



## Charity Analysis Algorithm

Trigger	Text	Score +	Score -	
<b>Financial</b>				
<b>Viability</b> Total spending last 3 years = 0 Charity in administration/insolvent	This charity appears to be dormant This charity is in Administration or Insolvent	-10 -20	-20	-20
<b>Spending Trend</b> >5 year history Growth rate>12% pa over 5 years + latest year>3y average Growth rate>8% pa over 5 years + latest year>3y average Growth rate>4% pa over 5 years + latest year>3y average Spending down by more than 5% pa over 5 years and latest year * lower than previous Spending down by more than 10% pa over last 3 years relative to previous peri Growth>0 last 3 years <5 year & >3 year history Growth > 20% pa Growth > 8% pa	There has been strong growth in spending over the last 5 years There has been reasonable growth in spending over the last 5 years There has been growth in spending over the last 5 years Spending is declining Spending has fallen significantly over the last 5 years but has stabilised more recently There has been strong growth in spending since inception There has been reasonable growth in spending since inception	+2 +1   -2 -2 -1  +2 +1	2 -2	2 -2
<b>Only for charities with total funds&lt;10* latest spending (to exclude those with endowments)</b>				
<b>Income security</b> Income declines over 20%>1 + >1 material deficits last 5 years Income declines over 20%>1 + deficit latest year>20% of spending Funds unrestricted>Spending Income declines over 20%>1 + surplus>50% of spending latest year Income declines over 20%>1 over last 5 years Future grants	Income has been volatile and on several occasions in recent years less than spending Income has been volatile and was significantly lower than spending in the latest year but the charity has substantial reserves available Income has been volatile and was substantially in excess of spending in the latest year Income has been volatile	-5 -5 -2  -3 5	5	-6
<b>Deficits</b> >1 deficits last 5 years deficit latest year>20% of spending Funds unrestricted>Spending Surplus latest year>50% of spending	On several occasions in recent years income has been less than spending Income was significantly lower than spending in the latest year* but the charity has substantial reserves available Income was substantially in excess of spending in the latest year	-2 -2 -1 0	-2 -2	
<b>Only for charities with PartB in latest year</b>				
<b>Sources of Income</b> Net trading income>50% of income Govt grants & income>50% of income Govt grants & income>30% of income Govt grants & income>0 Investment income>70% of income Legacies>50% of total income last 5 years Legacies>20% of total income last 5 years Net trading income<0 HHI index<25% (Total Income-Trading-Investment-Endowment)/Total Income>0.8	More than half of total income was derived from net trading in the latest year Most of the income over the last 3 years has been in the form of Government income or grants Significant income over the last 3 years has been in the form of Government income or grants Has received modest Govt grants or income This charity is mainly funded by investment income This charity has received more than half of its income from legacies in recent years This charity has received considerable income from legacies in recent years The accounts in the latest year show a deficit from trading activities Income is well diversified This charity is mainly funded by voluntary income	+2 +2 +2 +1  2 +1  3	2	-1
<b>Fundraising efficiency</b> (Fundraising Costs-InvMan costs)/(Income-Trading-Investment-Endowment)>0.25	Fundraising costs are [>0.4: extremely] high in relation to income generated	max{-5,-10*Cost%}	-5	
<b>Admin costs</b> Admin costs/total spending			11	-20
<b>Balance Sheet</b> Reservesratio>9 if no income declines in last 6 years if >1 income declines in last 6 years Reservesratio<3 Funds unrestricted>50% of spending Reserves ratio>3 & <9 each of last 5 years Funds unrestricted< 2 * spending Funds unrestricted<0 Funds unrestricted<200% expenses Liabilities/Assets>60% Liabilities/Assets>40% Liabilities/Assets<10% & Reserves Ratio>6 Pension deficit>£100k & >25% of other assets	Liquidity appeared to be in excess of CC guidelines at the latest year end especially considering the stability of income historically but income has been volatile Liquidity appears to have been slender at the latest year end but there were less liquid reserves available Reserves have been well managed within official guidance levels This charity has substantial unrestricted reserves available There was a deficit on unrestricted reserves of £*** at the last year end This charity has substantial unrestricted reserves available and so may not be able to utilise additional fur This charity has very substantial liabilities This charity has substantial liabilities This charity has a robust balance sheet There is a pension deficit of £***	-1 -2  -1 0 3 0  -2 -1 -5 -3 3 -5	0 -2	-2
<b>Governance</b>				
<b>Filing</b>				
<b>All charities</b> Latest accounts overdue	Latest accounts are overdue for filing	-5	-5	
<b>All E+W charities</b> Filed late once last 5 years	Accounts have been filed late on one occasion in the last 5 years	-1	-3	
	Filed late more than once last 5 years	-Count		

