

## **Registration decision: Optimist Worlds NZ Limited**

### **The facts**

1. Optimist Worlds NZ Limited (“the Applicant”) was incorporated under the *Companies Act 1993* on 17 November 2010.
2. The Applicant applied to the Charities Commission (“the Commission”) for registration as a charitable entity on 2 December 2010.
3. Clause 1.1 of the Applicant’s rules document sets out the purposes of the Company as:
  - 1.1 *The Company is constituted for the purpose of carrying on business exclusively for the NZL Optimist Yachting Trust Board, a charitable trust board incorporated under the Charitable Trusts Act 1957, and in doing so will restrict its business to the management and control of the 2011 Optimist World Championships for the benefit of the NZL Optimist Yachting Trust Board and its charitable purposes.*
4. The NZL Optimist Yachting Trust Board (CC45896) was registered by the Commission on 13 December 2010.
5. The Applicant supplied a letter at the time of registration dated 30 November 2010, that stated:
  1. *Optimist Worlds NZ Limited (“OWNZ”) is a wholly owned company of NZL Optimist Yachting Trust Board.*
  2. *OWNZ has been formed for the purpose of managing and running the Optimist World Championships which are to be held in Napier, New Zealand at the end of 2011/beginning of 2012.*
  3. *All income derived by OWNZ will be used to manage, run and promote the world championships for the benefit of its shareholder NZL Optimist Yachting Trust Board.*
  4. *Clearly, with the risks associated with running such an event, it is prudent to use a limited liability company as the entity to run that event.*
6. The application was analysed and on 13 December 2010, the Commission sent the Applicant a notice that may lead to a decline on the basis that the main purpose, to provide a tournament for elite athletes, is not charitable. The beneficiaries of the Applicant are limited to elite athletes and therefore the Applicant does not provide sufficient public benefit.

7. On 19 January 2011, the Applicant responded to the notice that may lead to a decline. The Applicant stated:
1. *We understand from our discussion with Ms Dewhurst is that an underlying concern of the Commission is that the running of the 2011 Optimist World Championships ("the Championships") is, in itself, a primary purpose of Optimist Worlds NZ Limited ("OWNZ"). If this were the case, then the Commission would take the view that OWNZ's application for registration must fail because of requirement of section 13(l)(b)(i) of the Charities Act 2005 ("the Act") that to qualify for registration as a charitable entity, the entity must be "established and maintained **exclusively** for charitable purposes". The Commission also says that if the running of the event is in itself a primary purpose of OWNZ then section 5(3) of the Act does not assist because that only applies to purposes which are "merely ancillary to a charitable purpose".*
  2. *As discussed, the rights to hold the event were awarded to the New Zealand International Optimist Dinghy Association ("NZIODA"). NZIODA is not a charitable entity, and does not propose to seek registration as a charitable entity. NZIODA is responsible for the Optimist class yachting and the conduct of that class of yachting in New Zealand. It is a separate legal entity. It is a grassroots organization, developing participation in sailing for children throughout New Zealand.*
  3. *For a number of reasons, NZIODA has decided to maximise the opportunity that the Championships provide, the following structure should be adopted:*
    - (a) *A charitable trust be formed (NZL Optimist Yachting Trust Board) ("the Charitable Trust") and be registered as a charitable entity under the Act. This has been completed and its registration number is CC45896. It is envisaged that any "legacy fund" derived from the Championships (and any other funds that may become available) be held on a long term basis separate from the funds of NZIODA (which is concerned with the conduct of the sport itself).*
    - (b) *A company be formed (OWNZ), the sole shareholder of which is to be the Charitable Trust and for that company's purposes to be restricted to those of the Charitable Trust. It was considered a company be the appropriate entity to conduct the Championships. It is envisaged that on completion of the Championships, the company will be would up (sic), and any surplus funds will be distributed to its shareholder, the Charitable Trust.*
  4. *It is our submission that any concern that the running of the Championships itself is a primary purpose of the company, arises from a lack of clarity between OWNZ's "activity" and its "purpose".*
  5. *While OWNZ's activity will be the conduct of the Championships, the purpose (i.e. the reason for doing so) is for the benefit of the Charitable Trust and its charitable purposes.*

