

SO, YOU WANT TO SET UP A CHARITY



HERE'S WHAT YOU NEED TO KNOW.

Interlink
Orthodox Jewish Voluntary Action

1. Why would I set up a new charity?



You have a project or activity to benefit the community.



You have an idea about how to solve a local problem.



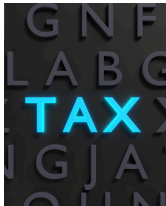
You want to help people and make a difference.

You want to achieve any or all of the above, but as an organisation, not just as an individual. Operating as a charitable organisation gives you more credibility and security and improves your funding prospects, but it also means you require more accountability.

2. Why would I become a registered charity?

Legally, you must register your charity with the Charity Commission if your charity is based in England or Wales and has over £5,000 income per year.

Benefits of having charitable status include:



TAX RELIEF

Individual donors don't need to pay tax on funds that they give to registered charities and are therefore far more likely to fund you. Registered trusts and foundations will usually only donate to other registered charities so you will have more potential funding opportunities if you are registered.



RECOGNITION AND PUBLICITY

Being a charity registered with the Charity Commission gives people more trust and confidence in your work. Details about your charity will be available to the public on the Charity Commission's website.



BUSINESS RATES RELIEF

You will be eligible for an 80% business rates discount for properties that are wholly or mainly used for the charity's activities.

In order to be eligible for charitable status, your organisation needs to:

- Be set up for Public Benefit
- Have purposes that are recognised as charitable by the Charity Commission
- Have an income of at least £5000, in most cases

These are concepts that we can explain further to help determine whether your proposed activities would fit.

3. When should I not set up a new charity?

You should not set up a charity if you will be unable to meet the requirements for registered charities. Here are some important ones:

Charities can only undertake work that is 'charitable under UK law' and for the 'Public Benefit'. This means that some activities, by their nature, or because they give rise to too much 'personal benefit' may not be considered charitable.

Charities are restricted by their constitution (governing document). They may only undertake work that meets the charitable objects set out in their constitution.

The administration, compliance, accounts and fundraising for a charity can be costly and/or time-consuming. The trustees of the charity can be held accountable by the Charity Commission and/or HMRC for not ensuring that the charity takes care of all its legal duties.

Registered charities must submit an annual return and, if they have an annual income of over £25,000, an annual report and accounts to the Charity Commission (usually prepared by an accountant). Late filings can result in penalties and regulatory action.

If you are worried that you may not be able to meet the above requirements but have an idea of a project or activity that you want to run, you may be able to undertake it by partnering with an existing registered charity that does similar work.

A charity needs a board of trustees to govern it. They are publicly listed on the Charity Commission's website and are not usually allowed to receive financial benefit from the charity. Trustees are responsible for all the charity's decisions and actions.

4. What type of charity should I set up?

There are 3 main types of charities that can be registered:

1. **Charitable Company** – registered with Companies House and Charity Commission
2. **Charitable Incorporated Organisation (CIO)** – registered with Charity Commission
3. **Charitable Trust** – registered with Charity Commission

Setting up a Charitable Company is ideal as the charity's assets are best protected and trustees have limited liability. However, if you are planning to run a small organisation with low-risk activities, a CIO or Trust may be a good option for you.

We can discuss with you which type of charity would be the best fit for your organisation, depending on the nature of your planned activities. Our leaflet 'CIO Vs. Charitable Company vs. Charitable Trust' may also help you to decide which structure is most appropriate for your charity.

5. How can I start the process of registering as a charity?

Interlink can undertake the charity registration process for you.

Our fees* for registering charities are:

Charitable Trust	£1100 (includes 1 year free membership)
CIO	£1200 (includes 1 year free membership)
Charitable Company	£1300 (includes 1 year free membership + Companies House fee)

Before we begin the process, you will need to organise:

TRUSTEES

You should have a minimum of 3 trustees, ideally more. Trustees are responsible for governing the organisation and must meet several times a year. Trustees may not be employed by the charity and must usually be unrelated to each other.

BANK ACCOUNT

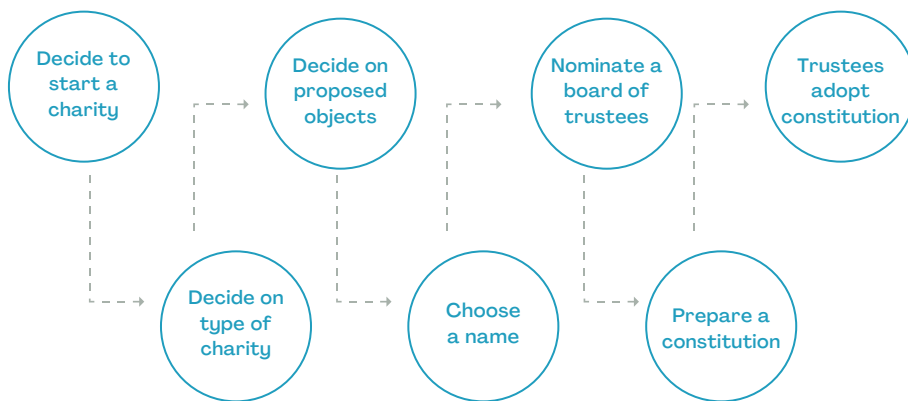
You will need a bank account in the name of your charity, showing an income of at least £5,000. We will tell you at which point to open a bank account.

CHARITY'S ACTIVITIES

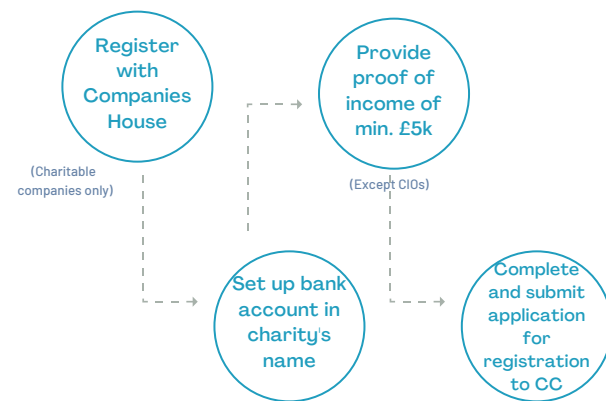
You will need to know which activities you plan to undertake. We will then work with you to draft your governing document (constitution). We will need this document to register your charity.

*Prices correct as of January 2025. Subject to change.

Process of setting up a charity



Process of registering with the Charity Commission



6. How long will it take until my charity is registered?

The length of time taken until your organisation becomes a registered charity will depend on:

- How quickly you provide us with the required information and documents
- Our team's capacity
- The Charity Commission's response time, which is sometimes lengthy.

Charities will usually get registered anywhere between 2 and 6 months after they have applied for charitable status. On some occasions, the Charity Commission will refuse to grant an organisation charitable status.

7. My charity is registered... now what?

Once your organisation has charitable status, you may want to look into raising funds from external sources. See our 'So, you want to become a fundraiser' document for more information on how to get started.

Once you begin operating, you must ensure that you meet all regulatory requirements. You can take Interlink's Compliance Health Check, where you will get guidance about the policies and procedures your organisation needs to have in place.

For more information, email: admin@interlink-foundation.org.uk or visit: