

BOVEY TRACEY PARADISO ARTS LIMITED: CHARITABLE STATUS

1. SUMMARY

Bovey Tracey Paradiso Arts Limited is a Community Benefit Society (number 7584) registered with the Financial Conduct Authority (FCA) since 2017. Annual returns and accounts are publicly available on the [FCA Mutuals Register](#) website. The FCA approved *Rules* for the Society are on the Bovey Tracey Paradiso Arts [website](#).

- **HMRC says Bovey Tracey Paradiso Arts is a charity for tax purposes.** The HMRC certification is on the Society's [website](#). Legislation currently requires charitable Community Benefit Societies to register with the FCA instead of the Charity Commission
- **The Charity Commission says that HMRC recognition as a charity for tax purposes means Bovey Tracey Paradiso Arts is an 'exempt' charity.** An exempt charity is one registered with a body other than the Charity Commission

2. COMMUNITY BENEFIT SOCIETY: COMMUNITY NOT PRIVATE BENEFIT

FCA: a Community Benefit Society must benefit the community

To be a registered Community Benefit Society Bovey Tracey Paradiso Arts has proved to FCA that it is for community benefit. Its members own the Society but do not get any dividend on the money they have contributed. Every year Bovey Tracey Paradiso Arts has to tell the FCA how it has delivered community benefit.

Any profit made by the Society can only be used for the benefit of the community. If any assets are sold (or the Society wound up) assets can only be used for the benefit of the community and not distributed to members (this is called the 'asset lock').

The Rules of Paradiso Arts: public benefit

The governing *Rules* of Bovey Tracey Paradiso Arts have been approved by the FCA. Like any charity they set out the Objects of the Society – what it exists to do. In summary the Objects say Bovey Paradiso Arts a) shall for public benefit advance education in the arts and b) promote recreational and other leisure facilities for the purposes of social welfare for the inhabitants of Bovey Tracey and surrounding areas.

3. CHARITABLE STATUS

HMRC: Paradiso Arts is the same as a charity

[HMRC](#) has accepted that Bovey Paradiso Arts is a charity for tax purposes because the business of the society is conducted for the benefit of the community. A Community Benefit Society recognised by HMRC as a charity for tax purposes has the same tax benefits as a charity registered with the Charity Commission..

Charity Commission: Paradiso Arts is classed as an 'exempt' charity

The [Charity Commission](#) says that HMRC recognition as a charity for tax purposes is proof of exempt charity status. An exempt charity is registered with a body other than the Charity Commission and for Bovey Tracey Paradiso Arts that is the FCA.