6. *In support of this submission, we would suggest that the majority of charitable entities carry out a vast array of activities (which in themselves are not charitable) but the purpose of which is charitable. Examples would be the numerous fundraising events that one sees carried out by charitable entities (e.g. auctions, sale and purchase of goods and services, fundraising events) none of which are inherently charitable, but the purpose of carrying out that particular activity is charitable. The focus of enquiry should not be on the activity, but the purpose of that activity. The purpose does not change because it is carried out by an appropriate entity (i.e. a limited liability company).*
7. *Accordingly, in this case, OWNZ's activity is the carrying out of an activity (the running of the Championships), the purpose of which is to provide funds for a recognised charitable entity (i.e. the Charitable Trust).*
8. *An alternative would be for the Charitable Trust to run the Championships (although this is not a preferred option, as it is considered a company is the appropriate form of entity to do so). If the Charitable Trust did so, the running of the Championships would be an activity it conducted to fulfil its charitable purposes. It would be a strange result, indeed, if the same activity carried out for the same purposes were accepted as being charitable where carried out by the Charitable Trust, but not where carried out by OWNZ, being a company owned entirely by the Charitable Trust with the same charitable purposes.*
9. *We now turn to address the specific concerns set out in the Commission's letter of 13 December 2010.*

#### **CHARITABLE PURPOSE**

1. *We note the Commission's reference to section 13(l)(b)(i) of the Act and further note the Commission's statement that "To be established and maintained exclusively for charitable purposes, all of an applicant's purposes must be charitable in nature, or any non-charitable must be ancillary to a charitable purpose".*
2. *The Commission will note from Article 1.1 of OWNZ's Constitution that OWNZ "...is constituted for the purpose of carrying on business exclusively for NZL Optimist Yachting Trust Board ... and in doing so will restrict its business to the management and control of the 2011 Optimist World Championship for the benefit of the NZL Optimist Yachting Trust Board and its charitable purposes."*
3. *It will be seen from this Article that OWNZ's raison d'etre is the charitable purposes of the Charitable Trust.*
4. *As a result, OWNZ's purposes must be assessed as being those of the Charitable Trust. The purposes of the two entities are one and the same.*
5. *The Charitable Trust's purposes have been accepted as being charitable for the purposes of the Act, and as a consequence, OWNZ's purposes must also be accepted as being charitable.*

6. *The activity OWNZ will undertake to fulfil its charitable purposes is the running of the Championships. The activity is the means by which OWNZ will achieve its charitable purposes. The activity must not be confused with the purpose.*

### **THE SOCIETY'S PURPOSES**

1. *We note the Commission "...considers that the main purpose of the entity is to provide a tournament for elite athletes, and there is no evidence of any underlying, deeper purpose that may be charitable."*
2. *Once again, we submit that this statement confuses the activity of the entity with the purpose of the entity.*
3. *Our submissions under the heading "Charitable Purpose" are repeated. Article 1.1 of the OWNZ's Constitution provides that its purposes are one and the same of the Charitable Trust.*
4. *While NZIODA may be concerned "to provide a tournament for elite athletes" (as it was awarded the rights to run the World Championships), OWNZ cannot be imputed with NZIODA's desire to provide a tournament for elite athletes. (As an aside, and as stated above, NZIODA is a grassroots organization developing participation in sailing by children throughout New Zealand - it is not primarily concerned with elite athletes).*
5. *Under Company Law, the directors of OWNZ "must act in good faith and in what the director believes to be the best interest of the company." (section 131 (1) of the Companies Act 1993). Accordingly, the directors of OWNZ must have regard to the interests of the company, not NZIODA.*
6. *Therefore, while "the conduct of a tournament for elite athletes "may be a concern to NZIODA, from OWNZ's perspective, it is simply an activity by which the directors of OWNZ will achieve its charitable purposes.*
7. *By Company Law, the directors are bound by the charitable purposes of the Charitable Trust, and not the desire of the officers of NZIODA to hold a tournament for elite athletes.*

### **PUBLIC BENEFIT**

1. *We note the Commission "...is of the view that because the primary beneficiaries of the Company are practically limited to elite sailing athletes, this constitutes an unreasonable restriction placed on those who may benefit from the activities of the Company, and therefore the Company does not provide sufficient public benefit to be charitable under New Zealand Law."*
2. *We submit that the beneficiaries of the Company are not limited to "elite sailing athletes" but are the wide range of persons who benefit from the Charitable Trust.*

