

I understand there is some level of concern surrounding the management of the Rescue legacy money which was received with no covenant of use, merely that it was inherited by The Kings Charles Spaniel Club to be used to promote and rescue the breed.

I also understand that there is a separate group and bank account for this activity and it has its own committee, chair, secretary and treasurer and its own set of rules. All of this is usual practice and the only thing I would note is that the sub committee should have a "Terms of Reference" rather than a constitution. There should be 1 member of the main group on this committee, otherwise it appears to be sufficient to meet the current needs of the club.

So, the question to pose is "What do you want to do now and in the future that is prevented by lack of registration as a Charity or Company Limited by guarantee?" "Does the club want to enter contracts or employ staff? If the answer is yes, you need to be registered incorporated with either Companies House or The Charity Commission.

If this is the case, I would recommend that the group make an application to the Charity Commission and you will need to choose a charity template model, there are 2 main ones CIO (Charitable Incorporated Organisation) Foundation Model where only the Trustees are members and have all the voting rights or an Association Model (which would be the one suited to you) where the members, being such by way of payment of subscriptions get to vote on the matters of the Charity.

The pros for being an incorporated charity are:

1. You can claim gift aid on donations
2. You can apply for 80% mandatory tax relief on business rates of any property you hold with a discretionary 20% top up applied on consideration of your local authority wherein the property sits.
3. You do not pay tax on investment interest
4. You can apply zero rate VAT on building works if the building meets the criteria
5. Some funding bodies require a group to be Registered in order to be eligible for grants
6. You can enter in legal contracts such as purchase of land or building
7. You can employ paid staff

The Cons for being an incorporated charity are

1. Charity applications are a considerable body of work to undertake and if the club does not have sufficient expertise within its membership, then a Charity advisor or Solicitor would need to make the application for you. This is work I regularly undertake but as the group is not registered within the constituency of either of the 2 MPs, I currently work for then I could not do this free of charge within my work time. I would be prepared to undertake this for you and the current market rate for such a piece of work would be £600.
2. The adoption of the following documents would be needed to make the application
 - a.) A robust Health & Safety policy and a committee appointment of a member to H & S Designated Officer to produce risk assessments and control safety matters.

- b.) A GDPR Data Protection Officer and a committee appointment of a member to DataController.
- c.) Also, a registration annually with the ICO (Information Commissioners Office)
- d.) A Child Protection Policy and appointment of 2 members one to Child Protection Officer and one to be Deputy Child Protection Officer.
- e.) A vulnerable Adults Policy and a committee appointment of 2 members one to be the Vulnerable Adults Protection Officer and one to be the Deputy Vulnerable Adults officer
- f.) A conflict of interest policy and a register of interests to be maintained by the secretary.)

A business feasibility plan for the next 3 years

h.) A minimum of 3 and a maximum of 12 trustees are required it is up to the Club to set the upper limit but I would recommend no less than 5. Trustees to be prepared to accept the legal duties and responsibilities that accompany the role. I would recommend you sending The Essential Trustee Guide available from www.charitycommission.gov.uk out with any call for volunteer trustees in order that they are aware of the role requirements. The committee would then need to be able to reassure the membership that they have selected fit and proper persons paying regard to their skills, experience and any historical practice and references.

h.) Completion of an annual return to the Commission confirming all the appointments of trustees, their contact details, dates of birth, any associations with other charities or Companies and the trading figures of the club, inspected accounts and a TAR Trustees Annual Report.

Confirmation in regards to anti money laundering legislation in regards to the origin of income is also part of the return.

l.) If the club has volunteers', then a volunteer policy and register of volunteers for insurance purposes

The £600 fee would include undertaking provision of all of the above and the actual legal application to the Charity Commission.

To inspect the accounts and undertake the annual return to the commission your book-keeping fee is likely to increase to £350 per annum

You can not pay trustees via honorariums or any other method, if you say you are charitable then there can be no fee.

You can however employ a trustee if they are a tradesperson and the trustees can demonstrate by way of acquiring 3 quotes for the work undertaken that it would be in the best interests of the charity. This is for trade only not for carrying out any work that is expected of you as a trustee.

There are other types of incorporated and unincorporated options available but the above is the most straight-forward one for a group of your size. A Friendly Society, working men's Club, unregistered unincorporated charity (trading below £5k), a Charitable Incorporated Organisation, a CIC Charity Incorporated Company, a Company Limited by Guarantee are all perfectly legal and viable options but a Private Members Club allows a degree of freedom and the mainstay of your work is not charitable it is a social group of people brought together to enjoy breeding, showing and owning dogs.

It is my personal view that the current structure you have allows you to do the things that you wish to do without being monitored by a government body. I would recommend that there be a review and rename of constitution document around rescue to The Terms of Reference for the sub-committee, an increase in membership to 5 with 1 member being a member of the main committee.

Of course, it is up to the members to decide upon how they wish their club to be governed and I would suggest that it is put before them and should they wish to proceed with charity registration, I would be happy to undertake the work at the agreed rate.

I hope that the above information is of use to the Club and would ask you to again simply pose the question "What is it the club wish to do now and in the immediate future" as this often simplifies the decision making.

Regards

Julie Reed