

Please see below the answers to questions about incorporation submitted by members in advance of the AGM:

Question: Why incorporate as a company, and not as a charity?

Answer: The main benefits of being a charity would be gift aid, and rate relief. However, the level of donations the club receives are very low (near zero in most years) and the club does not own property or pay business rates – so for ELRFC the benefit of being a charity at this time would be small. In the future it will still be possible for the Company Limited by Guarantee to register as a charity or Community Amateur Sports Club (CASC) should there be benefit in doing so.

Question: Will the club have to pay more corporation tax if it incorporates?

Answer: The Club currently claims exemption from liability to corporation tax on the grounds of mutual trading (meaning income from members for the benefit of members is not liable to corporation tax). On incorporation, the new corporate body would also claim this exemption.