3. *Clearly, the ultimate beneficiaries of OWNZ are the beneficiaries of the Charitable Trust. Any distribution from OWNZ will be to its shareholder, that is to say, the Charitable Trust for the benefit of its beneficiaries. The Commission has accepted that the Charitable Trust is a charitable entity, and therefore the persons who ultimately benefit from the activities of OWNZ, are the Charitable Trust's beneficiaries.*
4. *It is therefore our submission that the primary beneficiaries of OWNZ are not practically limited to elite sailing athletes, and that OWNZ does provide sufficient public benefit to be a charity under New Zealand Law.*
5. *The Worlds team selection policy cited by the Commission is the policy of NZIODA, which is a separate legal entity. The directors of OWNZ would be acting unlawfully (under the Companies Act 1993) if they had any regard to NZIODA team selection policy when acting as a director of OWNZ.*

## The issues

8. The issue the Commission must consider is whether the Applicant meets all of the essential requirements for registration under the *Charities Act 2005* (“the Act”). In this case, the key issue for consideration is whether the Applicant is a society or institution established and maintained exclusively for charitable purposes and not carried on for the private pecuniary profit of any individual, as required by section 13(1)(b) of the Act. In particular, the issues are:
  - (a) whether the Applicant’s purposes fall within the definition of charitable purposes in section 5(1) of the Act; and
  - (b) whether the Applicant provides a public benefit.

## The law on charitable purposes

9. Under section 13(1)(b) of the Act a society or institution must be established and maintained exclusively for charitable purposes and not carried on for the private pecuniary profit of any individual.
10. Section 5(1) of the Act states:

*... **charitable purpose** includes every charitable purpose, whether it relates to the relief of poverty, the advancement of education or religion, or any other matter beneficial to the community.*
11. In addition to being within one of the categories of charitable purpose, to be charitable at law, a purpose must also be for the public benefit.<sup>1</sup> This means that the purpose must be directed to benefit the public or a sufficient section of the public.

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<sup>1</sup> Accepted as common ground in *Latimer v Commissioner of Inland Revenue* [2002] 3 NZLR 195, para [32].

12. Section 5(3) of the Act provides that the inclusion of a non-charitable purpose will not prevent qualification for registration if it is merely ancillary to a charitable purpose.
13. In considering an application, section 18(3)(a) of the Act requires the Commission to have regard to:
  - i) *the activities of the entity at the time at which the application was made; and*
  - ii) *the proposed activities of the entity; and*
  - iii) *any other information that it considers is relevant.*

### **Charities Commission's analysis**

14. The Commission has analysed the purpose set out in clause 1.1 of the Applicant's rules document, information supplied by the Applicant, and information available about the Optimist World Championships.
15. The Commission does not consider that the Applicant's purpose indicates an intention to relieve poverty, advance education or advance religion. Accordingly, it has been assessed under "any other matter beneficial to the community".

### Other matters beneficial to the community

16. In order for a purpose to qualify as "any other matter beneficial to the community", the purpose must be beneficial to the community and must be within the spirit and intendment of the purposes set out in the Preamble to the *Charitable Uses Act 1601* (the Statute of Elizabeth):<sup>2</sup>
  - 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.<sup>3</sup>

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<sup>2</sup> *Re Jones* [1907] SALR 190, 201; *Williams Trustees v Inland Revenue Commissioners* [1947] AC 447, 455; *Scottish Burial Reform and Cremation Society v Glasgow Corporation* [1968] AC 138, 146-48; *Incorporated Council of Law Reporting (QLD) v Federal Commissioner of Taxation* (1971) 125 CLR 659, 667, 669; *Royal National Agricultural and Industrial Association v Chester* (1974) 48 ALJR 304, 305; *New Zealand Society of Accountants v Commissioner of Inland Revenue* [1986] 1 NZLR 147, 157; *Re Tennant* [1996] 2 NZLR 633, 638.

<sup>3</sup> *Charitable Uses Act 1601* 43 Elizabeth I c. 4.

