

NALM LINKs

Corporate Structure Options

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- **James Sinclair Taylor** heads the Charity team at Russell-Cooke Solicitors which look after a wide range of charities, social enterprise and public bodies. He provides both legal and consultancy advice on governance, constitutional, contractual and change management issues, including employment matters. Much of his time is spent on issues relating to the restructuring and merging of charities and dealing with issues arising from growth or financial difficulties.
- He has acted as a trustee for housing, educational, medical and advice charities and is currently a trustee for a grant making trust. He is an author of the Russell-Cooke Voluntary Sector Legal Handbook and the Company Handbook and Register for Voluntary Sector Companies and a Visiting Fellow at London South Bank University.

POSSIBLE STRUCTURES

- Royal Charter or Statutory Corporation
- Company Limited by Share
- Not for Profit Company Limited by Guarantee
- Charitable Company Limited by Guarantee
- Community Interest Company – CIC
- Charitable Incorporated Organisation – CIO
- IPS/Community Benefit Company – Charitable
- IPS/Co-operative
- Trust
- Unincorporated Association

DESIRABLE CHARACTERISTICS

- Easy to form
- Cheap
- Limited liability
- Simple to use
- Flexible
- Membership – democratic
- Not over regulated
- Tax relief
- Business rate relief
- Good reputation

Short List

- Company by share – for profit
- Company by guarantee – not for profit
- Company by guarantee – Charity
- Community Interest Company
- Industrial and Provident Society – Community Benefit Company
- [Charitable Incorporated Organisation]

Practicalities

- Agreed approach to structure
- Produce model articles
- Charity Commission approval
- Guidance notes on structure and set-up
- Helpline support

At the Local Level

- New body or department of host
- Create shadow committee
- Develop membership policy
- Incorporate
- Winning the contract
- Practical set up issues

The talk and these notes are a brief summary of an area involving substantial and complex legislation. It is sensible to undertake a regular legal review or “legal audit” to ensure that you are being kept up to date with the changing requirements of the law.

If you wish to discuss any further issues arising from the seminar or the notes please contact:

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A regular update of law relating to charities and other voluntary organisations appears on our website at www.russell-cooke.co.uk or you can choose to have it emailed to you monthly

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