

United Christian Broadcasters Ltd
A public benefit assessment report by the Charity Commission



The Charity Commission

The Charity Commission is the independent regulator of charities in England and Wales. Its aim is to provide the best possible regulation of charities in England and Wales in order to increase charities' effectiveness and public trust and confidence. Most charities must register with the Commission, although some special types of charity do not have to register. There are some 190,000 registered charities in England and Wales. In Scotland the framework is different, and the Commission does not regulate Scottish charities.

The Commission provides a wide range of advice and guidance to charities and their trustees, and can often help with problems. Registered charities with an annual income of over £10,000 must provide annual information to the Commission. The Commission has wide powers to intervene in the affairs of a charity where things have gone wrong.

More information about the Commission together with a range of guidance for charities can be found on our website www.charitycommission.gov.uk, or by contacting Charity Commission Direct:

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The Charity Commission is the independent regulator of charities in England and Wales. In October 2008 we started a public benefit assessment in relation to United Christian Broadcasters Ltd. This is a report of our findings.

Section A: The purpose of this report

This report sets out the Charity Commission's findings from our public benefit assessment for United Christian Broadcasters Ltd (referred to in this report as 'the charity' or 'UCB'), registered charity number 299128. You can find further information about what public benefit assessments are, how we carry them out, a glossary of terms and other details on the public benefit pages of our website.

Section B: Key details about the charity

Charity registration details

United Christian Broadcasters Ltd (UCB) has operated since 1987. It was registered as a charity in 1988.

Location and operation

UCB is a Christian media charity operating within the UK and Ireland. It also promotes the work of humanitarian organisations whose aims and activities are based on Christian faith. The charity seeks to change lives for good in spiritual, moral, ethical and practical ways which reflect and demonstrate the Christian faith.

Main areas of operation include:

- broadcasting on five Christian radio channels and one television channel 24 hours a day;
- publishing and distributing Christian literature;
- offering a prayerline service to anyone who needs someone to pray with;
- making available daily Bible verse readings for subscribers to UCB Mobile;
- providing the LookingforGod.com website which promotes the gospel of Jesus through video clips and personal testimony;
- operating a mail order business UCB2GO which distributes selected Christian resources;
- carrying on educational work including training in broadcasting and Investors in People principles; and
- providing a media platform for relief organisations whose aims and activities are based on Christian principles.

UCB is affiliated to UCB International Limited (UCBi), a corporate body registered as a charity in New Zealand. UCB holds 19.2% of the issued shared capital of UCBi. UCBi establishes, operates, assists and encourages Christian broadcasting organisations throughout the world. UCB donates approximately 10% of its unrestricted donations to UCBi in furtherance of its aims.

The charity's registered office is based in Stoke-on-Trent.

Fees

The charity charges for the following services:

- Text a Prayer - Messages charged at the mobile standard rate
- Sale of airtime - Subject to individually negotiated contracts

Most of the income of the charity is from voluntary donations. The charity derives 10.5% of its income from sales of airtime, mail order items and other trading activities directly in furtherance of its aims.

Opportunities to benefit for those unable to afford the fees

The charity offers the following services free of charge:

- TV and radio broadcasting – these services are accessed through either a Sky digital box or a digital radio. Based on industry standard percentages, it has been estimated by the charity that approximately 400,000 people in the UK listen to UCB's radio broadcasts and 390,000 watch the television broadcasts.
- Distribution of The Word for Today and Word4U2Day booklets – nearly 4 million free copies are distributed each year.
- Distribution of the Book of Hope to schools throughout the UK – over 650,000 copies are distributed each year.
- Providing the LookingforGod.com website – the site receives approximately 130,000 UK-based visitors each year.
- Providing the UCB prayerline – approximately 77,000 telephone calls answered each year.

Financial position: year ending 31 December 2007

	Unrestricted Funds	Restricted Funds	Total
Income	£6,765,605	£53,503	£6,819,108
Expenditure	£7,052,537	£9,554	£7,062,091
Net incoming/ (outgoing) resources	£(286,932)	£43,949	£(242,983)
Net assets	£2,411,366	£82,479	£2,493,845

Section C: Are the charity's aims capable of being charitable?

In this section we report on the charity's aims and whether they fit within the list of descriptions of purposes within section 2 (2) of the Charities Act 2006 that are capable of being charitable purposes.

The charity's objects* are as follows :

- “(a) the advancement of the Christian Religion either in the United Kingdom or overseas;
- (b) the advancement of religious or other education; and
- (c) the relief of the aged poor sick or disabled.”

Where an organisation has more than one aim, each of those aims must be for the public benefit. The charity's aims are to advance religion and education and to relieve poverty and other forms of need and our assessment found that the charity's operation was fully within these aims.

We concluded that the charity's aims are reflected in the current objects and fall within the following descriptions of purposes in the Charities Act 2006:

s2(2)(a) the prevention or relief of poverty;

s2(2)(b) the advancement of education;

s2(2)(c) the advancement of religion; and

s2(2)(j) the relief of those in need by reason of youth, age, ill-health, disability, financial hardship, and are capable of being charitable subject to meeting public benefit requirement.

* set out in the memorandum and articles of association incorporated on 23 October 1987 as amended on 13 October 2006

Section D: Are the charity's aims for the public benefit?

