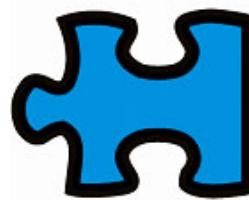


Gwent Association of Voluntary Organisations

Your local county voluntary council

1. Getting Started

1.8 Model Constitution for setting up a small charity



**GWENT
ASSOCIATION OF
VOLUNTARY
ORGANISATIONS**

Charity Reg No. 1113558

Company Limited By Guarantee 5590517

Model constitution for setting up a small charity – income under £5,000

Who is it for?

This constitution is specifically designed for charities which expect to stay small, and have an annual income under £5,000. It is not meant for charities that own a building, employ people or intend to register with the Charity Commission. Small groups which are not charities are also welcome to use this model constitution, though they would not be covered by charity law.

Many national charities produce their own model constitutions, including Parent Teacher Associations, the Pre-School Learning Alliance, Women's Institutes, Scouts and Guides, a list of these organisations is available [here](#). If you are setting up one of these charities, please contact them for advice and use their model rather than this one.

Setting up a charity – the constitution

If you want to start up a small charity, you will need a set of rules which explain what the charity does and how it is to be run. To help you, the Charity Commission has worked with nine umbrella organisations listed at the end of the introduction, to jointly write and promote a constitution for a small charity. This is of course not the only constitution that would be appropriate, and there are other model constitutions that both the Commission and other organisations produce.

We have pooled our experience to ensure that it is easy to understand, is short (it's only 700 words long) and meets the needs of small charities. The aim is to encourage people to get involved in running the charity and give them confidence by knowing exactly what their constitution says should be done to run it properly.

The people on the committee will be the trustees of the charity. They will be responsible for the money that other people have given and must ensure it is properly spent and correctly accounted for. Click [here](#) for *The Essential Trustee* publication.

How can we get help and advice?

It is always a good idea to get advice and support – and luckily there is plenty available. Talk to the local community development organisations in your area and ask for their help. Your local authority's website would also be a good place for information and support. Each of the organisations involved with producing this constitution have websites that contain a wealth of publications and information. All of these organisations share a commitment to help small charities run properly, ensure they comply with the law, are open to people from every walk of life and flourish in every community.

How do we complete our constitution?

You need to discuss the rules and check that everybody understands and agrees with them. You must write in the 'Purposes' to describe what the charity has been set up for. You might also need to say which geographical area the charity will work in.

This constitution is suitable for a small charity, but it is important to recognise that just adopting it does not necessarily make the group a charity. To be a charity, all the purposes must be charitable and the organisation must be established for the public benefit. To help you with this, model wording for charitable purposes is provided by the Charity Commission on their [web-site](#).

To adopt the constitution, the people who are setting up the charity need to sign and date it. By doing this they become the trustees of the charity until the first annual general meeting.

What happens if we grow?

Charities with less than £5,000 a year do not need to register with the Charity Commission. However, if your income grows larger than this, the charity must register and you should read this [guidance](#).

If you find your organisation is getting larger, wants to employ people or buy a building, or in the future wishes to register with the Commission, you will need to replace this constitution with a more comprehensive [model governing document](#) as this one will no longer be appropriate.

List of organisations involved in producing and promoting this constitution:

ACRE, BASSAC, Charity Commission, Community Matters, CTN, DSC, NAVCA, NCVO, Small Charities Coalition, WCVA and County Voluntary Councils

A Microsoft Word version is also available [here](#).

SMALL CHARITY CONSTITUTION

Suitable for small charities with an annual income under £5,000 that don't own a building or employ people and do not intend to register with the Charity Commission.

1 NAME

The charity's name is _____

2 THE PURPOSES OF THE CHARITY ARE:-

3 TRUSTEES

The charity shall be managed by a committee of trustees who are appointed at the Annual General Meeting (AGM) of the charity.

4 CARRYING OUT THE PURPOSES

In order to carry out the charitable purposes, the trustees have the power to:

- (1) raise funds, receive grants and donations
- (2) apply funds to carry out the work of the charity
- (3) co-operate with and support other charities with similar purposes
- (4) do anything which is lawful and necessary to achieve the purposes

5 MEMBERSHIP

The charity shall have a membership. People who support the work of the charity and are aged 18 or over, can apply to the trustees to become a member. Once accepted by the trustees, membership lasts for 3 years and may be renewed. The trustees will keep an up-to-date membership list.

The trustees may remove a person's membership if they believe it is in the best interests of the charity. The member has the right to be heard by the trustees before the decision is made and can be accompanied by a friend.

6 ANNUAL GENERAL MEETING - AGM

- (1) The AGM must be held every year, with 14 days notice given to all members telling them what is on the agenda. Minutes must be kept of the AGM.
- (2) There must be at least ____ members present at the AGM.
- (3) Every member has one vote.
- (4) The trustees shall present the annual report and accounts.
- (5) Any member may stand for election as a trustee.
- (6) Members shall elect between 3 and 10 trustees to serve for the next year. They will retire at the next AGM but may stand for re-election.

7 TRUSTEE MEETINGS

- (1) Trustees must hold at least 3 meetings each year. At their first meeting after the AGM they will elect a chair, treasurer and secretary. Trustees may act by majority decision.
- (2) At least 3 trustees must be present at the meeting to be able to take decisions. Minutes shall be kept for every meeting.
- (3) If trustees have a conflict of interest they must declare it and leave the meeting while this matter is being discussed or decided.
- (4) During the year, the trustees may appoint up to 2 additional trustees. They will stand down at the next AGM.
- (5) The trustees may make reasonable additional rules to help run the charity. These rules must not conflict with this constitution or the law.

8 MONEY AND PROPERTY

- (1) Money and property must only be used for the charity's purposes.
- (2) Trustees must keep accounts. The most recent annual accounts can be seen by anybody on request.
- (3) Trustees cannot receive any money or property from the charity, except to refund reasonable out of pocket expenses.
- (4) Money must be held in the charity's bank account. All cheques must be signed by 2 trustees.

9 GENERAL MEETINGS

If the Trustees consider it is necessary to change the constitution, or wind up the charity, they must call a General Meeting so that the membership can make the decision. Trustees must also call a General Meeting if they receive a written request from the majority of members. All members must be given 14 days notice and told the reason for the meeting. All decisions require a two thirds majority. Minutes must be kept.

- (1) **Winding up** - any money or property remaining after payment of debts must be given to a charity with similar purposes to this one.
- (2) **Changes to the Constitution** - can be made at AGMs or General Meetings. No change can be made that would make the organisation no longer a charity.
- (3) **General Meeting** - called on written request from a majority of members.
- (4) Trustees may also call a General Meeting to consult the membership

10 SETTING UP THE CHARITY

This constitution was adopted on _____ 20____ by the people whose signatures appear below. They are the first members of the charity and will be the trustees until the AGM, which must be held within one year of this date.

Signed

Print name and address

Other organisations that can assist are

Charity Commission for England & Wales

Tel: 0845 300 0218

www.charity-commission.gov.uk

Wales Council for Voluntary Action

Tel: 0800 2888 329

www.wcva.org.uk

Disclaimer

The information provided in this sheet is intended for guidance only. It is not a substitute for professional advice and we cannot accept any responsibility for loss occasioned as a result of any person acting or refraining from acting upon it.

For further information contact

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