

## DISSOLVING A CHARITY

As with non-charities, prior to taking the decision to dissolve your charity you first need to ensure that you have the power to do so. This will be detailed in your organisation's governing document in a clause similar to below.

### **10. DISSOLUTION**

If the Management Committee, by a simple majority, decide at any time, on ground of expense or otherwise, that it is necessary or advisable to dissolve the Organisation, it shall call a Special Meeting of the Organisation. Any assets remaining after the satisfaction of any proper debts and liabilities, shall be given or transferred equally to any charitable organisation with similar aims and objectives to the Organisation.

A Special General Meeting (SGM) will at some point have to be called to allow the membership to have the final say on any proposal to dissolve. Unlike non-charities though and regardless of what legal structure your charity takes, you must always seek prior consent from the Office of the Scottish Charity Regulator (OSCR) before dissolving a charity. This involves following the below process, with the exception of SCIOs which must follow a different process (*please see section 6.3*).

1. Complete and submit to OSCR an [Application for Consent to Wind-up or Dissolve a Charity](#) form at least **42 days** prior to the proposed date of dissolution. This date varies depending on the legal structure of your charity:

Date of dissolution per legal structure	
Unincorporated associations	The date that the charity trustees formally agrees to dissolve the charity.
Trusts	The date that the charity's capital is expended.
Companies	The date that the charity is dissolved by Companies House.

2. OSCR will decide whether it can give consent to the proposal to dissolve. In doing so it will look to see if your governing document provides with you the power to dissolve, that your remaining assets will be distributed in line with your governing document (donated to a charity of similar aims or objectives etc.) and will check to ensure that you have applied in good time, i.e. given the required minimum **42 days'** notice.
3. Within **28 days** of receiving the application to dissolve the charity, OSCR will notify you of its decision which will either be to grant consent, issue a direction not to dissolve the charity for a period of six months or to refuse consent if the conditions of the above paragraph cannot be satisfied.
4. If OSCR grant consent, you can dissolve the charity once the original **42 day** notice period has expired.
5. Within **three months** of the eventual date of dissolution however, you must notify OSCR that you have dissolved the charity. This involves completing and submitting a [Notification of Changes Made to your Charity](#) form and providing evidence including final bank statements showing that the account is closed, final accounts (if available), receipt/confirmation of the transfer of the assets/liabilities, minutes from meeting where the decision to dissolve the charity was made and evidence from Companies House (*please see section 6.4 for dissolving limited companies*).

Please note that if you a charity with a legal structure other than a SCIO and simply wish to continue your activities without charitable status, you should not follow the process outlined above. Instead you should contact OSCR to ask to be removed from the charity register and it will do so within **28 days**.

For further information on dissolving a charity (non-SCIOs), please refer to OSCR's [Dissolving your charity – seeking OSCR's consent](#) guidance.