



Registering as a charity

This information sheet will help you if you are thinking about registering as a charity. The Support and Development team here at Connected Voice can also help you with this if you are based in Newcastle or Gateshead.

What is a charity?

A charity is an organisation with exclusively charitable purposes that benefit the public. This means that each charity must be able to demonstrate that all of its aims are for public benefit.

The Charities Act 2011 defines charitable purposes as:

- the prevention or relief of poverty
- the advancement of education
- the advancement of religion
- the advancement of health or the saving of lives
- the advancement of citizenship or community development
- the advancement of the arts, culture, heritage or science
- the advancement of amateur sport
- the advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity
- the advancement of environmental protection or improvement
- the relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage
- the advancement of animal welfare
- the promotion of the efficiency of the armed forces of the Crown, or of the police, fire and rescue services or ambulance services
- other purposes currently recognised as charitable and any new charitable purposes which are similar to another charitable purpose

Charities must operate within the constraints of charity law. People who run charities are called charity trustees (even if they call themselves the management committee, or something else).

You need to be confident that the trustees who will run your charity understand what is expected of them. We advise anyone who is thinking of setting up a charity to read the Charity Commission publication CC3 The essential trustee: what you need to know, what you need to do.

The main advantages of being a charity

- relief from some taxes
- buildings used by the charity are entitled to an 80% reduction in business rates
- in certain circumstances eligibility for special VAT treatment
- ability to raise funds more easily than non-charitable bodies

The limitations of being a charity

There are restrictions on what charities can do, both in terms of the types of work they do, and the ways in which they can operate, which include:

- a limit to the amount of political or campaigning activities they can be involved in
- strict rules regarding trading by charities
- Trustees are not allowed to receive financial benefits from the charity that they manage unless this has been specifically authorised by the Charity Commission
- Trustees must avoid any situation where

- charitable and personal interests conflict
- charity law imposes financial reporting obligations, which vary depending on the size of the charity

An organisation with exclusively charitable purposes which has an annual income of £5,000 or more is legally required to register with the Charity Commission unless the organisation is applying to be a CIO, where it can have an income of less than £5,000.

If your organisation has this requisite minimum, you should visit the Charity Commission's website to view a sample application form, guidance for applying and guidance on public benefit. All applications for registration must now be made online.

What happens after registration

Registration leads to a number of ongoing duties and responsibilities, such as:

- keeping your charity's accounts
- informing the Charity Commission of any changes to your governing document
- informing the Charity Commission of any changes to the details of your charity that appear on the Register of Charities (such as the name and address of the charity correspondent)
- complying with the Charity Commission's requirements on annual returns (you will be prompted to make these)

Most information in this sheet comes from the Charity Commission web publication 'Registering as a charity' (CC21). It can be downloaded or ordered from the Charity Commission. They also produce an extensive range of guidance for charity Trustees (see the publications page of their website or ask a member of our Support and Development team).

Charity Commission contact details

Website: www.gov.uk/government/organisations/charity-commission

Tel: 0300 066 9197 (Contact Centre)

Find out more

If you would like to find out more about how we can support your organisation, please visit our website or alternatively email or phone us for more information:

Connected Voice Support and Development
Higham House,
Higham Place,
Newcastle upon Tyne
NE1 8AF

sdteam@connectedvoice.org.uk
0191 235 7013



www.ConnectedVoice.org.uk

Please ask us if you would like a large print copy of this leaflet

Connected Voice is a registered charity (number 1125877) and company limited by guarantee (number 6681475) registered in England and Wales. Our registered office is as above.