CHARITY COMMISSION
FOR ENGLAND AND WALES

Charitable Companies: Model Articles of Association

AUGUST 2014

New format January 2017

Model Memorandum and Model Articles of Association for a Charitable Company

A charity may need to take the form of a company when there is a risk that it might incur large financial liabilities because, for example, it is expected to:

- control substantial assets; or
- employ staff; and/or
- engage in charitable purposes involving commercial risks.

Guidance to consider before you begin

You may find it helpful to begin by reading the following guidance on our website:

- The comprehensive information under Start up a charity
- Registering as a Charity (CC21). Its checklist of questions will help you to decide how best to set up the charity. Annex A summaries the nature of the responsibilities of those who run the charity, both as charity trustees and as company directors (in this document we use the term 'directors').
- Choosing and Preparing a Governing Document (CC22). This gives advice on the practicalities of completing the charity's governing document and on the different provisions which may be needed.
- Our guidance The Essential Trustee - What you need to know (CC3), which sets out the basics that all charity trustees need to know.

Next steps

1. Completing the articles of association

Once you have decided to apply to register a charitable company, please read the articles of association and its accompanying guidance notes carefully.

Some articles contain blank spaces that you will need to fill in.

The model is intended to be sufficiently flexible to deal with most eventualities. If you want to include special or complex provisions which are not contained in it you should consider asking a solicitor to help you. Please make clear any changes you make and why they are necessary. This will help us to consider your application as quickly as possible. We cannot guarantee to accept every organisation which uses the model articles of association as charitable. We must consider each case separately.

When you have completed this document please check that you have filled in all the gaps and deleted any articles which are not appropriate.

Notes

2. Applying to register as a company

You will need to apply to Companies House to incorporate your organisation. Companies House will then issue you a certificate of incorporation. For details please visit the Companies House website.

3. Applying to register as a charity

To register a new charity, apply online. (The online application material includes Application for registration – guidance notes.)

Please attach the following documents to your application:

- signed memorandum of association;
- the articles of association;
- signed Trustee Declaration;
- a copy of your certificate of incorporation (issued by Companies House).

If you cannot attach these documents to your application please proceed to apply online and we will email you instructions about how to send them to us. (Please do not send us your original certificate of incorporation.)

If you cannot apply online, please contact our First Contact Division. The best way to contact us is by email (using the Contact us link from our website homepage). If you need to speak to someone over the phone you can call our contact centre on 0845 300 0218.

4. How long will it take?

We can normally make a decision in 15 working days if an organisation:

- uses our model wording for its objects (as set out in the Example charitable objects on our website);
- shows that its activities are or will be consistent with the objects;
- shows that any private benefit is incidental and is properly managed; and
- uses our model governing document.

Other applications will need closer consideration and so will take longer (especially where the purposes are novel and/or at the boundaries of what is charitable).

Please note that if you want to include any special or complex provisions which are not contained in the model articles of association you should consider asking a solicitor to help you. We may require more time to consider any such specialist changes. It is important to make clear what changes you make.

The Commission cannot guarantee that a proposed organisation which uses a model as its governing document will be accepted as charitable. Every case has to be considered separately.

Notes

These explanatory notes are for advice and reference only and in no way form part of the text of the Memorandum of Association.

Details about the requirements of the Companies Act 2006 are available from the Companies House website **www.companieshouse.gov.uk** and our website **www.charitycommission.gov.uk**.

Section 8 of the Companies Act 2006 requires that the Memorandum of Association states that the company's subscribers:

(a) wish to form a company; and

(b) agree to become members of the company.

It also requires the members to authenticate the Memorandum of Association.

In general, the Commission can accept any name but has the power to direct registered charity names to be changed in the circumstances set out in section 42(2) of the Charities Act 2011, which are explained in our guidance Registering as a Charity (CC21) and in our Operational Guidance (Names of charities) available on our website. In very broad terms, the name should not be offensive, or identical to (or too like) the name of any other charity, or likely to mislead the public about its purposes, activities, status, or connections. Some words and expressions are controlled under the Companies Act 2006 and other legislation. A list of controlled words can be found in Appendices A - C of the Companies House website document 'Incorporation and Names' (GP1).

Authentication by Subscribers: The Memorandum of Association needs to be authenticated by the subscribers stating their names and adding their signatures, or by their use of a form of electronic authentication acceptable to Companies House.

Submission of Documents: The Memorandum of Association should be sent to the Registrar of Companies at Companies House as part of the application to register as a company (section 9 of the Companies Act 2006). The Charity Commission requires a copy of the:

- Memorandum of Association
- Articles of Association
- Certificate of Incorporation (and if applicable the Certificate of Incorporation on Change of Name)

COMPANY NOT HAVING A SHARE CAPITAL

Memorandum of Association of

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Each subscriber to this memorandum of association wishes to form a company under the Companies Act 2006 and agrees to become a member of the company.

Name of each subscriber	Authentication by each subscriber
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Dated:

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