of income and expenditure of the Commission during the financial year.

Non-cash transactions

Items of expenditure that are recognised in the Commission's financial statements but do not give rise to the physical transfer of cash, for example, depreciation.

Operating lease

A lease where the risks and rewards of ownership of the asset rest substantially with the lessor.

Outturn

The actual level of expenditure and income for the financial year.

Prepayment

Payment in the current financial year for goods or services to be received or provided in the next financial year.

Provisions

Amounts set aside to fund known liabilities relating to the current or previous financial years, the exact timing and amount of which is uncertain.

Resource Expenditure

Expenditure on non-capital related activity, which is either subject to the Delegated Expenditure Limit (DEL) or Annually Managed Expenditure (AME).

Supply

The resources voted to the Commission by Parliament.

Trade payables and receivables

Payables are amounts the Commission owes for goods and services received in the financial year for which payment has not been made by the year end. Receivables are amounts owing to the Commission for goods or services provided in the financial year for which payment has not been received by the year end.

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