



Brief guide on our Charitable status

Why we choose to become a charity,

We had no choice legally because of our financial turnover we had to become a charity or register with Companies House.

As a charity we will benefit in more ways, such as claiming Gift Aid on our charitable activities/being able to generate more income through fundraising.

It makes us legal.

All our preparatory work ensured all our rules were consistent with that of Sweet Adelines and our own Lace City Standing Rules.

Types of charity structure

To set up a new charity, you must decide what sort of legal structure it will have.

Your charity structure is defined by its 'governing document' (the legal document that creates the charity and says how it should be run).

The type of structure you choose affects how your charity will operate, such as:

- who will run it and whether it will have a wider membership
- whether it can enter into contracts or employ staff in its own name
- whether the trustees will be personally liable for what the charity does

There are four main types of charity structure:

- charitable incorporated organisation (CIO)
- charitable company (limited by guarantee)
- unincorporated association
- trust

You need to choose the right structure for your charity, depending on whether you need it to have a corporate structure and whether you want to have a wider membership.

About corporate structures

Some charity structures are corporate bodies. If you choose a structure that forms a corporate body, the law considers your charity to be a person in the same way as an individual.

This gives your charity the legal capacity to do many things in its own name that a person can do, such as:

- employing paid staff
 - delivering charitable services under contractual agreements
 - entering into commercial contracts in its own name
 - owning freehold or leasehold land or other property
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- **Lace City Chorus is Charitable Incorporated Organisation, this means that our charity is a corporate body and the trustees are not personally liable for what it does.**

Our Constitution means we have to manage the running of the chorus in certain specified ways.

We have to make sure we are always following our stated charitable objectives.

- No charity Trustee or connected person (like family) shall benefit from the charity. Such as be employed, sell us goods or receive money.
- We carefully worked through the Charities Act 2011 to ensure we could employ our Chorus Music Director.
- The Charity has a Board of Trustees, which comprises the current Management Team chaired by the Team Coordinator.
- The Board of Trustees are responsible for the effective running of the charity and all decision making
- The membership, eligibility and admission to join LCC remain the same.
- Most of the standing rules are consistent, the constitution states that within 18 months of our registration we have to hold an AGM. At the first AGM ALL of the existing Trustees have to retire from office including the Music Director. The AGM then votes for new Trustees. Trustees retiring can re stand for election.
- After the first year half of the trustees shall retire from office

GIFT AID

Most **charity** trustees realise the benefit of registering to **reclaim Gift Aid** from HMRC even for relatively small donations. **Charities** may **claim** an additional 25% of the value of a donation from HMRC at current rates. **Gift Aid** is available on donations received by the **charity**.

So now we are a charity we will register with Her Majesty's Revenue and Customs to claim gift aid on activities that we do (possibly rehearsals) and donations we receive.

Lynn Woods November 2015