

Filanthropia Consulting profile

Who we are:



Filanthropia Consulting Limited was established in 2015 by charity lawyer, Sarah Chiappini. Until 2013, Sarah spent almost 19 years in private practice (most recently with Charles Russell Speechlys and Farrer & Co), specialising in charity law, trust law and certain aspects of company law and commercial law.

All services are provided by Sarah, via Filanthropia Consulting, in her capacity as a Solicitors' Regulation Authority regulated freelance solicitor. Please see the section headed "Regulatory" on the Filanthropia Consulting website for further details in this regard: www.filanthropia.co.uk.

What we do:

We provide a wide range of services to charities and not for profit organisations including, but not limited to:

- advising on the establishment of new charities and not for profit organisations (including community interest companies (CICs)) and registering them with the appropriate regulators;
- advising on governance and regulatory issues, including governance reviews and audits;
- undertaking constitutional reviews and implementing amendments;
- advising on tax, trading and fundraising issues;
- advising on restructures and reorganisations, including mergers and incorporations (using both the company limited by guarantee vehicle and the charitable incorporated organisation (CIO) vehicle) – please see the appendix to this document for more details;
- advising on the application of charity funds and grant-making policies and procedures;
- advising on trustees' powers of investment and the expenditure of permanent endowment;
- advising on general commercial issues;

- providing trustee training; and
- providing company secretarial related services.

How we are of benefit to our clients:

Sarah Chiappini has a wealth of knowledge and experience in assisting charities and not for profit organisations of various types and sizes, from large household named charities to small grass roots organisations. Sarah brings this expertise with her to Filanthropia Consulting. She provides charities and not for profit organisations with cost effective legal and related support to assist them operate more efficiently and effectively.

More about Sarah Chiappini:

Sarah qualified as a solicitor in 1994, after having completed her training contract at specialist Catholic charity law firm Witham Weld, now Potheary Witham Weld. In 1997 Sarah joined the charities team at Paisner & Co (headed by Anne-Marie Piper, founder and former chair and secretary of the Charity Law Association). Upon Paisner's merger with Berwin Leighton in 2001, Sarah followed Anne-Marie to join the charities team as a senior solicitor at Farrer & Co. In 2006, after a short break from private practice following the birth of her second child, she joined the charities team at Charles Russell (now Charles Russell Speechlys), as a senior solicitor working primarily from their Guildford office.

During her time in private practice Sarah participated in two Charity Law Association Working Parties; wrote regularly on charity law and related matters for both internal and external publications; and presented at charity law seminars and workshops. (Sarah continues to write on this subject and continues to present at seminars and workshops).

Sarah Chiappini, Filanthropia Consulting:

Summary of Sarah's charity merger, restructure, incorporation and related experience

Introduction and background

1. During my time in private practice I advised on and implemented many charity mergers, including mergers between charities and non-departmental public bodies and charities and NHS Trusts. I also advised extensively on charity restructures and incorporations (see section 4 below).
2. Through Filanthropia Consulting a significant portion of my work also involves advising on charity mergers, restructures and incorporations (see section 3 below).

Examples of recent relevant merger and related experience

3. I have recently advised/I am currently advising in relation to:-
 - the merger of a charity that provides sporting facilities for the underprivileged in London into a charity that provides similar facilities internationally;
 - the merger of a village hall charity and a playing field charity into a newly established charitable incorporated organisation (CIO);
 - the merger of a well-known charity that provides training and support for nurses and midwives into a charity that provides similar training and support;
 - the merger of several small charities operating in a specific geographical location into a larger charity that provides facilities and support in the same location (the mergers preceded my advising in relation to the amendment to the objects of the transferring charities so that they were compatible with those of the transferee charity and the lifting of the permanent endowment restrictions from the trusts of the transferring charities);

- the merger/restructure of various international affiliates and branches of a UK registered environmental charity founded and chaired by a “household named” individual;
- the merger of two almshouse charities;
- the merger of a charitable company limited by guarantee into a charitable community benefit society (the latter being an exempt charity regulated by the Financial Conduct Authority rather than by the Charity Commission);
- the “hive off” certain arts based activities for underprivileged young people from a well-known Christian charity into a new charitable company limited by guarantee that has household named trustees, patrons and ambassadors;
- the “hive off” of a programme that provides seed funding to small charities and social enterprises to help them grow and develop from a large grant-making charity to a new CIO that has household named trustees;
- the restructuring of various military charities;
- the incorporation of numerous village halls and community related charities;
- the incorporation of various almshouse charities;
- the incorporation of a medical research charity; and
- the incorporation of a theatre/performing arts charity.

Examples of some of the charity mergers with which I have previously been involved while in private practice

4. A brief description is set out below of the some of the charity mergers which I have either led or with which I have had significant involvement while I was a lawyer in private practice:
- merger of two government sponsored charities, both established as companies limited by guarantee and both delivering parenting related advice and services, into a newly created “joint venture” charity;
 - merger of a charity established as an Industrial and Provident Society operating registered care homes for disabled children and young persons with a charity established as a company limited by guarantee undertaking similar activities;

- merger of two charities operating in the field of welfare of the aged and related research: this merger was effected by the transferee charity taking over the trusteeship of the transferor charity;
- merger between two charitable companies limited by guarantee providing support and services to children with disabilities and other special needs;
- merger of the social care division of an NHS Trust into an existing charitable company limited by guarantee providing housing and care for children and young persons;
- merger of a Non Departmental Public Body and a government sponsored charity into a newly created charity to provide training and support for teachers and others involved in the teaching profession;
- merger of an acting school established as a company limited by guarantee into a University established by Royal Charter, whereby the University became the sole corporate member of the acting school.

Summary of expertise and experience in relation to charity mergers (much of which is also relevant to restructures and incorporations) and issues which generally arise

5. This includes:-

- 5.1 preparing pitch documents and attending and presenting at pitches;
- 5.2 preparing a pre-merger report to highlight various issues including, but not limited to:-
 - whether the merging parties have the legal power to merge;
 - whether the merger would be in the best interests of the client: including the need to ascertain (a) the business case for the proposed merger and (b) whether or not there are any matters relating to the proposed merger which could or might undermine the success of the client eg legal, financial and/or reputational;
 - identification of third party consents required: in particular in relation to third party funding contracts and regulators such as the Charity Commission, relevant Government Departments, the Regulator of Social Housing, the Care Quality Commission, the National Audit Office and the Financial Conduct Authority;
 - pension issues;
 - staff issues;

- property issues (external property lawyers will be instructed in relation to the transfer of any freehold or leasehold interests in land and other property related transactions); and
 - tax and VAT issues.
- 5.3 provision of a due diligence questionnaire and advising on the due diligence process and on any matters arising from that process;
- 5.4 preparation of a merger action plan and timeline;
- 5.5 liaising with expert pensions, employment, property and intellectual property lawyers and accountants as necessary/appropriate;
- 5.6 preparation of the transfer agreement between the parties in order to effect the merger; and
- 5.7 dealing with post completion matters.

Sarah Chiappini
Director/Solicitor
Filanthropia Consulting

January 2024