

Starting a Small Charity

Some Guidance

10a: Registering with the Charity Commission (*Responses*)

One of a series of 13 Guidance Leaflets

The Scope of These Guidance Leaflets

This leaflet is one of a series which give a quick overview of the various things that you will need to take into account in setting up a new small charity.

They are NOT a full and comprehensive guide to Charity Law and all the associated regulations. They are just a simple overview of the main points for those who want to set up a small charity to serve their local community or to help those with a particular area of need. So if you are expecting your charity's annual income to be more than £100,000/yr, or to own property, or to employ more than the equivalent of 3 full-time staff then you should seek proper professional guidance elsewhere.

For more information, see the Introduction leaflet to this series.

The topics covered in this series are:

- 1 Outputs & Outcomes
- 2: Charitable Purposes/Objects
- 3: Governing Document
- 4: Trustees & Officers
- 5: A "Minute Book"
- 6: A Bank Account
- 7: A Way of Recording & Managing Your Funds
- 8: A Business Plan & Risk Management
- 9: Policies & Procedures
- 10: Registering with the Charity Commission**
 - a: The questions in the on-line registration form
 - b: Responding to the questions {This Leaflet}**
 - c: Ask a Silly Question.....
- 11: Gift Aid Registration with HM Revenue & Customs
- 12: A Register of the Members of the Charity

IMPORTANT NOTE: This guidance leaflet has a large number of pages, by no means all of which are relevant to all prospective charities.. You should therefore consider very carefully which parts of the leaflet are relevant to you and only print off those pages.



10a: Registering with the Charity Commission

In order to register a charity you have to go to the Charity Commission website and fill in an application form on line:

<https://apps.charitycommission.gov.uk/officeforms/OLARPortal.ofml>

There is no longer any “paper” application process.

The online application process is described on the Charity Commission website:

<https://www.gov.uk/guidance/how-to-set-up-a-charity-cc21a>

which includes links to other guidance. And there is further step-by-step guidance as you go through the questions on-line. However, you only get to see on-line the guidance as you go through the on-line application itself and at times is rather perfunctory. So you might sometimes find yourself stuck if a particular piece of required information is not immediately to hand.

This leaflet tries to fill that gap by allowing you to look at ALL the on-line questions – before having to answer any of them. It is its companion leaflet which gives suggestions as to what kinds of responses are expected. It is hoped this will be particularly useful where you would otherwise have found that the responses you gave to later questions would have required you to go back and modify some of your responses to earlier questions

You have 3 months in which to complete the on-line application before it “times-out” and you have to start again. So you don’t have to complete the application all in one go – you can always save what you have entered and come back to it later to complete or amend it. But you might nevertheless find it helpful to prepare your responses off-line (eg: in a word-processor) and then “cut & paste” them into the on-line application form once you are satisfied that they are complete, coherent and consistent.

Charity Commission

On-Line Application to Register a Charity

Editor's Notes

The Charity Commission's current on-line application form to register a charity – which has recently replaced the earlier on-line form – is labelled as a “Beta” version.

That is very apt as, in addition to a number of inconsequential spelling and grammatical errors, it is rather “quirky” to use and those who are new to the charity sector and trying to register their small charity for the first time (the majority of applications to register) may find it bewildering to use.

Although there are some pop-up Help Screens, they are few and far between and the information that they contain is meagre. No doubt it is intended to increase the number and scope of the Help Screens as the system is developed.

The application form has been designed to be “dynamic” – that is, many of the questions that it asks (ie: information that it requests) are determined by how the applicant has responded to earlier questions. For example: it first asks if the charity has a bank account and only displays further questions about the bank account details (sort code, account number, etc) if the application responds “Yes”. That clearly has its merits – the applicant is not continually having to skip over irrelevant questions. But the “down-side” is that it creates the impression of a rather meandering application process.

Numbering

In this leaflet and its companion leaflet, 10a- Registering with the Charity Commission (Form), the sections are all numbered. This is for ease of identification and cross-referencing within these Guidance leaflets.

The on-line application is NOT numbered. In addition, not all of the questions appear in the on-line application form so, even if they were numbered, the numbering would vary according to how questions were answered. Consequently, you can only cross-reference these leaflets to the on-line form by matching the text of the questions. However, the questions do appear in the same order in both the on-line form and these leaflets.

Charity Commission

On-Line Application to Register a Charity

Introduction

About this service

Use this service to apply to register:

- a new English or Welsh charity with the Charity Commission
- a new charity that will replace an existing registered charity in England or Wales

The organisation must already be [set up](#) (unless it is a CIO). Once you submit your application, you'll get a decision within 2 weeks unless it isn't completed properly or the commission needs to ask for more information.

Your answers are automatically saved as you complete the application. You can save and return to the application later if you need to.

Information needed

Before you start, make sure you have PDF copies of:

- the organisation's governing document (eg its constitution)
- a [trustee declaration form](#) signed by all the organisation's trustees
- your latest accounts (if applicable)

Depending on your application, you may also need PDFs of:

- proof the organisation's income is over £5,000 (eg bank statements or funding offers)
- a business plan
- permission to use the name (if applicable)
- minutes of meetings
- evidence of how the organisation benefits the public
- lease documents for the organisation's property
- a certificate of incorporation as a company (from Companies House)
- any policies the organisation has, eg a grant-making policy

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1. About Charity: Governing Document

1.1. Select the organisation's governing document type:

- Ⓒ Click on the relevant “radio button” in the list.
You can only select one

It is recommended that you use one of the model governing documents downloadable from the Charity Commission website:

<https://www.gov.uk/government/publications/setting-up-a-charity-model-governing-documents> .
and select only from the options within the model document.

There is no legal requirement to use one of the model governing documents – you can create your own from scratch if you wish. However, if you do that the Charity Commission will want to make sure that your governing document does fully comply with charity law (*ie*: you haven't – either accidentally or intentionally – slipped in any little clauses or loopholes that would allow your charity to operate other than in accordance with the Charities Act). The time taken to evaluate your individual governing document could significantly delay the time for the Charity Commission to approve your application -

IMPORTANT NOTE: This guidance leaflet is only relevant to applications to register a CIO Foundation constitution, CIO Association constitution or Unincorporated Association constitution.

If you are wanting to register a charitable company, charitable trust or one of the other governing document types this guidance leaflet is NOT for you and you must seek advice & guidance elsewhere.

1.2. Has the governing document been issued by an organisation or umbrella body (often referred to as an approved governing document)?

Tick the appropriate Yes/No button.

If you tick “Yes”, select the relevant organisation from the drop-down list which appears.

a: Which organisation issued the governing document?

Note: If the name of that umbrella organisation which has provided you with a suggested governing document does not appear in the dropdown list that means that the governing document that has been provided to you has not been approved by the Charity Commission.

In some cases that can occur because the governing document you are using is for a different type of charity – eg: if the governing document provided by your umbrella organisation is for an unincorporated association and you are wanting to register as a CIO.

So if your umbrella organisation's name does not appear in the dropdown list first check if the type of governing document corresponds with the type of charity that you are trying to register. If you have the correct type of governing document then check with your umbrella organisation whether the governing document they have provided has been FORMALLY APPROVED by the Charity Commission. If it has not you could still go ahead and use it (but see the comment under question 1.1 above). But the better alternative might be to use instead one of the model governing documents downloadable from the Charity Commission website.

1.3. Please attach the governing document:

Click the Attach button and the pop-up window (illustrated right) will enable you to browse for and attach your governing document in PDF format. This section will not be ticked as “completed” until a PDF document has been attached and uploaded.



However, you can continue and return later to attach the document.

The attached document will be displayed as follows:

Retrieve	Remove	3 - GoverningDocument.pdf
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Note: You cannot attach a document which has previously been attached elsewhere in the on-line form, though at this stage you probably won't have already entered any other document. However, you might encounter problems if you try to enter the same document later in the on-line form. Use the companion leaflet 10a, which lists all the questions in the on-line form, to see if you are likely to want to enter the same document elsewhere.

'Retrieve' allows you to open the document you've attached to confirm its contents.

2. About Charity: Replacement

This section only appears if you are registering a charity with a governing document which is: (a) CIO Foundation Constitution; (b) CIO Association Constitution; or, (c) Memorandum and Articles.

2.1. Are you replacing an existing registered charity?

This question is only relevant if a charity with the same name and the same (or similar) charitable purposes already exist and you are intending to change its status – eg: to “convert” an unincorporated association into a Charitable Incorporated Organisation (Foundation or Association).

Note here that because unincorporated associations and CIO are quite different legal entities you can't actually “convert” one to the other. What you actually have to do is to set up the new charity, transfer all the assets and activities of the existing charity to the new charity then close down the old charity.

Seems like bureaucratic nonsense?

Well “yes” and “no”.

But at least the Charity Commission is “understanding and sympathetic” and, generally, will not create unnecessary difficulties, provided that the charitable purposes are not changing significantly.

Note though, it can be more of a problem with things like bank accounts – you may be required to open a new account (with all the rigmarole that entails), transfer to it all the money in the existing account and then close the old account.

a: Enter the name or registration number of the charity you are replacing:

Tick the appropriate Yes/No button.

If you tick “Yes”, enter the relevant information into the free-text data-entry box then select the relevant organisation from the drop-down list which appears then click the Search button and the Charity Commission register will be searched and the charity's registered name (if found) inserted for confirmation.

3. About Charity: Charity Name

3.1. The organisation's name:

Enter this into the free-text data-entry box **exactly** as it's written in the governing document. A charity's name can't contain offensive or restricted words.

Click the Check Name button and the Charity Commission register will be searched to see if the name already exists.

If a charity with that name already exists you should either choose a new name or you will be required to explain how you intend to manage any confusion with the charity which already has that name. In practice this generally means you have to find another name

3.2. Is the organisation known by any other names?

This question applies if you are intending that your charity should be known publicly by any name other than the name registered with the Charity Commission. For example: you are registering the charity's name as "The Cats And Dogs For Everyone Charity" but your publicity material will generally refer to it by its acronym, CADFE, or more simply as "Pets for All". Note that the rules on what is not allowed for the charity's formal (registered) name also apply to any other names/acronyms to be used by the charity.

Tick the appropriate Yes/No button.

If you tick "Yes", list ALL the other names in the drop-down data-entry box which appears.

3.3. Do any of the organisation's names contain acronyms, made-up or non-English language words?

Tick the appropriate Yes/No button.

If you tick "Yes", the translations and any other relevant information into the free-text data-entry box which appears.

a: Please translate or explain each made up, non-English word or acronym used:

3.4. Do any names contain words that require consent from another body?

See the corresponding section 3.4 in the companion leaflet 10a for information on examples of words that might need consent.

Tick the appropriate Yes/No button.

If you tick "Yes", use the pop-up button to attach the relevant documents, which MUST be in PDF format (you can attach more than one).

a: Attach evidence that permission has been given to use the name.

4. About Charity: Structure and Purposes

4.1. Organisation's governing document:

No data entry is required.

The charity's type of governing document, as selected in 1.1 will be displayed here automatically.

4.2. Enter the organisation's purposes (also known as 'objects') exactly as they are written in its governing document.

Copy your charity's purposes/objects from your governing document and paste them in the free-text data entry box. It is essential that the wording of your charitable purposes that you enter here are EXACTLY the same as in your governing document.

As pointed out elsewhere, the organisation's charitable purpose, as defined in its governing document is NOT a detailed operational description of what your charity is going to be doing. Instead it is a legal definition of how the purposes of your charity fit within the Charities Act.

You will be entering the fully operational details of what your charity will be doing, and why, later in the on-line form (in section 7 of these notes).

5. Income

This section does NOT appear if you are registering a charity which is to be a Charitable Incorporated Organisation (CIO) – either Association CIO or a Foundation CIO – as the £5000/yr income threshold for registration does not apply to CIOs.

5.1. Enter the organisation's gross annual income: (mandatory field)

Enter the gross annual income into the free-text data-entry box.

Then click the Attach button to browse for and attach your proof of income in PDF format. This section will not be ticked as “completed” until a PDF document has been attached and uploaded. But you can leave it as incomplete and return to attach the document later.

Important Note: If you enter a gross annual income of less than £5000 the on-line application form will respond: “This organisation can't be registered as a charity until its income is over £5,000. If you have a formal offer of funding payable once the organisation is registered, attach this as proof of income.”

If you cannot attach proof of income greater than £5000 you will have to postpone registration until you can.

6. Classification:

Note: A charity's classification is made up of 4 sub-sections:

- 1: **WHAT** the charity does;
- 2: **HOW** the charity does it;
- 3: **WHO** the charity benefits;
- 4: **WHERE** the charity operates.

Most of the main classifications in the “WHAT” section have supplementary sub-classifications. But those supplementary classifications only appear if you tick the main classification.

Some of the “WHAT” classifications also have additional classifications in the subsequent “HOW” and “WHO” sections.

The full list of main and supplementary classifications can be found in Appendices 1-3 of the companion leaflet 10a.

Tick the boxes of ALL the relevant classifications and sub-classifications which appear. In some cases none of the sub-classifications will be relevant in which case tick none.

If you tick “Other” you will be presented with a pop-up free-text data-entry box in which you should enter the appropriate details. However, it is recommended that you use one of the pre-set classifications if at all possible as using “Other” this might indicate that your intended charity has a purpose which is NOT allowable under the Charities Act.

6.1. WHAT does the organisation do?

The online instructions say “Select all that apply”.

However, you need to be a bit circumspect here and distinguish between the primary purposes of your intended charity and the things that it might also be doing incidentally or consequentially to its primary purposes.

For example: If the primary purpose of your charity is to promote a particular religious belief – ie: providing regular opportunities for believers to meet and worship and to learn more about the faith – you would tick the “Religion” box.

You might also believe that helping the poor is part of your expression of the faith and so be tempted to tick the “Prevention or relief of poverty” box because from time-to-time you might want to set up a food bank, or pay for days out for disadvantaged children; or to tick the “Education/Training/Research” box because you will, from time-to-time be providing classes in the literature and philosophies of the faith. But that would NOT be appropriate unless your charity was intending to have a primary activity in such areas.

For example: if the reason for setting up the charity was specifically to establish a food-bank for the relief of poverty you would tick just the “Relief of Poverty” box (and not the “Religion” box), even though you were motivated to do something “for the relief of poverty” because of your religious beliefs. Any associated publicity/promotion of your religious beliefs would just be incidental/consequential to the primary purpose of relieving poverty.

Furthermore, you would have to demonstrate how your activities delivered efficient and cost-effective relief of poverty “for the public benefit”, over and above being just an expression of your faith. And in that case your activities would, generally, NOT be restricted to those who are adherents of your faith as that could be seen as discriminatory (or even coercive –

ie: forcing people to become believers in order to receive the benefits) and contrary to the Equalities Act.

So in this section of the on-line application form tick only the boxes which correspond to your central primary purpose(s). You will be able to go into more detail about your secondary (incidental or consequential) charitable purposes in a subsequent section 7.1

6.2. **HOW** does the organisation operate?

The online instructions say “*Select all that apply*”.

But, as when responding to question in 6.1 (above), you need to be circumspect in distinguishing between primary activities and activities which are secondary, incidental or consequential to your primary purposes.

In the case of the charitable purpose “Religion” the direct activities (worship, preaching, etc) are the “how” those purposes are delivered. Running a food-bank only is an incidental “how” – of itself it doesn’t deliver any specific promotion or understanding of a particular faith unless its beneficiaries are coerced into attending religious worship/instruction in order to receive their “benefits” of food.

So in this section of the on-line application form tick only the boxes which correspond to your central primary activities. You will be able to go into more detail about your secondary (incidental or consequential) charitable activities in a subsequent section 7.1.

6.3. **WHO** does the organisation help?

Select all that apply

6.4. **WHERE** does the organisation operate?

Select all that apply

7. **Public Benefit: Carrying Out the Purpose**

It is in these sections you will be asked to describe, in considerable detail, what it is that your charity is going to do and how it is going to do it. You will also be expected to provide substantial “hard evidence” that what you do will be for the **PUBLIC** Benefit (*ie:* for the community at large, NOT just for individuals or small groups) and, most importantly, how you will be able to demonstrate (*ie:* measure in a meaningful way) the real difference that your charity is making on an on-going basis (*ie:* how the community has, or will, become better off than it would have, had your charity not come into existence).

There is considerable overlap in the questions in these sections.

So don’t be surprised if you find that you are repeating yourself in your responses.

7.1. **The organisation's purposes are:**

This is the section where you can go into more detail about your vision and motivation for your charity and what you hope to achieve.

However, avoid too much optimistic eulogy. As with the next section in which you go into your outputs in greater detail, the emphasis should be on realism and practicality in your purposes, based on solid evidence that you have “done your homework” and can clearly demonstrate both how your proposed charity will fit in with existing facilities and services to fill gaps and will deliver demonstrable benefits to both the immediate beneficiaries and to the public in general.

7.2. **Explain how the organisation carries out its purposes:**

This section is where you describe your **OUTPUTS** (see the companion leaflet, 1: Outputs & Outcomes).

Give as much detail as possible.

Don't explain how the organisation will raise funds - you'll provide this information later in the on-line application (in section 24)

In describing your outputs the Charity Commission will want to see hard evidence that you have “done your research” and can show that what you are proposing to do is feasible and realistic. Just because an idea seems to be wonderfully philanthropic doesn’t automatically make it practical to implement.

For example:

- If your outputs require a venue in which to run them you will need to provide evidence that suitable accommodation is available in the area that you want to run your charity and is affordable, and accessible to your intended beneficiaries;
- If your outputs require specific professional skills (eg: vets to run an animal clinic) you must show that such skill are available to your charity and are reasonably affordable.

So in this section you have to describe not just what you would LIKE to do, but provide practical details about the WAY in which you will actually be doing it.

7.3. Attach any document (such as a business plan) which sets out how the organisation carries out its purposes:

This is optional, but it’s good practice to have a Business Plan. It doesn’t have to be a large document. It’s more important that it be realistic and practical.

If you are starting up a new venture, rather than trying to register an activity that you have been running for some time already, the chances are that it will be quite difficult to produce a detailed business plan for even two or three years ahead, rather than a 5 year business plan that people commonly think is “the norm”. So look carefully at the option for creating a simple 3-year “rolling business plan” rather than a “mega” 5-year plan.

What is important at this stage is that your business plan is (a) practical and realistic; (b) shows that you have carefully considered a range of options and the pros and cons of the options you have chosen; (c) shows that you are pragmatic about the risks and have taken reasonable steps to cope with them should they arise.

So don’t “wax long and lyrical” about all the wonderful things you aim to do. The Charity Commission doesn’t need you to tell them that “apple pie and motherhood are good things” – it wants you to tell them succinctly why your intended beneficiaries don’t already have “apple pie and motherhood” and, even more importantly, how you are going to overcome the obstacles in their way.

And, in particular, avoid “blue skies wishful thinking”. The Charity Commission is very good at spotting people who are just daydreaming about some crazy idea that they’d just love to do – if only they can persuade others to donate the money to “charity” to pay for it.

You can find more detailed guidance in the companion leaflet, 8: Business Planning.

Click the Attach button to browse for and attach your document(s), which must be in PDF format.

8. Public Benefit: Benefits

8.1. What are the benefits of the organisation's purposes?

This section is where you describe your **OUTCOMES**.

In assessing your application the Charity Commission will look closely at the **OUTCOMES** that your charity will be delivering. The Charities Act is very specific that, in order to be “charitable”, the **OUTCOMES** must be for the **PUBLIC** benefit. It is **NOT** sufficient that an individual, or small group of individuals, benefit.

To give a specific (and real-life) example:

If you and a group of friends decided to get together to put on a Christmas Day festive lunch (or a similar event for those of other faiths) for those who would otherwise be alone and feeling very isolated at a time when everyone else in their community was having a good time, that would, in all probability, **NOT** be regarded as a “charitable purpose” under the Charities Act.

WHY?

Because the OUTPUTS of that activity – the Christmas Lunches provided – would be focused on a one-off benefit to a minority group of individuals. There would be no OUTCOMES of that activity which were for the benefit the public at large, the majority of whom were busy enjoying their own festivities oblivious of what was being done for those less fortunate than themselves.

In order for the Charity Commission to approve your proposed Outputs & Outcomes as “charitable purposes for the PUBLIC benefit” it is not sufficient to describe how those who participate in your charitable activities will benefit (your OUTPUTS). You must describe, **with evidence**, what difference your charity’s activities will make to the community (your OUTCOMES). *ie:* how the **Public** – or a significant section of the Public – will be better off as a consequence of your charity. In the case of the charity wanting to provide Christmas Lunches, it was able to get support from local GPs and Social Service departments saying that providing Christmas lunches helped to reduce depression and loneliness in the isolated elderly. It was thus able to show that its activities would help to reduce the pressures on local health and social services – a public benefit which enabled the organisation to be registered as a charity.

