

# A DEDICATED ENTITY VS A FUND WITH AN EXISTING CHARITY

DEDICATED LEGAL ENTITY	FOUNDATION / INTERMEDIARY / PARTNER
This means running a charity in another legal country or paying someone else to do it whilst providing oversight	Use the charity status of the intermediary
Needs to undertake regulatory requirements including annual filings/tax returns/accounts – regulations have been increasing in all countries	The intermediary does all the regulatory requirements for itself
Needs a Board – usually at least 3 people. Board must meet, minutes taken, etc. Board needs support which takes time. Board personalities can impinge and sometimes they ‘go rogue’.	The Board is that of the intermediary so nothing for you to do
Board and other insurances will be required	The intermediary has its own insurance policies
Needs an address, someone to process mail/post	You will be able to use the address of the intermediary
Needs a bank account	No separate bank account necessary
Cheques are written to the dedicated entity	Cheques are written to the intermediary with your name / fund only noted

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Needs bookkeeping, donation processing, other administrative tasks	No bookkeeping, donation processing, other administration – it is done by the intermediary
There is more flexibility with Board Meetings and Grantmaking	Board meetings will be fixed by the intermediary and grantmaking the same
A dedicated entity may have limited financial resources	May have better offers vis-à-vis multiple currency accounts, off-shore accounts, take small donations, etc.
There is no charge per donation, only to run the organisation	There may be a ‘membership’ fee and a % retained from donations
Donors may be more confident because it is ‘your’ entity	Donors may be less confident giving to a separate entity with other interests
You can choose the name of the dedicated entity (subject to local laws)	Depending on the intermediary you may have more or less ‘visibility’ – name recognition to donors
The dedicated entity is only there for your purposes	The intermediary is working with a number of organisations
There may be legal restrictions which need to be met when it is a ‘single purpose’ entity	In some jurisdictions, working with an intermediary is an advantage

**WE CAN HELP WITH BOTH**

**Contact us at [hello@chapel-york.com](mailto:hello@chapel-york.com) for an informal chat on how we can help**

