

What is a governing document and why do you need one?

A governing document is the formal document which sets up a charity and is usually known as a constitution, a trust deed or the memorandum and articles of association. (The type of organisation you want to be will determine the type of governing document you choose.)

The governing document should contain all the information about:

- what the charity is to do (objects)
- how the charity will do those things (powers)
- who will run it (charity trustees)
- what happens if changes need to be made (amendment clause)
- what happens if the charity wishes to wind up (dissolution clause)
- how the trustees will run it
- arrangements for meetings, voting, looking after money etc.

It is important. It is not just something that a charity has to have in order to be a registered charity. It is the 'instruction manual' for the charity as well as a legal document. It is a good idea for charity trustees to refer to it regularly to remind themselves what the charity's purposes are and how it should be run.

Funders often want to see a copy of a governing document as assurance that a group is properly set up. Even if you don't meet the requirements to become a registered charity (have an annual income of over £5,000 or a permanent endowment or own or pay rates on land or buildings) it is a good idea to have a simple governing document because it provides a written agreed framework for the future and can be referred to in times of dispute.

Once you have a governing document, don't forget it and leave it to gather dust. Look at it from time to time and review its contents. Your organisation will change and you may need to update the provisions in the document to reflect that change. Once every five years is a good yardstick.

Reference sources for this information include Charity Commission CC22 Choosing and preparing a governing document.