



Purposes beneficial to the community - examples of wording for purpose clauses

Here are some examples of wording used by charitable organisations to show how they fit with the “beneficial to the community” charitable purpose.

You should also read the Commission’s information sheet *Your rules and the Charities Act*

Purpose clauses

Purpose clauses, often called “objects” clauses, state what your organisation aims to achieve.

Your rules should include a list of your organisation’s purposes and should begin with the organisation’s primary or main purposes.

You may wish to show how your organisation’s purposes fit with the four categories of charitable purpose like this:

- “To relieve poverty by . . .”
- “To advance education by . . .”
- “To advance religion by . . .”
- “To be beneficial to the community by . . .”

as appropriate.

Beneficial to the community

To be charitable under this category, the organisation’s purpose must be:

- very similar to the spirit and intent of those purposes listed in the *Preamble to the Statute of Elizabeth* (see the box in the next column) or very similar to a charitable purpose as decided by the courts; and
- beneficial to the community.

Not all organisations that have purposes that benefit the community will be charitable. The purposes must benefit the community in a way which the law regards as charitable.

The Statute of Elizabeth (otherwise known as the *Charitable Uses Act 1601*) was passed in England to protect and prevent the misuse of charitable funds.

The preamble to the statute contained the following list of purposes considered charitable at that time:

- relief of aged, impotent, and poor people;
- maintenance of sick and maimed soldiers and mariners;
- schools of learning;
- free schools and scholars in universities;
- repair of bridges, ports, havens, causeways, churches, sea banks, and highways;
- education and preferment of orphans;
- relief, stock or maintenance of houses of correction;
- marriage of poor maids;
- supportation, aid and help of young tradesmen, handicraftsmen, and persons decayed;
- relief or redemption of prisoners or captives; and
- aid or ease of any poor inhabitants concerning payment of fifteens, setting out of soldiers and other taxes.

Over the years, courts have recognised many new charitable purposes that are very similar to those categorised in 1601, acknowledging that what is accepted as a “charitable purpose” must change to reflect current social and economic circumstances.

The courts have considered whether:

- the new purpose is very similar to a purpose previously accepted as charitable, and
- whether it satisfies the requirement that the purpose benefits the public.

Examples of wording

Here are some examples of wording used by charitable organisations to show how they fit with the “beneficial to the community” charitable purpose:

To be beneficial to the community...

...by establishing an athletic and recreation facility which will serve people with disabilities

...by providing life management counselling and other support services to allow people with disabilities to become more independent in the community

...by honouring the spirit of past and present servicemen and women by keeping service traditions alive in the public eye by means of an annual veterans’ lunch

...by promoting the enjoyment of amateur radio ...including the making available of clubrooms for the use of allied groups with an interest in radio...within the [named] region

...by publishing and disseminating reports of judicial proceedings

...by promoting the preservation of places of historic interest or natural beauty

...by providing a water supply for [named community]

...by providing a community hall

...by providing recreational facilities [for the community]

...by improving the physical and psychological well being of people who have had breast cancer, by participating in dragon boat racing

...by providing education, counselling and other support services for immigrants and refugees in need, including language instruction, employment training, job search programmes, translation services and information programmes on New Zealand culture and life

...by providing a crisis line for troubled children and young people

...by establishing and operating a Boys and Girls Club by providing educational, cultural, recreational and social activities in a supervised, safe, caring positive environment for children and young people

...by providing and maintaining a memorial garden for the benefit of the community

...by restoring, developing and preserving the [eg historic site] with a view to educating about and commemorating the [eg historic site]

...by providing respite to people caring for aged people by providing temporary care to aged people and by providing services such as housekeeping, meal preparation, nursing and shopping assistance

...by organising or participating in environmental projects designed to:

- preserve and protect flora and fauna
- preserve, protect and restore rivers, or
- improve the urban environment

...by developing and providing programmes promoting the protection and preservation of the environment through re-use, reduction, recycling and recovery of waste and by educating institutions, industries, businesses and individuals about efficient waste management systems

...by relieving poverty in developing nations by providing food and other basic supplies to people in need.