17. Over the years, the courts have recognised many new charitable purposes that are substantially similar to those listed in the Statute of Elizabeth, acknowledging that what is accepted as a charitable purpose must change to reflect current social and economic circumstances. In particular, courts have found the promotion of public health to be charitable under this head where the benefit is available to a sufficient section of the public.<sup>4</sup>

18. In *Travis Trust v Charities Commission*, Joseph Williams J stated:

*In the area of sport and leisure, the general principle appears to be that sport, leisure and entertainment for its own sake is not charitable but that where these purposes are expressed to be and are in fact the means by which other valid charitable purposes will be achieved, they will be held to be charitable. The deeper purpose of the gift or trust can include not just any of the three original Pemsel heads but also any other purpose held by subsequent cases or in accordance with sound principle to be within the spirit and intendment of the Statute of Elizabeth.*<sup>5</sup>

19. In order to be charitable, the benefits from an Applicant's purposes must be available to a sufficient section of the community. Any private benefits arising from the Applicant's purposes must only be a means of achieving an ultimate public benefit and therefore be ancillary or incidental to it. It will not be a public benefit if the private benefits are an end in themselves.<sup>6</sup> In addition, proof that public benefit will necessarily flow from each of the stated purposes is required, not merely a belief that it will or may occur.<sup>7</sup>

20. In *Travis Trust v Charities Commission*, Joseph Williams J stated:

*An excellent exposition on the nature of community or public benefit can, with respect, be found in the decision of Bleby J in the South Australian Supreme Court case of Strathalbyn Show Jumping Club Inc. v Mayes.*<sup>8</sup> *In that case, the question was whether the members of two separate polo clubs and a polo grounds association were a sufficient section of the public.*

...  
*[I]n the Strathalbyn case, Bleby J found that the rules of admission in each of the three polo clubs rendered them essentially private. He said:*

Although the membership rule of each of the three clubs are quite different, they have a common feature, namely, that admission to membership and exclusion from membership is vested in the relatively small Board of Directors or committee of management. It is not open to any member of the public who wishes to join.

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<sup>4</sup> *McGregor v Commissioner of Stamp Duties* [1942] NZLR 164; *Re Laidlaw Foundation* (1984) 13 DLR (4th) 491.

<sup>5</sup> (2009) 24 NZTC 23,273, 23,281.

<sup>6</sup> *Commissioners of Inland Revenue v Oldham Training and Enterprise Council* (1996) STC 1218; *Travel Just v Canada (Revenue Agency)* 2006 FCA 343, [2007] 1 CTC 294.

<sup>7</sup> *Gilmour v Coats* [1949] AC 426; *Re Blyth* [1997] 2 Qd R 567, 582; *D V Bryant Trust Board v Hamilton City Council* [1997] 3 NZLR 342, 350.

<sup>8</sup> (2001) SASC 73.

Such provisions are not surprising. They are common to great many sporting and other associations of persons who have a common interest. ... **It indicates, however, that those who may benefit from the provisions of the first limb of Trust Deed constitute a highly restricted class ... It is not a class which is open to members of the public or any significant section of it. The class of persons on whom the benefit is conferred is a group or groups of individuals who have a common interest in the playing of polo and who have been admitted to membership by the controlling body of the organisation.** Even if there were less stringent restrictions on or qualifications for membership, I doubt whether the class or beneficiaries would meet the necessary public interest test.<sup>9</sup>

21. Hubert Picarda, in *The Law and Practice Relating to Charities*, states:

*There is, as Viscount Simonds pointed out in IRC v Baddeley, a distinction*

*‘between a form of relief extended to the whole community yet, by its very nature, advantageous only to the few, and a form of relief accorded to a selected few out of a larger number equally willing and able to take advantage of it’.*<sup>10</sup>

22. Picarda also opines:

*A bridge which is available for all the public may undoubtedly be a charity and it is indifferent how many people use it. But confine its use to a selected number of persons, however numerous and important, it is then clearly not a charity.*<sup>11</sup>

23. According to the New Zealand International Optimist Dinghy Association website, the Optimist World Championships “typically attracts around 250 young sailors from around the globe with as many as 50 nations represented.”<sup>12</sup>

24. The website also states:

***Team 1 - Worlds Team***

*Selection for the Worlds’ Team will remain unchanged, with the **top five** competitors at the Nationals gaining selection for the team.*<sup>13</sup> [Emphasis added]

25. The website for the 2010 Optimist World Championships held in Malaysia, December 2010 to January 2011, indicates that 231 sailors from 55 countries participated in this event.<sup>14</sup>

<sup>9</sup> (2009) 24 NZTC 23,282, 23,281-2.

