



GETTING STARTED

CHOOSING A NAME

So, you're going ahead, and now your idea needs a name, something memorable and fitting, but choosing the right name can be harder than you might think.

You need something that stands out and will be remembered but it's also a good idea for it to give some idea of what your project is about.

If your project is going to be a registered charity, now or in the future, you need to remember that your name can't be identical or similar to any charity already registered, and to be honest this is a good rule of thumb in any case.

You will also probably need an online presence, so checking your list of possible names with domain registration companies and Facebook might also be useful. If www.groupname.co.uk is taken by a group doing the same as you, having a similar name could mean your supporters go to their site and not yours.

WHICH LEGAL STRUCTURE IS RIGHT FOR YOU?

There are 2 types of structure used by voluntary and community groups, incorporated or unincorporated.

Unincorporated Associations or Below the Radar Enterprises (BTR Groups)

Most voluntary groups begin as an unincorporated organisation.

An unincorporated group is governed by its constitution and accountable to its members. This structure is particularly used by small voluntary and local groups.

Choose a name

Types of charity and organisation

Purpose, Aims and Mission

Constitution and Governance

Trustees and Committees

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If you set up an unincorporated group you should be aware that you will have unlimited personal liability, this means that should things go wrong, you and any other committee members would be personally liable.

There is no statutory framework and no governing laws for an unincorporated group, unless you apply for charitable status.

You would also need to sign any contracts, and make any purchases as individuals.

This may be the best option for you if your group is small, as it can be fairly straight forward and easy to get up and running.

Smaller volunteer led charitable groups, such as community groups, art groups, church groups etc. are sometimes known as Below the Radar or BTR Groups.

To be a BTR group your charitable venture must have an income of below £5000, past this and you are required by law to register with the Charity Commission.

The biggest advantage of operating as a BTR is that your venture is largely free of bureaucracy which may mean you can be more responsive to need.

Incorporated Organisation

An incorporated organisation has limited liability so committee members would only be personally liable for anything that they have individually guaranteed. It can hold contracts etc. in its own right.

It is more complicated to set up and is regulated by law and it has a clear statutory framework, with penalties for non-compliance.

These are the main types of structure to consider:

Unincorporated Organisation

Registered Charity

Charitable Trust

Limited Company

Friendly Society

Community Benefit Society

Community Interest Company (CIC)

Charitable Incorporated Organisation (CIO)

Choosing the right structure for you can be confusing. Get in touch with Spark if you want some help.

HOW WILL YOUR GROUP RUN?

At this point you have the idea, the name, and the structure, so it's time to write your constitution or governing documents, so that everyone knows the rules for how your project will be run.

This is a key document that will not only be used to inform your committee but as a 'promise' to your supporters and maybe even to encourage funding. The Charity Commission provide approved model constitutions and adapting these may be the simplest way to ensure that yours covers everything and is legal.

Your legal structure, dictates the documents you will need, this could be:

Rules of the Association

Constitution

Governing Document

Trust Deed

Memorandum and Articles of Association

or be as simple as a Set of Rules

A constitution should include:

Your aims and objectives / purpose

How the organisation will be managed

Who can be a member and on what terms

How meetings are convened and conducted

How the constitution can be amended

How the organisation could be wound up (if the need arose)

How surplus income would be used

A charity must have a purpose

The Charities Act lists 13 'descriptions of purposes'.

This is a list of broad headings that a purpose must fall under to be charitable.

Have you thought about your purpose?

Your charity's purposes should make it clear:

- what outcomes your charity is set up to achieve
- how it will achieve these outcomes
- who will benefit from these outcomes
- where the benefits extend to

If you haven't written them down already, take a few moments now to think about your purpose. Write your ideas down and then check them against the [Charities Act list](#) to see if your idea meets the criteria.

There are plenty of constitutions online, if you're not sure where to start or would like to see some examples of what to include why not Google a few

Useful Links

[Small Charity Constitution](#)

[Model documents from the Charity Commission](#)

[Step by step guide to writing a constitution for a small community group](#)