Similarly, setting up a Youth Club might provide good evenings’ entertainment for the benefit of those who attended. But that wouldn’t necessarily be a “Public Benefit” if, for example, there were already plenty of other Youth Clubs in the area. Indeed, if it made a lot of noise and disturbed the neighbours it would be a Public **DIS**-benefit.

So in this second example you would have to show how the Youth Club would serve the public/community – *eg:* by reducing street hooliganism – **AND** back that up with some documentary evidence – *eg:* from local police reports on levels of street hooliganism. It will not be sufficient just to assume “*a priori*” that youth clubs reduce street hooliganism.

8.2. Attach any document which shows how the organisation provides benefit:

Your charity’s business plan should include information not just about what your charity is going to do (its outputs) but also what those outputs are intended to achieve (the outcomes) and how you will demonstrate achievement of those outcomes (your KPIs – Key Performance Indicators). So there is likely to be some duplication in the responses to these questions.

In some places the on-line application form does not allow you to upload the same document in more than one place. So if you have already uploaded your Business Plan in question 7.3 you may not be able to attach it again here. But you can, of course, refer to it in your text response.

As you will see from the above, it IS advantageous to try to obtain external documentary evidence of the public benefit – rather than just benefit to selected individuals – that your proposed charity will deliver. So if you have such evidence (it needs to be in PDF format) this might be a good place to attach and upload it.

8.3. Who can benefit from the organisation's purposes?

- Ⓒ The General Public
- Ⓒ A Section of the Public

Most small new charities are unlikely to have the resources and infrastructure to be able to provide their charitable purposes to everyone in the UK from day-one, and so will select “A Section of the Public”

If you select “A Section of the Public” the following prompt will appear.
You are required to tick at least one group from the list.

a: Select one or more group that can benefit from the organisation's purposes:

- People living in a particular geographical area
- Members of the organisation
- Other section of the public

- People defined by age
- People defined by disability

- People defined by gender reassignment
- People defined by marriage and civil partnership
- People defined by pregnancy and maternity
- People defined by race
- People defined by religion or belief
- People defined by sex
- People defined by sexual orientation

i: Explain who can benefit and why the organisation's purposes aim to benefit them:

This prompt appears if you have ticked any of :

- "People living in a particular geographical area";
- "Member of the organisation";
- "Other section of the public".

The Charity Commission will want to be satisfied that your intended beneficiaries are:

- (a) sufficiently numerous, and
- (b) not subject to very rigorous selection/membership criteria, to satisfy the "Public Benefit" criterion.

The problem is that there is no explicit legal definition of what constitutes "a sufficient section of the public". A geographical area like "SE.England" or "Greater Manchester" would generally be considered sufficient. But what about a small isolated hamlet of just a few households and, perhaps, a pub or shop, in a very rural area? If it had a clear identity of its own and, particularly, if it were an important tourist attraction visited by many members of the public who could also benefit from the charity's activities, then it might be acceptable. But a small group of houses within a much larger estate – eg: a group of houses in just one block in a built up area – would probably not be regarded as "a sufficient section of the public".

Similarly, a local "interest" organisation/group which required beneficiaries to be members of the organisation/group to participate in its activities – eg: an art, literary walking, music group, etc – could be regarded as benefiting "a sufficient section of the public" provided that it did not place exclusive criteria on who could be member – ie: pretty much anyone could just "turn up and join". But an organisation/group which had very restrictive membership rules – eg: if membership was conditional on being nominated by an existing member of the group and was then subject to a secret ballot of members – would probably NOT be regarded as open to "a sufficient section of the public".

If you are planning to create a membership charity you will be asked further more detailed questions about that later in the on-line application – see: 11, Public Benefit: Membership

In all cases, restricting who can be the charity's beneficiaries to a group of people who have family or business connections with the charity and/or its members (particularly Trustees), is always unacceptable. In particular, it is quite common for people to want to start a charity to support people with a particular condition because a member of their own family or close associates has that condition. Whilst this is not invariably contrary to charity law it is not unreasonable for the Charity Commission to want to see good, solid evidence to demonstrate that the charity really will benefit a "sufficient section of the public", rather than being used as a "front" for fundraising primarily for the benefit of the family member or associate.

As a specific example: there was recently the incident of a disadvantaged elderly man being mugged outside his home. An internet appeal to raise money to help the victim "went viral" and, as a result, raised hundreds of thousands of pounds. But, despite widespread public empathy for the victim, that could not be legally registered as a charity because the beneficiary was a single individual and, therefore, NOT "a sufficient section of the public".

However, it CAN be acceptable to introduce restrictions on the scope of a charity if such restrictions can be shown to be reasonable and appropriate to the charity's objects. For example: a charity set up to support people with dementia in the local community which found itself overwhelmed by demand could restrict the number of beneficiaries using its services if it can show that it would be unsafe to allow more beneficiaries to use the charity's services until more resources (eg: a bigger venue, more supporters, more funding !) could be found.

ii: Explain how the trustees are satisfied that this is justified under the Equality Act:

This prompt appears if you have ticked any of the options from "People defined by age" to "People defined by sexual orientation".

That is because all of those options describe what are called "Protected Characteristics" by the Equalities Act, and in order to approve the application the Charity Commission will need to be satisfied that in restricting your charity to beneficiaries with one or more "Protected Characteristics" you are not creating an illegal discrimination.

Defining who can benefit by reference to one or more protected characteristics can, albeit in a rather simplistic manner, be considered from two angles:

- (1) specifying protected characteristics which the charity will NOT deal with;
- (2) specifying protected characteristics which will be the focus of the charity's activities.

If the former, the issues are a legal minefield which is beyond the scope of this series of leaflets and you should seek the advice of someone with professional expertise in the Equalities Act. You will recall that Catholic Care, the Adoption Agency of the Catholic Church in the UK had its charitable status withdrawn and was forced to close down because it refused to make its services available to gay couples.

If you are proposing to create a charity which focused on addressing the particular needs of those who are disadvantaged by virtue of having one of the protected characteristics then you MAY be able to rely on "The Charities' Exception", which is explained in more detail in section 4 of the Charity Commission guidelines "Equality Act guidance for charities"

<https://www.gov.uk/government/publications/equality-act-guidance-for-charities/equality-act-guidance-for-charities>

as a way of avoiding having to comply strictly with the Equality Act

So if you were proposing to set up a charity for blind people, and could show that your charitable purposes met the "Charities' Exception" test of "...the charity's aim is to tackle a particular disadvantage faced by people who share a protected characteristic" (in this example: Disability-Blindness) then any restriction on the beneficiaries based on blindness would be an allowable reference to a protected characteristic.

However, even that apparently simple case is not without potential pitfalls:

A real example: A small voluntary organisation was providing employment advice to older people who found themselves unemployed after a long period in employment. The organisation focused on the particular needs of such people who were disadvantaged because:

- (a) they had no recent experience of job-seeking, eg: how to write a CV, how to complete application forms, how to behave at interview;
- (b) they were suffering the humiliation of no longer being able to keep up with their friends and former colleagues, eg: could not afford to go out for a drink at the pub, or to other entertainment.

In making an application for registration as a charity the charitable purposes made reference to its intended beneficiaries being "the over 50's" because those were its primary beneficiaries. The registration was turned down on the grounds that it was discriminatory against the protected characteristic "Age" because there might be some people below the age of 50 who were suffering disadvantage for similar reasons. The organisation had to re-apply for registration with all references to specific age-groups removed from its charitable purposes. Even though it continued to focus on helping the over-50's because that was by far the largest group of beneficiaries with the characteristics outlined above, it could not, legally, refuse to provide the same kind of help to someone who was much younger than 50 and had similar characteristics.

So if you are intending to create a charity where the intended beneficiaries are characterised by reference to one (or more) of the protected characteristics – particularly if that focus is restrictive (eg: a charity to promote musical appreciation for the blind which excluded (ie: discriminated against) people who were not blind but would nevertheless have similarly benefited from its musical appreciation activities) – you would be well advised to seek professional guidance from either an established charity which has some experience/expertise in this area, or a lawyer with expertise in the Equalities Act.

This is not only to ensure that you get an appropriate wording for your application to the Charity Commission but also to ensure that you do not unwittingly expose your charity to legal challenge from people who feel they are being illegally discriminated against because they are prevented from accessing your charity's services by reference to a protected characteristic.

9. Public Benefit: Selection

Carrying Out the Purpose for the Public Benefit

9.1. What criteria do the trustees use to decide who the organisation benefits or what work it does or supports?

In many cases, particularly for small charities, who the charity benefits and what work it does will be determined primarily by its charitable purposes. So, for example, a charity with the purpose of supporting people with dementia and their carers will have people with dementia and their carers as its beneficiaries and its charitable activities will be focused on the needs of people with dementia and their carers, *eg*: activities to entertain and stimulate those with dementia and to provide some respite for their carers.

By contrast, charities with broader “umbrella” charitable purposes – *eg*: “*to promote the conservation, protection and improvement of the physical and natural environment*” – may have a constantly changing range of beneficiaries and work that it does. In that case it may be impossible to describe not only “the who and the what” for all its future activities but also the criteria by which they will be decided. And, in any case, “the who, what and why” will themselves be subject to change in response to changes in the natural and political “climate” which are beyond the ability of the charity to predict or control.

What the Charity Commission will be looking for here is evidence that, for the reasonably foreseeable future, you do have a coherent and realistically worked out plan for not only “the who and the what” of your intended activities but, particularly, “the why”. In other words, the response to this question will, in large measure, replicate what is in your charity's business plan (see also item 7.3 above).

9.2. Attach any document which explains how these decisions are made:

Click the Attach button to browse for and attach your document(s), which must be in PDF format.

10. Public Benefit: Grant Making

10.1. What criteria will the organisation use to select individuals or organisations to receive grants?

Some charities make small grants available to their beneficiaries as incidental aspect of their charitable activities (*eg*: to enable a disabled beneficiary to purchase assistance aids, or a school child to purchase books or uniform).

If it is likely that from time-to-time your charity might want to make such incidental grants in association with your charitable activities then you should certainly just outline that here. And if your charity is likely to be doing that on a regular basis it is good practice for your charity to have a written grant-making policy for how you will be deciding to whom to give (or not give) such grants. You can then submit that as an attachment to your application.

