Relevant background knowledge includes everything that would affect the way each of the purposes set out in the organisation’s governing document would be understood by a reasonable person. The purposes are what this reasonable person would say they are. What the organisation has been doing or carrying out (its activities) since it was set up are not relevant in forming this view. This is because those activities may or may not be within the scope of the purpose. What matters is the scope of what is authorised by each purpose.

Where it is not clear or self-evident that the purposes fall within the descriptions of purposes then evidence of activities that the organisation has been, or will be, carrying out and relevant background information can be looked at to understand whether everything that could be done under the purpose falls within the description. This question does not answer whether the purpose is charitable but whether it is capable of being charitable if for the public benefit.

Where it is not clear or self-evident that the purposes are for the public benefit, then evidence of activities that the organisation has been, or will be, carrying out and relevant background information can be looked at. It is necessary to establish:

- what the benefits are and who benefits,
- what the outcomes or consequences are of carrying out the purpose,
- whether the purposes are undertaken for the public benefit.

These questions are answered by:

- looking at evidence,
- what is demonstrated by that evidence, and
- by recognising simple obvious common sense facts – speculation or controversial or political assertions are not sufficient.