|  |  |
| --- | --- |
| **Charitable Incorporated Organisation (“CIO”)** | **Charitable Company (“Company”)** |
| CIO has separate Legal Personality – it can enter contracts (e.g. employment contracts or leases) in its own name.  | A Company has the same benefits |
| The CIO can also be sued in its own name. | A Company has the same benefits |
| Liability of Members limited to a specified amount (£1 or £10 usually) upon liquidation. | A Company has the same benefits  |
| Filing Requirements with the Charity Commission annual report and annual accounts. | Filing Requirements with the Charity Commission annual report and annual accounts but in addition, also with Companies House. |
| Obligation to keep a register of Trustees, which is open to the public, and a register of members, which is open to inspection by the members. | A Company has the same obligations |
| Charges can not be registered at the Charity Commission (compared with Companies House for a Charitable Company) – should only an issue if seeking to raise funding by secured lending, although if the lending is secured by a charge over property then the charge will be registered in any event at the Land Registry. | Charges must be registered at Companies House. If borrowing is likely, it may be the lender would prefer a Company to enable its lending to be registered at Companies House. |
| CIO can not issue debentures as a means of funding. | A Company can issue a debenture. |
| Any Change in Trustee has to be registered with the Charity Commission within 28 days | Any Change in Trustee has to be registered with the Charity Commission and at Companies House within 14 days. |
| Duty to preserve records for at least 6 years from end of financial year they relate to. | A Company has the same obligations. |
| CIO must display its name in every location and every document or communication in the same way a Company does under the Trading Disclosures Regulations. This includes, any letters, places of business and any website. There are civil and criminal consequences (a fine) for non-compliance. | A Company has the same obligations. |
| One or Two Trustees can execute documents on behalf of the CIO | One or Two Trustees can execute documents on behalf of the Company. |