But more importantly, there are a lot of “crooks out there” who will happily relieve your charity of its funds if given an opportunity. Scamming is big business these days – and scammers have no shortage of plausibly heart-wrenching sob-stories to “tug at a charity's purse-strings”. Having a grant-making policy will give your charity's staff and volunteers a checklist of to prevent your charity getting “hoodwinked” by persistent (often “aggressive”, but very plausible) requests for grants.

If you are intending to set up a charity which will primarily be fundraising in order to make donations/grants to other charities then you need to be aware that fundraising for other charities is NOT regarded as a charitable purpose in its own right. It is therefore unlikely that the Charity Commission would agree to register it as a charity. If you wanted to set up a charity in order to fundraise for, say, your local hospice, you should instead get in touch with that local charity and work out directly with it how best you can help it.

If you are intending to set up a Charitable Trust to manage, for example, a large legacy then, you will certainly need a good and effective grant-making policy. But, as noted elsewhere, in this case this guidance leaflet is not for you – you should seek appropriate professional advice.

10.2. Attach any document which explains this, such as a grant making policy:

Click the Attach button to browse for and attach your document(s), which must be in PDF format.

11. Public Benefit: Membership

11.1. Do people or organisations have to be members of the organisation to benefit from its purpose?

This question refers to a charity where all its beneficiaries have to be registered members, *ie*: it is not possible to get access to any of the charity's activities and benefits without first registering as a member of the charity (whether or not registering as a member involves paying a joining fee and/or a membership subscription).

Note that this is different from charities which have a membership structure in order to give its supporters and beneficiaries a say in the way that the charity is run (including the appointment of Trustees) but the activities of the charity are not restricted primarily for those who are its members.

The issue of "membership" has previously been referred to in question 8.3.a:i:

It is envisaged that most people thinking of starting up a small charity will be answering "No" to this question. If you need to respond "Yes" to this question – eg: you are setting up a charity where the members will be the primary beneficiaries of its activities (eg: a professional body) then these leaflets are not sufficient and you will need more professional guidance from elsewhere.

If you responded "No" skip to question 12.

The following supplementary questions only appear if you respond "Yes" to the primary question and are included here just for completeness.

- a: What benefits do members get?**
- b: Why are those benefits limited to the members?**
- c: Who can be a member?**
- d: Is there a limit on membership numbers?**

12. Public Benefit: Providing Services or Facilities

12.1. Does the organisation provide public facilities or services as a way of carrying out its purpose?

Examples of public facilities and services include community centres, food banks, art galleries, football pitches, schools, colleges, universities, theatres, concert halls, museums, charitable hospitals, charities that provide residential care, or charities that advance heritage, environmental protection or improvement. However, the above list is illustrative. Just

because your particular services are not listed above does not mean that this question does not apply to you. If in doubt, assume the question DOES apply to your proposed charity and restp

If you answer “No” you will be taken immediately to the next question, 13, and the following supplementary questions will not appear

a: What sort of facility or service does it provide?

Describe the facilities and/or services that you provide (see above for examples).

Don't forget to give further information to demonstrate that the access to the services are suitable for both the type of facilities or services being provided and are consistent with the needs accessibility of the beneficiaries of your service.

For example:

You would find it difficult to run an effective support service for the disabled if the only available accommodation was on the 2nd floor of an old church building with no lift. So if you are providing services for the physically disabled, make sure that you explain all the advantageous facilities that it has available, eg: step-free access and lifts for those impaired mobility; braille labels for those with impaired vision; sign-language users for those with impaired hearing.

If you are providing any kind of advice or support services, make sure you explain how those providing the services are qualified to do so. This should include details of

- any relevant job descriptions for both volunteers (including Trustees) and paid staff;
- how you vet those qualifications and any references from previous appointments;
- any in-service training that you provide.

If your organisation has formal associations with other relevant professional bodies that should also be referred to.

Don't forget that the above might be “taken as obvious” by you and others who are familiar with what your charity is intending to do. But can easily be overlooked by others. The Charity Commission will want to be sure that your charity will have the appropriate professional competence to be a real benefit, rather than a liability, to your beneficiaries and donors. “Starry-eyed good intentions and enthusiasm” are not a substitute for practical ability and realism – though there are those who don't understand that (and the Charity Commission will want to be sure that you are not one of them).

b: When can the public access the facility or service?

Provide information on the opening hours and frequency of services offered, if relevant.

The Charity Commission will want to be satisfied that public access to the services will be at times likely to be suitable to all the potential beneficiaries – ie: are not being timed in a way that would exclude sections of the public who might otherwise be beneficiaries (eg: timing a facility/service for mid-late evening might “discourage” access by elderly beneficiaries who would not want to be out that late; or timing a facility/service for a Friday when people of some religious beliefs would find it difficult to participate).

Also include information on the provision of facilities/services at lower than “normal” rates – eg: at “unpopular” times of the day – where this might be advantageous for beneficiaries on low incomes.

However, care is required here !. See note 13.1.b:

Many public services, trains for example, offer lower rates at off-peak hours (or is that higher rates at popular hours to increase their profit margins?) to encourage their customers to use services which are operating at below full capacity. But that does not necessarily mean that the organisation is specifically making provision for those who are disadvantaged (eg: are “poor” or “of modest means”) – it might be simply good commercial marketing. And that is particularly the case if the nature of potential beneficiaries' disadvantages also mean that they are impeded from accessing those services at off-peak hours (eg: a working beneficiary on a low income who cannot access services which are only available at low rates during their working hours).

This is an important issue comes up again in a subsequent question in the on-line application form. See questions:

- 13.1.b: Do the trustees consider the charges to be more than the poor can afford?
- 13.1.d: What provision will or do the trustees make for the poor to benefit?
- 13.1.e: What factors have the trustees considered in making their decision?

For a more detailed discussion of the issues, and how one might construct an answer see the Appendix: “Ask a Silly Question...”, section 31.

c: Are there any restrictions on who can have access?

If you answer “No” you will be taken immediately to the next question and the following supplementary question will not appear;

i: Explain why there are restrictions:

Charities have to act for the public benefit. So an organisation which is not open to “the public at large” cannot be a charity, eg: if someone has to be a member of the organisation in order to access its services/facilities, particularly if the criteria have to be met in order to become a member of the charity means that membership is limited.

This can apply to organisations like professional bodies (many of which are charities) where individuals have to meet certain strictly enforced (eg: by examination) professional criteria in order to become members – ie: beneficiaries – of the charity.

Of course, there will be legitimate circumstances where it is appropriate and desirable to focus the charity’s facilities/services on particular sections of the public. So don’t forget to include information about any such “segregation” of the services provided – eg: if there are specific times allocated for children/adults in specific age-groups or genders; or specific times allocated to beneficiaries with particular skill-sets (eg: in art, sport or martial arts).

If any such segregation of facilities/services includes reference to protected characteristic (see section 8.3.a.ii:), be careful to explain how unfair discrimination against people with those characteristics will be avoided if that is, or might be an issue. For example: whilst it might be entirely legitimate, for reasons of modesty, to segregate access to a charity’s services/facilities on the basis of gender, it might be considered discriminatory for beneficiaries of one sex to have much greater access than the other, particularly if that segregation also denied one sex access to the services/facilities at particularly convenient or popular times.

d: Are there any restrictions on what people can have access to?

If you answer “No” you will be taken immediately to the next question and the following supplementary question will not appear;

i: Explain why there are restrictions:

The factors to be taken into account when answering this question will be similar to those for the previous question, 12.c.i:.

13. Public Benefit: Fees and Charges

13.1. Does the organisation charge people to be a member or to access its services or facilities?

- Yes No

Note: If you select “Yes” the following prompt will appear.

Note that you have to answer “Yes” to this question if your charity will either, or both:

Charge its volunteers and supporters a fixed annual or monthly subscription to be registered as members of your charity, eg: to receive a regular new-letter or information sheet, and to participate in the General Meetings of the charity, whether or not they are also beneficiaries of the charity’s activities;

Charge its beneficiaries (whether or not they are also members) on a pro rata basis as a contribution (which could be anything from a token contribution to full cost recovery and more) towards the costs of providing the charitable services and facilities.

If you answer “No” the following supplementary questions in this section 13 will not appear;

a: What services or facilities does the organisation charge for and how much does it charge?

Enter the details in the free-text data-entry box provided.

This response should be kept quite simple and factual.

More detailed information on how the costs were arrived at, and justified, will be covered in your responses to the subsequent sub-questions.

b: Do the trustees consider the charges to be more than the poor can afford?



▶ ‘The poor’ does not just mean the very poorest in society and it can include people of modest means. In general it will usually mean charges that someone of modest means will not find readily affordable.

Examples of charges that the poor can usually afford include:

- Membership fees of a few pounds paid by local residents to hire out a village hall;
- Small entry fees to attend events at a community centre or visit and historic house or site;
- The annual cost of a library card;
- Low ticket prices to see a production by an amateur dramatic society;
- Low hourly fees to use a charitable public internet terminal;
- Small subscription of membership fees to join a playgroup, scouts, guides, youth club or after-school club, sports club or leisure centre;
- Mobile units (such as medical boats, food and clothing vans) touring deprived areas in developing countries providing services, equipment, goods or facilities at low cost for local people.

Ⓒ Yes Ⓒ No

Note: If you select “Yes” the following prompts **c-e** will appear.
If you select “No” only the following prompt **c** will appear.

At first sight this seems to be an obvious and straight-forward question to answer.

But in reality it is an incoherent question (*ie:* lacks a logical framework of objective criteria by which it can be answered) so that any response to it can only be based on personal subjective opinions as to what constitutes the relevant facts and their valid interpretation.

In short, getting your charity registration approved is dependent on you being able to convince the Charity Commission assessor that they can share your subjective opinions that the charges you are proposing to make for your services/facilities are sufficiently reasonable (*ie:* low) to enable them to be used by those who meet your subjective opinion of them being “poor or of modest means”.

Note that in this section you only have to explain why you think that your charges might be more than “the poor or those of modest means” can afford – you DON’T have to explain here how you intend to deal with the issue, that comes later, in section d:

For a more detailed discussion of the issues, and how one might construct a coherent answer to an incoherent question, see the Appendix, “Ask a Silly Question....”, section 31.

c: How have you reached this view?

Note: You have to respond to this whether you have answered “Yes” or “No” to the prompt “Do the trustees consider the charges to be more than the poor can afford?”
ie: you are expected to provide a coherent response to an incoherent question in the free-text data-entry box provided.

