

A background graphic consisting of a dark teal horizontal band with white text, set against a larger background of green and teal diagonal stripes with a fine grid pattern.

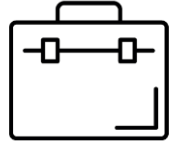
**THE CHARITY ACCOUNTANTS'
CONFERENCE 2024
INTRODUCTION TO CHARITY LAW**

A dark teal horizontal bar containing the name 'GARETH ROY' in white, uppercase, sans-serif font.

GARETH ROY



What we will cover



- What is a charity?
- Legal structures
- Charity Commission regulation
- Trustee duties
- Trading
- Fundraising

What is a charity?



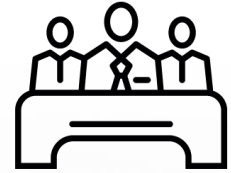
- Exclusively charitable purposes within the law of England & Wales
- Operating for the public benefit
- Legal status, not a legal structure
- Advantages and disadvantages
- Governed by (generally) unpaid trustees

Legal structures for charities



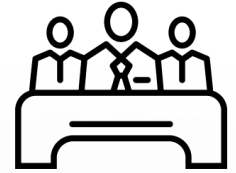
- Companies limited by guarantee
- Charitable incorporated organisation
- Charitable trust
- Unincorporated associations
- Others – Community benefit societies, Royal charter bodies

Charity Commission



- A corporate body and non-ministerial government department accountable to Parliament
- Five statutory duties:
 - To increase public trust and confidence in charities
 - To promote awareness and understanding of the operation of the public benefit requirement
 - To promote compliance by trustees with their legal obligations in exercising control and management of the administration of their charities
 - To promote the effective use of charitable resources
 - To enhance the accountability of charities to donors, beneficiaries and the general public

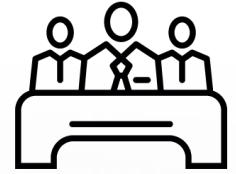
Charity Commission



- £32m budget
- 490 Charity Commission employees
- 96bn of charity income
- 170,000 charities on the register
- 925,000 trustee positions

- Use of regulatory powers
 - 2013 – 216
 - 2018 – 1,136
 - 2023 – 2,401
 - 2024 – 2,189

Charity Commission



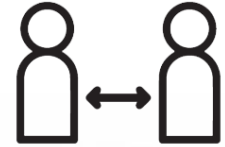
- Guidance
- Alerts
- Annual reporting
- Warnings
- Inquiries
- Whistleblowing line and compliance visits
- Removal of trustees, closure and intervention

Serious Incident Reporting



- What is a serious incident?
 - An adverse event (actual or alleged) which results in or risks significant:
 - harm to individuals who come into contact with the charity through its work
 - loss of charity assets/money
 - damage to charity property
 - harm to the charity's reputation
- Report via the Charity Commission's online form
- What to include in the report
- How will the Commission respond?

Trustee duties



The Essential Trustee 6 main duties



Trading



- Primary purpose trade & ancillary trade
- Non-primary purpose trade
- Small trading tax exemption:

Charity's gross annual income	Maximum permitted small trading turnover
Under £32,000	£8,000
£32,001 to £320,000	25% of your charity's total annual turnover
Over £320,000	£80,000

- Trading subsidiaries

Fundraising



- Professional fundraisers
- Commercial participation agreements
- Challenge events
- Lotteries

- Fundraising Code
- Charity Commission guidance

Other areas



- Property
- Safeguarding
- Data protection
- Litigation
- Insolvency and dissolution



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