



# Accountancy Co-operative

*the Approachable & Friendly accountancy service*

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## Charitable incorporated organisations

The new legal structure known as the charitable incorporated organisation (CIO) will be available to new organisations and existing charities that wish to convert into the CIO form.

### Converting to a CIO

Under certain conditions, the following organisations may be able to apply for conversion to a CIO through a special conversion process:

- an existing company which is registered as a charity
- a community interest company

In future a conversion process may be established for charities which are regulated industrial and provident societies.

Other forms of charity will be able to convert into a CIO by setting up a new CIO, transferring the charity's assets to it, and then winding up the old charity.

Exempt charities and companies or regulated societies with a share capital - where any of the shares are not fully paid up - will not be able to apply for conversion to a CIO. [Read about exempt charities on the Charity Commission website](#)

### Special features of CIOs

CIOs will differ from other charity forms in the following ways:

- Although CIOs will not use company terminology - directors will be called charity trustees - they will be more like company forms than other types of charity forms.
- As CIOs are always incorporated, they will be separate legal entities and their members will have either no liability or limited liability.
- CIOs - like Community Interest Companies and community benefit societies - will have their assets locked in for their charitable purposes. They will not be able to distribute profits or assets to their members. See the pages in this guide on [Community Interest Companies](#) and [community benefit societies](#).
- Unlike some of the other forms used by charities, CIOs will only register with and report to the Charity Commission, not to Companies House or the Financial Services Authority.
- A choice of formats and administration will be available to suit organisations of all sizes, with or without a membership structure.



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