For a more detailed discussion of the issues, and how one might construct a coherent answer to an incoherent question, see the Appendix, “Ask a Silly Question....”, section 31.

d: What provision will or do the trustees make for the poor to benefit?

Describe the provisions in the free-text data-entry box provided.

Again, keep this to just a simple description of what special facilities/charges you are putting in place for the poor and those of modest means. How you have arrived at those, and how you think they will address the issue, are dealt with in the next section e:

e: What factors have the trustees considered in making their decision?

Enter (any further detail as appropriate) in the free-text data-entry box provided the factors which the trustees have taken into consideration.

Given the somewhat iterative (“round the mulberry bush”) nature of this group of questions you may well not have anything more of significance to add at this stage.

14. {Supplementary Questions}

The supplementary questions in the following sections, 14.1 to 14.6, only appear if you have ticked one or more of the following Classifications:

in section 6.4 Outside England & Wales
in section 6.1 Religion
Arts / Culture / Heritage / Science
Amateur Sport
Animal Welfare
Animal Sanctuary

If you have not selected any of those Classifications the on-line registration will take you directly to section 15 Property.

14.1. {Supplemental}-Overseas Aid

This section only appears if you ticked the classification “Outside England & Wales” in section 6.4

Charities which are registered in England & Wales are required to raise and spend their charitable funds in accordance with the Charities Act as it applies to England & Wales (the same consideration applies to charities registered in Scotland or Northern Ireland, which must comply with their own legislation).

This creates a real “headache” for the Charity Commission because the raising and, particularly, the spending of money outside of England & Wales will probably not be under the jurisdiction of the English/Welsh courts. For example: if a charity raised funds to commission building works in another country and significant amounts of that money were syphoned off into corruption, or the building works were sub-standard and created a health/safety hazard for the users/occupants, it might be impossible for the charity (or the Charity Commission) to take legal action to recover the misspent monies through the English/Welsh courts.

Before registering your charity, the Charity Commission will therefore require sufficient evidence to enable it to be confident that you are able to take all reasonable steps to ensure that your charity’s funds do not “go astray”.

So in responding to the following questions you will need to be able to demonstrate that your charity will have robust infrastructures and organisational control in the recipient country(ies), and particularly if your charity will be working in parts of the world where corruption is widespread.

Beyond the above rather general overview of the issues and what the Charity Commission will be looking for, it is rather difficult to give a more detailed review of how to answer this question as individual circumstances will vary enormously.

If your charity is looking to send money (or other resources) to overseas locations – particularly if those locations have a poor reputation for quality of work and/or corruption you would do well to seek advice from other charities already working in those areas. And make sure that you inform the Charity Commission what advice you have received and from which organisation(s) you received it from as this will demonstrate that you have “done your homework” properly.

a: What needs will the organisation address in overseas locations?

Enter the details in the free-text data-entry box provided.

b: How will the organisation address these needs?

Enter the details in the free-text data-entry box provided.

c: How has the organisation identified those needs and what evidence or information it has used?

Enter the details in the free-text data-entry box provided.

d: Does (or will) the organisation work with, or send funds to, local partner organisations or other delivery agents that operate overseas on its behalf?

Yes No

Note: If you select “Yes” the following prompt will appear.

i: Which partners/agents will the organisation work with or fund and how will it select them?

Enter the details in the free-text data-entry box provided.

ii: What arrangements and/or formal agreements will the organisation have in place with partners/agents?

Enter the details in the free-text data-entry box provided.

iii: How will the organisation monitor, verify and account for the work and expenditure of partners/agents?

Enter the details in the free-text data-entry box provided.

e: Is the organisation carrying out its own operations in the locations you have named?

Yes No

Note: If you select “Yes” the following prompt will appear.

i: How does the organisation decide which activities to carry out overseas and how it will fund them?

Enter the details in the free-text data-entry box provided.

ii: How does the organisation select volunteers or staff to carry out activities overseas and how does it manage risks to them?

Enter the details in the free-text data-entry box provided.

14.2. {Supplemental}-Religion

This section only appears if you ticked the classification “Religion” in section 6.4

In order to be able to register your charity the Charity Commission will want to be sure that it represents a genuine religion, with established and properly document bases of faith and a significant following, rather than just an “here today and gone tomorrow” cult.

You will therefore need to answer the following questions in considerable detail, and with credible documentary support.

You should also expect the Charity Commission to examine your proposed religious principles and activities in some detail and to ask many challenging questions to confirm their credibility.

If your charity will be a local group within an existing faith, that should be clearly explained, preferably with supporting references from the “parent” faith.

a: Tell us about the tenets of faith which the organisation advances. This may be explained in your governing document.

Enter the details in the free-text data-entry box provided.

b: Tell us about any moral or ethical framework that is promoted by the religion the organisation is set up to advance.

Enter the details in the free-text data-entry box provided.

c: Tell us specifically how the organisation advances religion.

Enter the details in the free-text data-entry box provided.

14.3. {Supplemental}-Arts

This section only appears if you ticked the classification “Arts / Culture / Heritage / Science” in section 6.4

In order to be able to register your charity the Charity Commission will want to be sure that it represents a genuine promotion of innovative art (in all its forms) which is recognised as being:

- ◆ “of artistic merit” by recognised experts in that particular art-form; and
- ◆ “for the public benefit”:

rather than just creating work opportunities for “up and coming” artists.

Although primarily directed at Museum and Art Galleries, the Charity Commission’s guidance document of that title contains a useful section on “artistic merit” which illustrates the kind of criteria that it uses in assessing whether an organisation’s “artistic” purposes and activities are likely to be registerable as “charitable. The guidance document states:

..... in order to be charitable, museums and art for charitable status galleries will need to demonstrate that their collections or exhibits:

(i) are set up for the benefit of the public, that is:

- ◆ *they provide sufficient public access;*
- ◆ *any private benefit gained by individuals is incidental and properly regulated;*
- ◆ *they are not used for non-charitable purposes, such as trading*

and

(ii) they satisfy a criterion of merit: , that is, there is sufficient evidence that the collections and exhibits and the use made of them either will educate the minds of the public whom the museum or art gallery intends to serve, or at least will be capable of doing so. What is conveyed to the public is an idea, emotion or experience which is enlightening and which is, or is capable of being, of value to them

Organisations wishing to establish themselves as a musical charity should consult Making Music <https://www.makingmusic.org.uk/>

which also has a service to help organisations register as musical charities.

With the above in mind you will need to answer the following questions in considerable detail, and with credible documentary support.

a: Tell us about how you are satisfied that the art the organisation displays, presents, promotes or performs is of artistic merit.

Enter the details in the free-text data-entry box provided.

b: Tell us how you select works of art, performances or concerts for public presentation.

Enter the details in the free-text data-entry box provided.

c: Tell us whether the organisation promotes the work of individual artists or performers and if so how.

Enter the details in the free-text data-entry box provided.

d: Please explain how such artists or performers are selected for support.

Enter the explanation(s) in the free-text data-entry box provided.

e: We need to understand how any personal benefit to individual artists or performers arising from the work of the organisation is no more than incidental.

Enter the details in the free-text data-entry box provided.

14.4. {Supplemental}-Amateur Sports

This section only appears if you ticked the classification “Amateur Sports” in section 6.4

Please note that if the organisation is already registered with HM Revenue & Customs as a Community Amateur Sports Club (CASC) it cannot be registered as a charity.

If this organisation will replace a CASC currently registered with HMRC please explain that in this application. The guidance explains more about this.

a: Tell us about any social facilities or social membership the organisation offers to non-playing members.

Enter the details in the free-text data-entry box provided.

b: Tell us about payments or other personal benefits to players, trainers and coaches.

Enter the details in the free-text data-entry box provided.

c: Tell us about any competition or team structures the organisation runs or participates in.

Enter the details in the free-text data-entry box provided.

14.5. {Supplemental}-Animal Welfare

Note: This section only appears if you ticked the classification “Animal Welfare” in section 6.4

In order for the Charity Commission to register your proposed Animal Welfare charity it will want to be sure that you have, or have access to, the relevant veterinary and animal management skills to be able to deal with animals “in distress” (*ie*: in genuine need of “welfare”). Good intentions are no substitute for relevant skills, and “do-gooders with a soft-spot for animals” can do more harm than good to the animals they think they are protecting.

In addition, looking after animals which are fit and healthy is not charitable.

With the above in mind you will need to answer the following questions in considerable detail, and with credible documentary support in order to convince the Charity Commission that your organisation will be adequately resourced and qualified to deliver relevant animal care efficiently and cost-effectively for the public benefit.

In particular you will need to be able to explain to the Charity Commission how the animals which come into your care will be returned to their owners (or another suitable owner) or released back into the wild when they no longer need your organisation’s care.

a: Tell us about the services the organisation provides and how you identify animals who need the assistance or services of your organisation.

Enter the details in the free-text data-entry box provided.

b: Tell us what qualifications and experience those involved in providing assistance to animals or the services of the organisation must have.

Enter the details in the free-text data-entry box provided.

c: Where relevant, please tell us the basis on which an animal is released into the wild, re-homed or returned to its owner. (please indicate if this is not applicable)

Enter the details in the free-text data-entry box provided.

14.6. {Supplemental}-Animal Sanctuary

This section only appears if you ticked the classification “Animal Sanctuary” in section 6.4

The Charity Commission’s guidance specifically states the following:

When considering applications to register a charity for the care and protection of sick, neglected, abandoned, lost and mistreated animals we will expect to see evidence that the organisation either has, or has realistic plans to ensure the following:

- *the physical and financial resources and expertise to look after the animals properly (particularly those who may have been neglected);*
- *facilities available which are of an acceptable standard; and*
- *sufficient funds to meet any veterinary and associated expenses.*

So you will need to bear in mind the notes to the previous question {Supplemental}-Animal Welfare when responding to the following questions.

a: How will the trustees ensure that those providing care or treatment for the animals have the necessary skills and experience to do so?

Enter the details in the free-text data-entry box provided.

b: How will the trustees ensure that the facilities available are of an acceptable standard (eg: inspected regularly by a veterinary professional, appropriate size, cleanliness, etc.)?

Enter the details in the free-text data-entry box provided.

c: Will the organisation seek professional veterinary services when necessary and meet all veterinary costs and associated expenses?

Yes No

Note: If you select "Yes" the following prompt will appear.

d: Please explain how the organisation will meet this need?

Enter the explanation(s) in the free-text data-entry box provided.

e: How will trustees ensure that the organisation follows the best practice on care of animals laid down by professional bodies working in the field?

