

CIO

Fast Facts

A Charitable Incorporated Organisation (CIO) is a legal structure designed specifically for charities in England and Wales. It provides the benefits of incorporation without the burden of dual regulation by both Companies House and the Charity Commission.

Key Features

Limited Liability: Trustees and members are not personally liable for debts or legal claims against the charity

Legal Entity: The CIO can enter contracts, employ staff, and own property in its own name

Regulated by the Charity Commission: No need to register with Companies House

Designed for Charities: Tailored governance and reporting requirements



Types of CIO

1. Foundation CIO: suitable for charities where the trustees are the only voting members.

2. Association CIO: suitable for charities with a wider membership who have voting rights.

Converting to a CIO

Existing charitable trusts, charitable companies and unincorporated associations can convert to a CIO through a structured process with the Charity Commission.

How to Set Up a CIO

Choose a name

Must be unique and comply with Charity Commission rules

Draft a constitution

Use the Charity Commission's model constitution for a Foundation or Association CIO.

Appoint trustees

Must have at least 3 trustees (unless a corporate trustee is in place)

Define charitable purposes

The charity's objectives must be exclusively charitable under UK law

Register with the Charity Commission

Submit your application online

Advantages of a CIO

Reduced administrative burden

Unlike a charitable company, a CIO does not need to comply with company law

Simpler financial reporting

Follows charity accounting rules, not company regulations

Easier to manage property & contracts

As a corporate entity, it can hold property and sign contracts in its own name

Public confidence

The CIO structure is well recognised by funders and regulatory bodies