<sup>10</sup> Hubert Picarda, *The Law and Practice Relating to Charities*, 3<sup>rd</sup> Ed., London, Butterworths, 1999 at 21.

<sup>11</sup> Ibid at 24.

<sup>12</sup> [http://www.optimist.org.nz/index.php?option=com\\_content&view=article&id=26:2011-worlds&catid=1:news&Itemid=2](http://www.optimist.org.nz/index.php?option=com_content&view=article&id=26:2011-worlds&catid=1:news&Itemid=2) (last accessed 3 February 2011).

<sup>13</sup> [http://www.optimist.org.nz/index.php?option=com\\_content&view=article&id=11:nzioda-team-selection-process-a-class-development-200809&catid=10:about&Itemid=1](http://www.optimist.org.nz/index.php?option=com_content&view=article&id=11:nzioda-team-selection-process-a-class-development-200809&catid=10:about&Itemid=1)

<sup>14</sup> <http://www.optiworld.org/MiniSite/news.php?ID=10newsWorlds3012> (last accessed 3 February 2011)

26. The Commission considers that sailing is a physical activity which is likely to have cardiovascular benefits. However, “management and control of the 2011 Optimist World Championships” will only provide benefits for five elite sportspeople from New Zealand, and a limited number of sportspeople from other countries, who are selected to participate. This event is not open to anyone who wishes to participate and the purpose will not provide sufficient public benefit to be considered charitable under “other matters beneficial to the community”.

### Applicant's submissions

#### *Fundraising*

27. In his letter of 19 January 2011, the Applicant's solicitor states:
4. *It is our submission that any concern that the running of the Championships itself is a primary purpose of the company, arises from a lack of clarity between OWNZ's "activity" and its "purpose".*
  5. *While OWNZ's activity will be the conduct of the Championships, the purpose (i.e. the reason for doing so) is for the benefit of the Charitable Trust and its charitable purposes.*
  6. *In support of this submission, we would suggest that the majority of charitable entities carry out a vast array of activities (which in themselves are not charitable) but the purpose of which is charitable. Examples would be the numerous fundraising events that one sees carried out by charitable entities (e.g. auctions, sale and purchase of goods and services, fundraising events) none of which are inherently charitable, but the purpose of carrying out that particular activity is charitable. The focus of enquiry should not be on the activity, but the purpose of that activity. The purpose does not change because it is carried out by an appropriate entity (i.e. a limited liability company).*
  7. *Accordingly, in this case, OWNZ's activity is the carrying out of an activity (the running of the Championships), the purpose of which is to provide funds for a recognised charitable entity (i.e. the Charitable Trust).*
28. In considering an application, section 18(3)(a) of the Charities Act requires the Commission to have regard to:
- i) *the activities of the entity at the time at which the application was made; and*
  - ii) *the proposed activities of the entity; and*
  - iii) *any other information that it considers is relevant.*

29. In *Attorney-General v Ross*,<sup>15</sup> Scott J stated:

*It is, as I have remarked, settled by, among other cases, IRC v City of Glasgow Police Athletic Association that, if the main purpose of an organisation is charitable, power to carry on incidental, supplementary non-charitable activities is not fatal to charitable status. **The activities of an organisation after its formation may serve to indicate that the power to carry on non-charitable activities was in truth not incidental or supplementary at all but was the main purpose for which the organisation was formed. In such a case the organisation could not be regarded as charitable.***<sup>16</sup>

30. Clause 1.1 of the Applicant's constitution states:

1.1 *The Company is constituted for the purpose of carrying on business exclusively for the NZL Optimist Yachting Trust Board, a charitable trust board incorporated under the Charitable Trusts Act 1957, and in doing so **will restrict its business to the management and control of the 2011 Optimist World Championships** for the benefit of the NZL Optimist Yachting Trust Board and its charitable purposes. [Emphasis added]*

31. In his letter of 30 November 2010 the Applicant's solicitor states:

2. *OWNZ has been formed for the purpose of managing and running the Optimist World Championships which are to be held in Napier, New Zealand at the end of 2011/beginning of 2012.*
3. *All income derived by OWNZ will be used to manage, run and promote the world championships for the benefit of its shareholder NZL Optimist Yachting Trust Board.*