Enter the details in the free-text data-entry box provided.

f: What is the organisation's policy on the future of the animals once they are recovered? (select all that apply)

- Returned to the wild
- Returned to its owner
- Rehomed in a suitable new home
- Other

g: How will the trustees ensure the suitability of the new home/habitat for the animal once they have recovered?

Enter the details in the free-text data-entry box provided.

15. Property

This set of questions seems to be primarily directed at ensuring that a charity's use of property/premises is not a cover for providing private benefit (in the form of excessive rents) to other individuals.

15.1. Does the organisation use premises owned by a trustee or someone related to a trustee?

Yes No

Note: If you select "Yes" the following prompts a-c will appear.

a: Who owns the property and what is their relationship with the organisation?

Enter the details in the free-text data-entry box provided.

b: Please explain the basis upon which the organisation uses the premises.

*For example, does your organisation pay rent to the owner?
How long is the term of the lease?.*

Enter the explanation(s) in the free-text data-entry box provided.

c: Is there a lease or other formal agreement in place?

Yes No

Note: If you select "Yes" the following prompt will appear.

i: Attach a copy of the lease or formal agreement.

Attach any document which sets out membership rules (Optional)

ii: Please provide a copy of the minutes of the meeting where it was decided it is in the organisation's best interests to use these premises.

Note: You are asked to attach the minutes of the meeting whether you have answered 'Yes' or 'No' to question c.

d: Are the premises used for any other purposes?

Yes No

Note: If you select "Yes" the following prompts i-ii will appear.

i: Explain how joint costs are shared between all of the users of the premises, according to usage:

Enter the explanation(s) in the free-text data-entry box provided.

ii: How are the trustees satisfied that any benefit arising to the owner of the premises is incidental?

Enter the details in the free-text data-entry box provided.

16. Contact Info: For This Application

16.1. Who is the main contact for this application?

The "main contact for this application" is the person who will be managing the application process until the application has finally either been accepted or rejected.

For the small charities that this leaflet is aimed at the main contact for the application will usually be the founder, or one of the potential Trustees.

But it doesn't have to be.

It could be someone in an administrative role, or even an outside person or organisation who is managing the application on behalf of the charity.

The person named here will be the person with whom the Charity Commission will communicate during the application process itself (eg: if there are any queries about the application). Once the application has been completed the role of the person identified here is complete. Any further communications with the then registered charity will be with the contact person identified in the next section, 17.

The on-line form is, unfortunately, a bit "back-to-front".

If you have already entered details for Trustees (ie: in the subsequent section 20, Trustees) a "Find Contact" button will be displayed here to allow you to select a previously entered Trustee as the contact for the application, if appropriate.

If you have not already entered Trustee details the 'Find Contact' button will not be displayed and you will need to enter the details here and subsequently enter them again in the Trustee section if the contact is also a Trustee.

So if the main contact for managing the application is going to be one of the Trustees you need to skip this section temporarily; go on to section 20 where you can enter the Trustees; and then come back to this section to identify the main contact person from the list of Trustees.

If the contact for the application is not a Trustee none of the above applies, of course, and their details can just be entered here.

a: In what capacity are you submitting the application?

Select one from the list

i: If you select “Other” the following will appear.

Please state in what capacity you are submitting the application.
Enter the details in the free-text data-entry box provided.

b: Is the contact for this application an individual or an organisation?

Individual Organisation

For this question “Organisation” means an organisation OTHER than the charity being registered, but acting on its behalf. This will be where you have outsourced your application process to, say, a local firm or solicitors, or one of the charity consultancy agencies that provide such a service. But in that case, of course, they will probably be completing the on-line application form on your behalf so you won’t be seeing ANY of the questions mentioned in this leaflet.

i: If you select “Individual” the following information will be requested:

Title *(Select from a list of options. If “Other” is selected then you’ll have to enter the relevant information in the box provided)*

First name(s) Enter the persons “proper” name (eg: as would appear on their

Surname

Suffix (e.g. M.A.) *(Optional)*

Here you can enter any relevant qualifications that the person holds, eg: BA(Hons) FCA, or any honours they have been

awarded, eg: OBE

Preferred name *(Optional)* (This will be created from the data above if not entered)
If you put nothing here the form will use the person’s first and surname instead. But if the person likes to be known by another name (eg: Robert Smith likes to be known as Bob Smith or Anna-Marie Jones likes to be known as Ann Jones you can enter it here.

Date of birth (dd/mm/yyyy) *(Optional)*

Address

Either enter a postcode, click the ‘Find’ button and select from the drop-down list or enter the address manually

If the address is not in the UK, tick the Non UK Address box and select the Country from the drop-down list which appears.

Telephone

E-mail

Find

Non UK address

ii: If you select “Organisation” the following information will be requested:

Name: This will be the name of the organisation making the application on behalf of the charity)

Address:

Either enter a postcode, click the ‘Find’ button and select from the drop-down list or enter the address manually

If the address is not in the UK, tick the Non UK Address box and select the Country from the drop-down list which appears

Telephone

E-mail

Find

Non UK address

17. Contact Info: Organisation

Note: For this question “Organisation” means the charity being registered. ie: this question is about the ongoing contact for the charity once the charity’s application has been accepted and the charity is operational.

Find contact

Note: If you have already entered details for Trustees (ie: in the subsequent section 20, Trustees) a “Find Contact’ button will be displayed here to allow you to select a previously entered Trustee as the contact for the application, if appropriate.

If you have not already entered any Trustee details the ‘Find Contact’ button will not be displayed and you will need to enter the details here and subsequently enter them again in the Trustee section if the contact is also a Trustee.

If the contact for the charity is not a Trustee they are entered here.



This information will be made publicly available on the Charity Register.

Note: Date of Birth information is NOT made publicly available on the Charity Register.

17.1. Please enter details of the contact for the organisation as a whole

a: Position in the organisation (Optional)

Note: Although this response is said to be optional, if you unintentionally select one of the options you cannot subsequently de-select it.

- Trustee
- Clerk
- Employee
- Volunteer
- Other

i: If you selection “Other” the supplementary prompt “Please state role” will appear.

Enter the details in the free-text data-entry box provided.

b: Is the contact for this organisation an individual or an organisation?

- Individual Organisation

This prompt is badly worded. It should presumably read “Is the contact for this charity an individual or organisation”. In which case “Organisation” means an organisation OTHER than the charity being registered, but acting on its behalf.

Whichever option is selected, the information required is the same as in section 16.1.b:

18. Contact Info: Address

18.1. Please provide the organisation’s public address.

Please enter a UK postcode and click ‘Find’ to populate address fields

a: Postcode

Either enter a postcode, click the ‘Find’ button and select from the drop-down list or enter the address manually

If the address is not in the UK, tick the Non UK Address box and select the Country from the drop-down list which appears.

Note: The address is entered the same way as in section 16.1.b:

b: Organisation website (Optional) 

This information will be made publicly available on the Charity Register.

Enter the details in the free-text data-entry box provided.

c: Organisation e-mail address for public display (Optional) 

This information will be made publicly available on the Charity Register.

Enter the details in the free-text data-entry box provided.

d: Organisation e-mail address for Commission use only

Enter the details in the free-text data-entry box provided.

e: Does the organisation operate from this address?

Yes No

Note: If you select “No” the following prompts i-ii will appear.

i: Please provide the operating address

Enter the address as in 18.1a:

ii: Please explain why the organisation does not operate from the public address and why this address cannot be made public.

We will consider withholding the charity’s working address from the public Register of Charities if its publication could be harmful e.g. if it is the address of a women’s refuge or if it is the address of a high profile person who could be exposed to danger or harm.

Enter the details in the free-text data-entry box provided.

Note: in this supplementary prompt “this address” (which is not to be made public) is the address from which the charity operates.

19. Trustee Numbers

19.1. How many trustees does the organisation currently have? (total)

Enter the number in the free-text data-entry box provided.

19.2. What is the minimum number of trustees the organisation's governing document says it must have?

Enter the number in the free-text data-entry box provided.

20. Trustees

20.1. Add details for each trustee separately

Please note you cannot add partial information for a trustee

Note: Click on the ‘Add a Trustee’ button to be taken to a new page (see next section 21) where you can enter the relevant Trustee details. As you complete and save each trustee they will be added to the table (as illustrated below – the names and addresses are fictitious). The table includes options to allow you to Edit or Delete previously added trustees.

Name	Address	Trustee is chair		
Mrs Jane Smith 01/01/1950	6 HARTSWOOD CLOSE BUSHEY WD23 2GB	Yes	Edit	Delete
Mr John Doe 01/01/1960	58 MARINE PARADE BRIGHTON BN2 1AB	No	Edit	Delete
Good Funding	CROYDON A POWER STATION 23-25 FACTORY LANE CROYDON CR0 3RL		Edit	Delete

Note: The reminder “Please add the correct number of trustees to the table.” Will be visible until you have provided details for the number of Trustees entered at 19.1.

20.2. “Attach your completed and signed trustee declaration. If you do not have one you can download one”.

[Attach](#)

You need to confirm that the details provided in this section are correct.

I confirm that all details provided in this section are correct

Note: The above will only be displayed once the details of for the number of trustees specified in section 19.1 have all been added.

Note: You do not have to tick the confirmation box at this stage in order to proceed. But until you have ticked the confirmation your application is not regarded as having been completed and you will not be able to submit it.

21. Add a Trustee

21.1. Trustee is:

Individual Organisation

Note: For this question “Organisation” means an organisation OTHER than the charity being registered, which is entitled to provide a Trustee to represent it on the charity’s Board of Trustees.

21.2. If you select “Individual” the following information will be requested:

a: Name

Title (Select from the list of options. If “Other” is selected then specify)

First name(s)

Surname

Suffix (e.g. M.A.) (Optional)

b: Display name (Optional)

This information will be made publicly available on the Charity Register.

This will be created from the data above if not entered.

c: Has this trustee ever been known by a different name?

Yes No

Note: If you select “Yes” the following prompt will appear.

i: Please provide all the names this trustee has been known as previously

Provide the Trustee's previous name(s)

d: Date of birth (dd/mm/yyyy)

Enter DoB in the data boxes provided

Note: Date of birth information is NOT made publicly available on the Charity Register.

21.3. If you select "Organisation" the following information will be requested:

a: Organisation name

 PUBLIC

This information will be made publicly available on the Charity Register.

