FACTSHEET – CHARITY REGISTRATION

A charity is defined as an organisation with exclusively charitable purposes that benefit the public according to the charitable purposes outlined in the Charities Act (2011). If your group generates most of its income through grants or fundraising, you may want to register as a charitable organisation through the Charity Commission.

When to register with the Charity Commission?
If your charity makes less than £5,000 annually, you do not need to register with the Charity Commission unless you are a Charitable Incorporated Organisation (CIO). Although charities with an income of £5,000 or less don't have to register, they still must abide by Charity Law. If you are unsure of which legal structure is right for you, please see **Factsheet - Choosing a Legal Structure.**

The advantages of registered charitable status are:

1. Public recognition and trust
Charities are widely recognised as existing for social good. This can assist with fundraising and applying for grants.

2. A lock on assets
Organisations with charitable status cannot use assets for any purpose other than the pursuit of charitable objectives. The assets of a charity can never be used for private benefit.

3. Tax relief
Charities benefit from a variety of tax reliefs including exemption from corporation tax on profits from trading undertaken during charitable provision (primary purpose trading), Gift Aid relief on donations from individuals and stamp duty land tax relief on freehold property and leases acquired for charitable purposes.

4. Funding
Certain sources of grant funding are open only to organisations with charitable status.

How to register

There is a free online application process which must be completed on the Charity Commission's website **How to register a charity (CC21b) - GOV.UK**. You may receive feedback or requests for further information from the Charity Commission as part of the registration process.

You will need to provide:

- Your charity's bank details
- Your charity's public contact details, including a postal address - this cannot usually be a PO Box address except in special circumstances (such as for a refuge)
- A copy of your charity's governing document as a PDF file - which has been signed or witnessed as necessary
- Proof that your charity's income is over £5,000 (unless it's a CIO) - this can be its latest annual accounts, a recent bank statement or a formal offer of funding from a recognised funding body
- Information about your trustees including a signed trustee declaration form