

A ROUGH GUIDE TO BECOMING A CHARITABLE COMPANY LIMITED BY GUARANTEE

If the organisation is not yet a charity

1. Agree draft Memorandum and Articles of Association.
2. Contact the Charity Commission for a copy of the 'Application to register a charity' pack. Circulate CC3 'Roles and responsibilities of trustees' to all potential trustees.
3. Sign the Memorandum and Articles (at least 3 people, usually the first trustees, and witnessed by an independent person). Minute the signing/adoption of the memorandum and articles.
4. Fill in Companies House Form 10 (first directors and secretary and intended situation of registered office). Fill in Form 12 'Declaration on application for registration' and sign in presence of either a solicitor, Justice of the Peace, commissioner for oaths or notary public. Send both forms, the adopted signed original memorandum and articles of association and a signed and dated extract of the minutes detailing the resolution to adopt to Companies House (details at end) with a £20 cheque. The signed original will be kept on file at Companies House, so **make sure that you take a copy of the adopted signed version** before you send it off. **NB** if you don't wish to have the word 'limited' in your charity name, you will also need to complete Form 30(5)a and send it at the same time.
5. Receive the Certificate of Incorporation from Companies House with the company number.
6. Fill in the Charity Commission's Form APP1 and Trustees Form DEC1 to register the new charitable company as a charity and send this to the Charity Commission, together with 2 copies (not the original) of the Memorandum and Articles of Association, a copy of the Certificate of Incorporation and copies of financial accounts for up to the last 3 years of operation. Be warned that the Charity Commission may not accept the Memorandum and Articles of Association as drafted and may require an E.G.M. to carry out amendments.
7. Receive copy of the official entry on the register of charities and a charity number.

If the organisation is already a charity

1. Check that the governing document allows the charity to be dissolved/wound-up. If so, agree draft Memorandum and Articles of Association. If not, contact the Charity Commission before going any further.

Information supplied by Charities Information Bureau South & West
Unit 7A, Bath Road Business Centre, Bath Road, Devizes, Wiltshire SN10 1XA Tel: 01380 729279

Telephone 01380 729279 Email enquiries@cibwilts.org.uk
www.cibfunding.info

2. Sign the Memorandum and Articles (at least 3 people, usually the first trustees, and witnessed by an independent person). Minute the signing of the memorandum and articles.
3. Fill in Form 10 (first directors and secretary and intended situation of registered office). Fill in Form 12 'Declaration on application for registration' and sign in presence of either a solicitor, Justice of the Peace, commissioner for oaths or notary public. Send both forms, the memorandum and articles of association and a signed and dated extract of the minutes detailing the resolution to adopt to Companies House (details at end) with a £20 cheque. **NB** if you don't wish to have the word 'limited' in your charity name, you will also need to complete Form 30(5)a and send it at the same time.
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6. Organise the Dissolution Meeting of the old charity and the Inaugural Meeting of the new charity. Send out an explanatory letter, plus application forms for membership of the new company, and nomination forms for election to the new Management Committee. Draft the Agendas for each meeting.
7. Hold the Dissolution and Inaugural Meetings.
Approval of dissolution of old charity:
Approve motions to carry out the following, all at a suitable date or dates to be determined later by the committee:
 - to dissolve the old charity
 - to transfer the assets to the new charitable company
 - to do final accounts showing a nil balance

Inauguration of new charity:

Approve motions to:

- adopt the Memorandum and Articles of Association
- appoint the independent examiner/auditor of the accounts
- approve the initial list of members
- accept transfer of responsibilities from the old charity
- elect the new Management Committee

NB: You will be running two charities side by side until the Charity Commission has accepted the dissolution of the original charity.

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8. Fill in Form 288A to register each member of the Management Committee as a Director of the new company.
9. Prepare final accounts for the old charity showing a nil balance and send these to the Charity Commission with the Minutes of the dissolution meeting.
10. Prepare deed of transfer if necessary, transferring the assets and liabilities of the old organisation to the new one.

IN LATER YEARS....

1. Pay Annual Return fee of £15 to Companies House.
2. Pay £350 to £500 for auditor/independent examiner's fees (for charitable companies with an annual income over £90,000).
3. Send Annual Return, audited Accounts and Trustees Report to the Charity Commission.

Companies House Forms available from Companies House, Crown Way, Cardiff CF14 3UZ
Tel: 0870 3333636 or online at www.companieshouse.gov.uk

'Application to register a charity' pack, Application Form APP1 and Trustees Form DEC1 available from the Charity Commission at Woodfield House, Tangier, Taunton, Somerset, TA1 4BL Tel: 0870 333 0123 or online at www.charitycommission.gov.uk