Enter name of the organisation entitled to appoint a Trustee

Thereafter the following information will be requested for both "Individual" and "Organisation" trustees:

21.4. Postcode

Address

Either enter a postcode, click the 'Find' button and select from the drop-down list or enter the address manually

If the address is not in the UK, tick the Non UK Address box and select the Country from the drop-down list which appears.

21.5. Trustee telephone number (Optional)

Enter telephone number in the data box provided, if appropriate

21.6. Trustee E-mail (Optional)

Enter e-mail address in the data box provided, if appropriate

21.7. Date of appointment as trustee (dd/mm/yyyy)

Enter date in the data boxes provided

21.8. Is this trustee the chair of trustees?

 PUBLIC

Note: This prompt only appears if the Trustee is an Individual (as selected at prompt 21.1 above).

This information will be made publicly available on the Charity Register.

Warning: Checking this box will deselect any existing chair.

Yes No

Note: It is not stated explicitly but it is assumed that the Warning "Checking this box" applies ONLY to selecting the "Yes" option (ie: selecting "No" will NOT deselect any existing chair)..

21.9. Is this trustee a trustee of another registered charity?

Yes No

Note: If you select "Yes" the following prompt will appear.

a: Please search for the charity by their name or number

This trustee is also a trustee of:

Note: If the name or number entered is not found in the Charity Commission Register of Charities a warning window will be displayed.

The form does NOT recognise HMRC Gift Aid registration numbers.

Note: It is possible to list more than one other charity of which the Trustee is also a Trustee. Simply enter the additional names and click the Search button to add them to the list.

21.10. Are there any special circumstances that require this trustee's name to be kept off the public register? (Please see guidance for examples)

Yes No

Note: If you select "Yes" the following prompt will appear.

a: Please outline the special circumstances here.

21.11. Warning and reminder:

We will check that this trustee is eligible to act as a trustee and is not otherwise disqualified from acting as a trustee. Full details on what disqualifies a trustee from acting can be found in our guidance. Please confirm that this trustee is eligible to act as a trustee of this organisation.

Trustee is eligible to act as a trustee of this organisation.

Note: You cannot proceed if this declaration box is not ticked.

Note: Click the Add & Continue button to add the Trustee's details to the list, Repeat the process for all Trustees.

22. Other Regulators

22.1. Are you registered with any of the following regulators? (select all that apply)

- Care and Social Inspectorate Wales (CSSIW)
- Care Quality Commission
- Financial Conduct Authority
- Healthcare Inspectorate Wales (HIW)
- HM Inspectorate of Education and Training in Wales
- Home and Communities Agency
- Ofsted
- Welsh Government (Social Landlords and Housing)

Note: If you tick any of the above options you will be provided with a drop-down data entry box in which to enter the relevant Regulator number.

22.2. Do you have a gift aid number from HMRC?

Yes No

Note: If you select "Yes" the following prompt will appear.

a: What is your gift aid number?

Enter the HMRC Gift Aid number in the free-text data-entry box provided.

23. Finance: Accounts: Income & Bank Details

23.1. Please attach the organisation's latest accounts

If you attached account for proof of income you do not need to attach them again.

Attach

Note: an 'Attach' button is displayed to allow you to attach additional supporting documents. **However, this is optional.**

So not having any additional documents to attach will not prevent this section from being ticked as "completed".

23.2. Estimated gross annual income

Enter the details in the free-text data-entry box provided.

23.3. Year to date income

Enter the details in the free-text data-entry box provided.

23.4. Does the organisation have a bank account?

Yes No

Note: If you select "Yes" the following prompt will appear.

a: Is the organisation's main account a bank or a building society account?

Bank Building Society

If you select "Bank" the following prompts will appear.

i: Sort code (e.g. 001122)

Enter the details in the free-text data-entry box provided.

Note: To the right of the free-text data-entry box is a 'Find bank name' button. After entering the sort code (without spaces or hyphens) click the button and the bank & branch name will be inserted automatically into the following box.

ii: Bank name

Enter the details in the free-text data-entry box provided.

iii: Account number

Enter the details in the free-text data-entry box provided.

iv: Account name

Enter the details in the free-text data-entry box provided.

If you select "Building Society" the following prompts will appear.

v: Building society name

Enter the details in the free-text data-entry box provided.

vi: Account/roll number

Enter the details in the free-text data-entry box provided.

vii: Account name

Enter the details in the free-text data-entry box provided.

24. Finance: Funding

24.1. Next financial year end date (dd/mm/yyyy)



This information will be made publicly available on the Charity Register.

Enter the date in the free-text data-entry boxes provided.

24.2. Please explain how the organisation is or will be funded in the future (select all that apply)

See guidance

Note: You must tick at least one of the options boxes.

Note: If you tick any of the boxes in **BOLD** below an additional prompt will drop down (as indicated) along with a free-text data entry box in which you can provide the response.

Public donations

Please tell us what procedures the trustees have put in place to identify and verify the donors and consider any conditions attached to any donations? See guidance.

Legacies

Please tell us what procedures the trustees have put in place to identify and verify the donors and consider any conditions attached to any donations? See guidance.

Other trading activities
Please give more details

Investments

Grants

Please advise who is providing the grants

Charging for services
Please give more details

Corporate donors

Please advise who the donor is

- Commercial sponsor**
Please explain the nature of this arrangement
- Working with professional fundraising consultants
Please explain the nature of this arrangement
- Loans from any source**
Is the loan from a trustee, employee or a person/party related to a trustee or employee?
 - Yes No
Please tell us the details of the arrangements and how they will be handled
Note: You will have to respond to this prompt if you ticked "Loans from any source" regardless of whether you responded "Yes" or "No" to the subsequent prompt "Is the loan from a trustee, employee or a person/party related to a trustee or employee?"
- Funding from interest and return on endowments
- Sale of assets
- Other**
Please give more details

25. Finance: Tax

25.1. Does or will the organisation benefit from any of the following tax relief? (select all that apply)

Please note this information may be shared with HMRC. See guidance.

Note: If you tick any of the boxes other than "None", the option "None" will disappear from the list. But if you tick the box "None" all the other options will disappear from the list.

- Gift aid
- Business rate relief
- VAT relief
- Corporation tax relief
- Investment relief
- Other
If you tick "Other" the following supplementary prompt will drop down together with a free-text data entry box in which to respond.
Please give more details.
- None

25.2. Have you taken any specialist advice on any tax arrangements for the organisation of a complex nature?

- Yes No

Note: If you select "Yes" the following prompt will appear.

a: Please give more details

Enter the details in the free-text data-entry box provided.

25.3. Have you disclosed any tax avoidance schemes to HMRC? See guidance.

- Yes No

Note: If you select "Yes" the following prompt will appear.

a: Please give more details

Enter the details in the free-text data-entry box provided.

26. Connections: Employment

26.1. Does or will the organisation employ:

- a trustee
- its founder
- a person related to a trustee
- a person related to the founder
- an organisation connected to a trustee
- an organisation connected to the founder

Yes No

Note: If you select “Yes” the following prompt will appear.

a: Please enter their details in the table below.

Note: Clicking on the [Add person or organisation] button brings up the window, shown on the right, into which the relevant information can be entered to populate the table which is created below the button.

Repeat for each employee.

The table includes provision to Edit or Delete entries.

b: Please attach a copy of the minutes of the meeting where each of the employments listed above were agreed. This might be one document or multiple.

Note: Clicking on the [Attach] button displays the pop-up window to browse for the relevant file(s) and include it/them in a list immediately below the [Attach] button.

The list includes provision to Delete entries.

27. Connection: Goods or Services

27.1. Does or will the organisation buy goods or services from:

- a trustee
- its founder
- a person related to a trustee
- a person related to the founder
- an organisation connected to a trustee
- an organisation connected to the founder

Yes No

Note: If you select “Yes” the following prompt will appear.

The screenshot shows a GOV.UK form titled "Who is or will be employed by the organisation?". It contains several input fields and a list of radio button options. The "Who is or will be employed by the organisation?" field contains "John Doe". The "What is or will this person/organisation employed to do?" field contains "Basic office administration". The "How much is or will this person/organisation be paid?" field contains "The national minimum wage". The "What is their relationship to the organisation?" field has a list of radio button options: "Trustee" (selected), "Founder", "Person related to a trustee", "Person related to the founder", "Organisation connected to a trustee", and "Organisation connected to the founder". At the bottom, there are "OK" and "Cancel" buttons.

a: Please enter their details in the table below.

Note: Clicking on the **[Add person or organisation]** button (repeat for each provider) creates a pop-up window, similar to that in 26.1.a: above. Entering the relevant data (can be for multiple providers of goods or services) populates a list created immediately below the button.

b: **Please attach a copy of the minutes of the meeting where this was agreed for each of the people/organisations listed above. This might be one document or multiple.**

Note: Clicking on the **[Attach]** button (repeat for each document) creates a pop-up window, and list of attached documents similar to that in 26.1.b: above.

28. Connection: Other Personal Benefits

28.1. Will any other kind of personal benefit be received by:

- a trustee
- its founder
- a person related to a trustee
- a person related to the founder
- an organisation connected to a trustee
- an organisation connected to the founder

Ⓒ Yes Ⓒ No

Note: If you select “Yes” the following prompt will appear.

a: Please enter their details in the table below.

Note: Clicking on the **[Add person or organisation]** button creates a pop-up window, similar to that in 26.1.a: above. Entering the relevant data (can be for multiple beneficiaries) populates a list created immediately below the button.

However, unlike Connections-Employment and Connections-Goods/Services there is no requirement to enter the value of the benefits to be provided or to attach copies of the minutes of the meetings where the benefits were approved.

29. Managing Risks

29.1. Does the organisation work with children or vulnerable people?

Ⓒ Yes Ⓒ No

Note: If you select “Yes” the following prompt will appear.

a: **Please confirm the trustees have read, understood and are following the Charity Commission's safeguarding guidance**

<input type="checkbox"/> Trustees have read, understood and are following the Charity Commission's safeguarding guidance.

Note: If you have selected “Yes” to this prompt you **MUST** also tick the box to confirm the statement otherwise you will not be allowed to proceed further.

30. Declaration

30.1. Do you want to attach any supplementary documentation? mandatory field

Yes No

Note: If you select "Yes" an [Attach] button will appear. Click the button (repeat for each document you wish to attach) and they will be listed below the button.

30.2. Are there any special circumstances the Charity Commission should take into account?

For example, a critical date for a funding application.

Yes No

Note: If you select "Yes" the following will appear

a: Explain these special circumstances:

Enter the special circumstances in the free-text data-entry box provided.

