

An **Object** must clearly and simply state what the charity is established to achieve. By reading the **Objects** one has to be able to determine at once what the organization is being established to do. It should be very apparent that the purposes fall under the 1st schedule, Section 3 of the Charities Act, any purposes not identified under this schedule will result in a denial of approval. It is never sufficient however, to just list the Charitable Purposes contained in Schedule 1 of the Charities Act as the Entity's Objects, as these are mere categories and do not give sufficient detail as to what the organization has been established to achieve. There must also be a clear public benefit so that the target population showing who will benefit must be recognizable. See paragraph (4) of the Charities Act.

For example:-

- the prevention and relief of poverty(as per the Charities Act) would be considered vague.
- a more fulsome **object** would be *to provide care and support to senior citizens in the community of Rockfort in order to ensure a better standard of living for these persons.*

Please note the following:-

- 1) The target population is clearly stated i.e. *the senior citizens in the Rockfort community.*
- 2) The aim or goal of *providing care and support to the targeted population* is easily identifiable.
- 3) The charitable purpose of *prevention or relief of poverty* is encapsulated in the words *to ensure a better standard of living.*

Additionally every **Object** must have ensuing supporting **Powers** and must be separated from the **Objects**. The **Powers** must set out "how" the organization is to carry out its **Objects**. The **Powers** clause must be introduced in the following form "*The association shall have the following Powers which shall be exercised solely in furtherance of the above-mentioned Objects.*" The **Powers** must state the activities to be undertaken by the charity in order to ensure that the **Objects** are being achieved. Using the above example, the **Supporting Powers** could include:-

- a) Distributing food to senior citizens in the targeted communities.
- b) Assisting seniors in registering for social benefits e.g. PATH, NHF and JADEP and other government support.
- c) Accessing medication for seniors who are unable to access same under government health programmes.

Please note that supporting powers not only serve to highlight how the Charity plans to achieve its **Object**, but provides further clarity as to its charitable purpose. Any power of the organization must not be an independent purpose e.g. a church should not operate a gas station, however, a school may operate a canteen as this activity can be seen as merely incidental to the charitable purpose of the advancement of education.

Additionally, every schedule of objects and powers should contain administrative objects that speak to the day to day operation of the charity. For example: The ability to open bank accounts, the ability to sign cheques and the ability to hire.

Care must be taken however, in drafting the **Powers** to ensure that when they are exercised they do not transform the charity into a commercial entity, for example:-

- (a) To buy, sell (both to persons residing on the Association's premises and to non-residents) import, produce, manufacture or otherwise deal in food and food products, meat, groceries, fruit, confectionary, wine, spirits, beer and alcoholic beverages, tobacco, druggist supplies, beverages, linen, furniture and furnishings and other articles required in any of the businesses and for the purpose of the Association.
- (b) To acquire for investment or resale and to traffic in land and houses and other property of any tenure any interest therein and to create, sell and deal in freehold and leasehold ground rents.
- (c) To enter into bond or give easy guarantee or indemnity for the due performance of any contract, agreement, debt, or other obligation and to guarantee the account of any person with the bank, society, company or person and to sign and execute any document or instrument necessary in connection with the foregoing and to vary the investments of the company.
- (d) To undertake and transact all kinds of agency or business which an ordinary individual may legally undertake.

Are examples of Powers that are deemed commercial and should not normally be undertaken by a Charity.

The Articles of Incorporation must include an Income Clause which will make it clear that the income of the organization cannot enure to any private stakeholder and that only directors involved in the day to day activities such as a Managing Director should be remunerated.

There should also be a dissolution clause which addresses how the assets will be dealt with in the event that the charity is wound-up.