BRITTLE BONE SOCIETY PROPOSED INCORPORATION
Information for Members

What are we proposing? We intend to convert our charity into a separate legal entity by incorporating it as a Scottish Company Limited by Guarantee (new BBS). While this will be a Scottish entity (because this is where our office is), we will continue to work throughout the United Kingdom and Ireland.

What does "incorporating" mean? Incorporating our charity means giving it a legal existence separate from its trustees so that it can do things in its own right.

Why are we proposing this? At present, because the BBS is an unincorporated association, everything it does has to be done by the members of the Executive Committee (more commonly known within our charity as the trustees). The BBS cannot hold assets in its own name and the trustees are personally responsible for all of its operational liabilities. This means that if the BBS does not have enough funds to meet its commitments, the trustees must personally fund the shortfall. For example, if the costs of an annual conference exceed the budget and the BBS does not have funds to meet these costs, the trustees must personally make up the difference. The vast majority of our peer charities are incorporated so that their trustees do not have to bear this risk. We are lucky to have been able to attract the committed trustees we have, but as we grow and take on more ambitious projects, we risk not being able to attract the calibre of trustees we would like because of the burden of being personally liable in this way.

Will this make the trustees less careful or less committed? The legal duty of our trustees to act in the best interests of the charity and to take due and diligent care in discharging their duties will not change. They will remain personally liable to the new BBS if they are in breach of duty. There will therefore be no change to the care and commitment of our trustees.

Will this make any difference to the members? No, the new BBS will have the same objects in serving the OI community. All current BBS members will transfer their membership to the new BBS and members will have the same rights to elect the trustees as they do now. We will take the opportunity to update and modernise our constitution.

What will change with new BBS being a company limited by guarantee? As well as being regulated under charity laws, the new BBS will also be subject to company law regulation, and will make filings with Companies House. The trustees decided upon a company limited by guarantee rather than the more lightly regulated charitable incorporated organisation (CIO).

Other than this, administratively very little will change. As required by Scots law, the new BBS will be registered with the OSCR (Scottish Charity Regulator) and will be a cross-border charity covering all of the UK as well as Ireland. Under

The Brittle Bone Society is a Registered Charity in England & Wales No. 272100 and Scotland SC010951
agreements among the UK charity regulators for cross-border charities, the lead regulator for new BBS is likely to be the Charity Commission for England and Wales.

**When can this happen?** Approval for the incorporation must be given by the charity regulators in Scotland and England and Wales. Subject to membership support, we hope to obtain these approvals and get the new BBS up and running at the end of 2020/the beginning of 2021.

**What about the Medical Advisory Board and the Scientific Board; will they continue?** Yes, these boards will continue as before.

**How does this happen?** Subject to member approval, we will form the new BBS and prepare legal documentation to transfer all of the existing assets and obligations of the BBS into the new BBS. This will include a transfer of all staff and all memberships.

**Will the new entity have the same name?** Subject to approval by the charity regulators, the legal name of the new BBS will be "The Brittle Bone Society (BBS)" but day to day we will still be The Brittle Bone Society. Although it is a company, because it is a charity, new BBS will not use "limited" in its name. Our existing unincorporated association will need to remain in existence for a period of time for legal reasons but will eventually be dissolved.

**Will Gift Aid apply to the new entity?** Yes.

**Will this affect how our donors see us?** We think it will make them see us more positively as it will demonstrate that we have updated our legal governance while maintaining the close relationship we have with our members. Donors are now more used to dealing with incorporated charities than with unincorporated associations.

**Will we need to change our branding?** No. We will have to change our charity number, but otherwise all of our branding will remain the same. Our trademark registrations will be transferred to new BBS and we will continue to use the BBS wishbone.

**Have other charities gone through this incorporation process?** Yes, many charities have gone through this process in accordance with guidance from the charity regulators.

If you have any queries around this process ahead of the AGM meeting please contact us at admin@brittlebone.org.