30.3. Submitting your application for charity registration

a: Data Protection

[What we do with the information we collect](#)

- I certify that:

 - all information provided has been checked by the trustees and is correct and complete to the best of my knowledge
 - all trustees agree to this submission and have read and accept the commission's privacy terms

It's a criminal offence under section 60 of the Charities Act 2011 for anyone to knowingly or recklessly provide false or misleading information to the commission; this includes suppressing, concealing or destroying documents.

30.4. After you submit

You'll receive a confirmation email with a PDF summary of the information you've provided. You won't be able to change your application once you've submitted it.

The Charity Commission will contact you if it needs more information. You may need to submit a new application if you haven't provided enough information for the commission to make a decision.

30.5. Application reference number

Your application reference number is:

Please quote this in all correspondence.

31. Appendix: “Ask a Silly Question....”

This appendix addresses, in somewhat greater detail, the issues raised by the questions raised in section 13 of the on-line application form to register a charity.

31.1. The Question

Do the trustees consider the charges to be more than the poor can afford?

The Charity Commission guidance on Public Benefit (“Public benefit: rules for charities”, <https://www.gov.uk/guidance/public-benefit-rules-for-charities>) states:

Where your charity’s charges are more than the poor can afford, you must run it in a way that makes more than minimal provision for the poor to benefit.

But in reality, the highly subjective nature of what constitutes “poor”, “affordable” and “modest means” makes this an extremely difficult question to answer.

The following are extracts from Guidance Note 2a, Charitable Purposes, in this series of Guidance Notes.

The full Charity Commission guidance on “the relief of poverty” can be found at:

<https://www.gov.uk/government/publications/charitable-purposes/charitable-purposes#the-prevention-or-relief-of-poverty>:

There can be no absolute definition of what ‘poverty’ might mean since the problems giving rise to poverty are multi-dimensional and cumulative.

Poverty can both create, and be created by, adverse social conditions, such as poor health and nutrition, and low achievement in education and other areas of human development.

Not everyone who is in financial hardship is necessarily poor, but it may still be charitable to relieve their financial hardship.

But how does that provide a coherent basis for answering the question in objective manner which is not primarily based on unsubstantiated opinion?

Take, for example, the suggestion (example 4 in the guidance notes in the on-line application form) of offering “*Low priced tickets to see a production of an amateur dramatic society*”:

For someone who lives in wealthy suburbia, where houses cost well over a million pounds and annual incomes are into 6-figures (*ie*: are in the top 1-2% of income earners¹) paying £50-£100+ for tickets to a “West End” production might well be seen as just a regular “affordable” part of everyday social life.

So what constitutes “a low-priced” ticket?

For the 45% of people with annual incomes in the range £22,000 to £50,000, paying £50-£100 for tickets might be affordable as an occasional luxury. Does that make them “of modest means” for whom charging a “low ticket price” (of, say, £10-£15) to enable them to attend an amateur dramatic performance or musical society concert is a legitimate “charitable” activity by “*making more than minimal provision for the poor*”?

And what of the 50% majority of people earning less than £22,000 (*ie*: less than twice the minimum wage)? For them “affordability” is not simply a question of annual income – *ie*: whether they actually have £10-£15 in their purse/wallet to pay for a “low price” ticket. For them “affordability” is about priorities – what do they have to go without (*eg*: food, clothing, heating) if they spend that money on such tickets.

And, to complicate things further, those priorities will vary enormously depending on individual circumstances. A couple without any children and an income of, say, £18,000 might feel able to afford “low cost charity tickets” from time-to-time while another couple on the same income, but with three children would find that out of the question.

So how does a local amateur dramatic or music charity decide on what constitutes an appropriate price to set for tickets for its performances that will enable the “*poor or of modest means*” within its catchment area to be able to afford to attend its performances?

¹ Taxable income statistics from the Office of National Statistics for the financial year to 2014, the most recent available.

And how do existing charities comply with the requirement “...to make more than minimal provision for the poor...”?

When one visits the many charities which make admission charges – eg: charities with objects relating to conservation (countryside, gardens), heritage (stately homes, historical sites), wildlife (zoos, aquaria), history & culture (museums) – one might see admission charges with “concessions” for the elderly (not all of whom are “poor”, or even “of modest means”) but rarely for “families on low incomes”.

What then is the likely outcome if a family (2 adults + 3 children) were to turn up at such a charity and demand their legal, under charity law, right to admission at less than the published standard charges on the grounds that they were “poor or of modest means”?

And what would be the legal justification of that response?

It would be well to consider what your charity’s response would be (with justifications) if a potential beneficiary were to request that they be provided with your chargeable charitable services/facilities as less than your standard charges on the grounds that they were “poor or of modest means”.

I recently approached a large national charity which, according to its 2013 Trustees Annual Report, downloadable from the Charity Commission website, meets its charitable objectives by providing “...high quality services for which our beneficiaries are prepared to pay.” – the services referred to being private hospital and fitness centres. I explained (somewhat untruthfully it has to be admitted) that because I was obese my GP had recommended that I joined a fitness centre to get some exercise and lose weight. But, because I was unemployed, I couldn’t afford the normal fees – did they, as a charity, offer a special discounted service for “the poor”? Not all of the people I spoke to even knew that the organisation was a charity. But even the membership administrator (who did at least know that the organisation was a charity) was unable to offer me any concession for “the poor” beyond the standard off-peak membership which was at a lower rate than the “any-time” membership but, of course, available to all regardless of income.

Was that organisation meeting its legal obligation to make “more than minimal provision for the poor”?

In short, this is an incoherent question because it provides no objective bases by which any responses to it can be created and evaluated.

31.2. Constructing a Coherent Response

How have you reached this view?

Because charities are so different, both in what they want to achieve and how they plan to achieve it, it is not possible to produce a “one size fits all” template for creating a coherent response to this incoherent question.

Therefore, what you have to achieve in responding to this question is to persuade the Charity Commission assessor to be of the same opinion as you.

So the following is just some suggested “Do’s and Don’t’s” that you might find useful in avoiding making “A silly answer” and instead putting together a coherent set of facts and justifications for your proposed charging plans.

Do... be as specific as you reasonably can about what characterises your intended beneficiaries – what is it about them that makes the services/facilities provided by your charity so beneficial not just to them as individuals but to the public at large?

Do... consider carefully which, if any, of the characteristics you have identified in your intended beneficiaries are INEVITABLY associated with “poverty” (which, for the purpose of this discussion also includes “of modest incomes”).

For example: although unemployment is generally associated with “poverty”, that is not invariably the case – even wealthy top executives have been known to become unemployed.

So a charity which had as its primary charitable purpose helping unemployed low-skilled manual (ie: low-paid) workers back to work would have a different structure for charging for its services from a charity which focused on helping unemployed, but still rather more wealthy, former senior managers & executives back into employment.

And, to add further to the complexity, a charity which focused on helping former senior managers & executives who had become destitute as a consequence of becoming

unemployed (including not just loss of income, but family breakdown, homelessness, ill-health and depression) might have yet another structure for charging (if at all) for its services/facilities.

The charging structures for each of those charities – although superficially having the same charitable purpose, the relief of unemployment – would be radically different.

Do... spell out carefully how you have designed your charity's structures for charging for its services/facilities to match appropriately not just the financial resources of your target beneficiaries but also the likely costs of any professional help that you will need to meet effectively and efficiently the economic challenges of the services/facilities that you intend to provide.

Clearly this is much easier to do if you have already carefully identified and clarified the criteria which clarify who are your charity's intended beneficiaries (and also, where appropriate, who are not), as above.

Do... identify the criteria by which it would be reasonable to turn away a potential beneficiary either because they were simply too poor to be able to afford even the lowest charges that you could offer without risking the financial viability of the charity, or because they were sufficiently wealthy to seek support from other more commercial organisations.

Note that it is **IS** legitimate to create a charity which benefits a specified sub-set of the population provided that the public benefit criterion is fulfilled – ie: the sub-set of beneficiaries is a reasonably large section of the overall population; and the benefit to the public at large (ie: not just to the individual beneficiaries) is identified.

In both the above cases it would be invaluable to have identified other organisations to which you could refer either such cases, particularly if that included a mutually agreed two-way referral strategy – ie: there was an identified procedure whereby other charities could refer to your charity potential beneficiaries which met your criteria but not theirs.

Don't... put together Charity plans which are based more on "starry-eyed wishful thinking and optimism than practical reality and experience.

In this context, be particularly careful about putting forward plans which are "long-term grandiose" – ie: describe what you are hoping the charity will look like 5-10 years hence when (you hope) it will be "big, well-known and highly respected as a national, if not world, leader in its field".

So start off by applying with more modest plans that you can realistically achieve in the next 2-3 years at the most. If your charity really does "take off in a big way" you can always go back to the Charity Commission to apply to have your charitable objects and other aspects of your governing document updated to cover that. And if you really have been that successful, there shouldn't be any difficulty in getting those updates approved;

Don't... put together cost estimates which are either hopelessly over-optimistic and overlook many of "life's necessities" or are more geared to putting money in the pockets of supporters and commercial sub-contractors than delivering benefits to the charity's beneficiaries;

In this context, although cost-estimates must be realistic and represent demonstrable value-for-money, they do not have to be based on "the cheapest available". Spending more to achieve a higher quality of service to the beneficiaries is entirely legitimate PROVIDED that it can be clearly demonstrated to provide more cost-effective (ie: value-for-money) benefits;

Don't... set fundraising targets which are hopelessly over-optimistic. This can easily happen particularly: (a) in very "popular" charitable areas, be they for children, cancer or animals where there is a lot of competition for what, in the current economic climate, is a very competitive market-place, and (b) in very "innovative" charitable activities which might be successful in getting some quick short-term support which then equally quickly dwindles as the novelty wears off and donors seek other "more interesting" activities to support.

Do... be reasonable and practical in describing what you want to do, how much it will cost and how you expect to raise the money. Remember that the Charity Commission assessors are reviewing many applications on a daily basis and are very adept at spotting over-optimistic enthusiasm, however well-intentioned.

Do... document all the above in a well thought-out Business Plan.

This will not only be a great help in creating a coherent – *ie*: well explained and justified – response to this question, it will also be invaluable in making sure that you keep on the right track and are able to cope with life's inevitable "little surprises" as your charity grows and develops.

The following guidance leaflets in this series:

8a: A Business Plan & 8b: Risk Management & Contingency Planning
may be of assistance in this.