32. In his letter of 19 January 2011 the Applicant's solicitor states:

(b) *It was considered a company be the appropriate entity to conduct the Championships. It is envisaged that on completion of the Championships, the company will be wound up (sic), and any surplus funds will be distributed to its shareholder, the Charitable Trust.*

33. The Commission notes that:

- the Applicant's constitution does not state that its purpose is to raise money for the charitable trust board,
- the Applicant's constitution does not allow it to undertake any other form of fundraising for the trust board
- there is an intention to wind up the Applicant after the 2011 World Championships have been held
- the activity specified as the Applicant's sole purpose (managing and controlling the 2011 World Championships) may, or may not, generate any funds for the trust board.

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<sup>15</sup> [1985] 3 All ER 334.

<sup>16</sup> [1985] 3 All ER 334 at 343.

34. The Commission therefore considers that managing and controlling the 2011 Optimist World Championships, and not providing funds for a recognised charitable entity, is the Applicant's main purpose.

*Purposes of the trust*

35. In his letter of 19 January 2011, the Applicant's solicitor states:
3. *It will be seen from this Article that OWNZ's raison d'etre is the charitable purposes of the Charitable Trust.*
  4. *As a result, OWNZ's purposes must be assessed as being those of the Charitable Trust. The purposes of the two entities are one and the same.*
  5. *The Charitable Trust's purposes have been accepted as being charitable for the purposes of the Act, and as a consequence, OWNZ's purposes must also be accepted as being charitable.*
36. The Commission points out that it takes a case-by-case approach to each application for registration as a charitable entity. The Commission's decisions are based on an assessment of the relevant case law and an applicant's specific purposes and activities as required by section 18(3)(a) of the Charities Act.
37. The Commission notes that the NZL Optimist Yachting Trust Board's deed lists 14 specific purposes. These include a wide range of benefits that are available to the public, such as training in water safety, encouraging young people to participate in sailing, and recording a history of Optimist sailing in New Zealand.
38. The Commission does not consider that the Applicant's purposes, of managing and controlling the 2011 Optimist World Championships for a limited number of elite sportspeople, are "one and the same" as the purposes of the trust board.

*Team selection*

39. In his letter of 19 January 2011, the Applicant's solicitor states:
- The Worlds team selection policy cited by the Commission is the policy of NZIODA, which is a separate legal entity. The directors of OWNZ would be acting unlawfully (under the Companies Act 1993) if they had any regard to NZIODA team selection policy when acting as a director of OWNZ.*
40. The Commission considers that the fact another entity is responsible for limiting the number of people who can participate at the World Championships does not alter its conclusion that this event does not provide sufficient public benefit.

*Beneficiaries*

41. In his letter of 19 January 2011 the Applicant's solicitor states:
- 2. *We submit that the beneficiaries of the Company are not limited to "elite sailing athletes" but are the wide range of persons who benefit from the Charitable Trust.*
  - 3. *Clearly, the ultimate beneficiaries of OWNZ are the beneficiaries of the Charitable Trust. Any distribution from OWNZ will be to its shareholder, that is to say, the Charitable Trust for the benefit of its beneficiaries. The Commission has accepted that the Charitable Trust is a charitable entity, and therefore the persons who ultimately benefit from the activities of OWNZ, are the Charitable Trust's beneficiaries.*
  - 4. *It is therefore our submission that the primary beneficiaries of OWNZ are not practically limited to elite sailing athletes, and that OWNZ does provide sufficient public benefit to be a charity under New Zealand Law.*
42. As indicated above, the Commission considers that the initial benefits arising from the Applicant's purposes will accrue to a small number of elite sportspeople who are permitted to participate. In the event that the Applicant generates any surplus funds for distribution to the charitable trust, this will be too remote to render the Applicant's purposes charitable.

Conclusion

43. The Commission concludes that the Applicant's purposes set out in clause 1.1 of its rules and its activities are non-charitable for the reasons stated above.

**Charities Commission's determination**

44. The finding of the Commission is that the Applicant has failed to meet an essential requirement for registration as a charitable entity in that it is not established and maintained exclusively for charitable purposes, as required by section 13(1)(b) of the Act.

**For the above reasons, the Commission declines the Applicant's application for registration as a charitable entity.**

Signed for and on behalf of the Charities Commission

.....  
Trevor Garrett  
Chief Executive

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Date