Most E+W, + NI & Scottish charities where we have a company no.

<b>Trustee Age range</b>	Oldest-Youngest>19 + Youngest<50	The Board appears to be well diversified in terms of age	3			
	Oldest-Youngest<19	The Board has little diversity in terms of age		-2	3	-2
<b>Gender balance</b>	Female proportion 30-70%	The Board appears to be well diversified in terms of gender	3			
	<20% females or male	The Board is largely male/female		-1		
	100% male	The Board is completely male		-3	3	-3
	100% female	The Board is completely female		-1		
<b>Activity</b>	30% appointed in last 4 years	The Board appears to be dynamic in terms of composition	3			
	Most recent appointment > 7 years ago	The Board appears to be very static in terms of composition		-5		
	Most recent appointment > 4 years ago	The Board appears to be rather static in terms of composition		-3	3	-5
	More than half of trustees joined in last 2 years	Over half the Board have joined recently				
<b>Trustee number</b>	Trustee count =1 and name != Limited	There is only 1 trustee		-5		
	Trustee count =2	There are only 2 trustees		-3		
	Trustee count =3 & spending>£50k	There are only 3 trustees		-2	3	-5
	Trustee count >12	There are ** trustees		-1		
	Other cases where we know the number		0			
	Latest return shows payment/benefits received	One or more trustees has received payments or benefits from the charity for providing services to the charity				12 -51

E&W Charities only

<b>Policies</b>	Beneficiaries includes Children and no safeguarding policy	Although this charity works with children it does not have a Safeguarding policy		-10		-10
	No conflicts policy	This charity does not have a conflicts of interest policy		-1		-1
	No volunteers policy && Volunteers>0	Although this charity works with volunteers it does not have a Volunteer Management policy		-2		-2
<b>CC Reports</b>	A report was been issued with Warning in the name	The Charities Commission has issued an Official Warning on this charity		-10		
	A report was been issued with Inquiry in the name	The Charities Commission has initiated an Inquiry into this charity (see details below)		-2		-10
	A report was been issued	The Charities Commission has issued a Public Report on this charity (see details below)				
<b>Gift Aid</b>	Not registered for Gift Aid and Public Fund Raiser	This charity is not registered for Gift Aid		-5		-5

Endorsement or Impact

<b>Donors</b>	Known grants latest year>25% of income [Community="Y"]	A significant proportion of income in the latest year was derived from major grant makers [includ				
	More than 1 donor last 5 years [Community="Y"]	The charity has received [modest] backing from multiple/several prominent grant makers [includ				
	Known grants latest year>8% of income	The charity has received modest backing from at least one prominent grant maker in recent year				
	Known grants next 2 years>25% of income	and there are significant future grants due to be received				
	Government income or grants>10% of income	<-----Including the Government----->		15		20
<b>Awards</b>	1 Award win within last 5 years	This charity is an Award winner				
	>1 Award win within last 5 years	This charity is a multiple Award winner				
<b>Endorsement</b>	Recommended by one charity evaluator	This charity is endorsed by a respected charity evaluator				
	Recommended by >1 charity evaluator	This charity is endorsed by respected charity evaluators				
<b>Volunteers</b>		This charity has attracted ** volunteers	5		5	
<b>Location</b>	Reg Office has IMD < 6569/3285	This charity is operating in an area of [extremely] high deprivation				50 -99