To meet the public benefit requirement, the organisation must meet the two public benefit principles. These are:

Principle 1: There must be an identifiable benefit or benefits

Principle 2: Benefit must be to the public, or section of the public

We looked at the sub-principles within each of these.

- Sections D1 and D2 set out our findings for those relating to principle 1.
- Sections D3 – D6 set out our findings for those relating to principle 2.
- Section D7 sets out our conclusions on whether the organisation meets the public benefit requirement.

Section D1

We looked at the first two sub-principles together:

- **sub-principle 1a - it must be clear what the benefits are**
- **sub-principle 1b - the benefits must be related to the aims**

Relevant benefits

Advancement of the Christian religion

The charity uses religious broadcasting, publications, the operation of a prayerline and website, and the sale of religious publications to pursue the charity's aim of changing lives for the good in spiritual, moral, ethical and practical ways which demonstrate the Christian faith.

These are all accepted ways for a charity to advance religion. For example:

- the publications and programmes promote the Gospel and reinforce Christian values;
- the prayerline provided by the charity enables members of the public to telephone and ask someone to pray with them as a means of providing spiritual and moral guidance and support and this may be seen as an example of the pastoral work of the charity.

The benefits are clear, identifiable and related to the aim of advancing the Christian religion.

Advancement of religious or other education

The education is carried out by the sale of Christian resources, by training of staff and volunteers, and by providing training to organisations with similar aims. UCB has been approved by the Institute of Leadership & Management (ILM) as an ILM Centre to provide training in areas covering leadership and management, and to date, 26 people have passed this accredited training.

Relief of the aged, poor, sick or disabled

UCB promotes the work of organisations for the relief of need whose aims and activities are based on Christian faith. It does this through its broadcasting and publications. The benefit is not quantifiable. However, this is recognisable and, in principle, capable of furthering the purpose of the relief of the aged, poor, sick or disabled and providing benefit to the public.

UCB raises funds and provide grants to the 'Village of Hope' orphanage in Romania. This benefit is clear and identifiable and relates to the aims in so far as the beneficiaries may be poor, sick or disabled. There may however be recipients who do not fall within these specific categories of need. This activity may, however, be undertaken as an expression of religion, in furtherance of its aim to advance the Christian religion.

Some benefits are more significant and quantifiable than others and impact to a greater extent upon the public benefit. Having regard to each of the charity's three stated aims and the totality of benefits relating to each, there are significant benefits which are clear, identifiable and related to those separate aims.

We concluded that there are clear, identifiable benefits that are related to the charity's aims, as well as some benefits that are less tangible. The benefits are sufficient for us to conclude that the charity does meet sub-principles 1a and 1b.

Section D2

Sub-principle 1c: Benefits must be balanced against any detriment or harm

We explain in *Charities and Public Benefit* our approach to assessing this sub-principle.

Based on this, we found no evidence or indication of detriment or harm in relation to this charity.

We concluded that there was nothing under sub-principle 1c that would affect the assessment of public benefit in this case.

Section D3

Sub-principle 2a: The beneficiaries must be appropriate to the aims

The charity's aims are to benefit the public generally and do not restrict the benefits to a particular group of people.

We concluded that the beneficiaries are appropriate to the aims and that this sub-principle is met.

Section D4

Sub-principle 2b: Where benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted

In this section we consider geographical and other restrictions. In section D5 we consider restrictions arising as a result of the fees charged.

Geographical restrictions

There is no express geographical restriction in the stated objects applied to the opportunity to benefit. In practice the charity operates within the UK and Ireland.

Religious restrictions

The governing document does not contain any religious restrictions on who may benefit from the charity's services. Sale of airtime and support of humanitarian bodies is restricted to organisations whose aims and activities are based on Christian faith in furtherance of the charity's purposes.

Membership restrictions

There are no membership restrictions in the stated objects applied to the opportunity to benefit.

These restrictions on who has the opportunity to benefit are rational and justifiable and **we concluded that** the opportunity to benefit is not unreasonably restricted by geographical or other factors outlined above and that the charity does meet sub-principle 2b in relation to restrictions other than fees.

Section D5

We considered the following related sub-principles together:

- **sub-principle 2b (the opportunity to benefit must not be unreasonably restricted by ability to pay any fees charged); and**
- **sub-principle 2c (people in poverty must not be excluded from the opportunity to benefit)**

Taken together, these sub-principles mean that the charity must be able to show that there is sufficient opportunity to benefit in a material way that is related to the charity's aims for those who cannot afford the fees, including those in poverty.

We describe in section C of *Public Benefit and Fee-charging* the principal factors derived from case law which we use to assess this.

Our assessment of the charity under these sub-principles looked at whether the level at which fees are set has the effect of preventing people who are unable to pay the fees from benefiting from the services or facilities.

The charity only charges for a small proportion of its services, the majority of services are provided free of charge and available to all.

The sale of airtime is on a scale of charges. This does not represent a large percentage of the charity's income. The sale of airtime is used both as a means to further the purposes of the charity in broadcasting religious programmes and for income generation. Although the charges are relatively high the trustees confirm that they are subject to individually negotiated discounts and often no charge is made.

Where charges are made for Text a Prayer messages they are charged at the mobile standard rate rather than premium rates.

The charity offers the following services free of charge:

- TV and radio broadcasting – accessed through a Sky digital box or a DAB digital radio. Based on industry standard percentages, it has been estimated by the charity that approximately 400,000 people in the UK listen to UCB's radio broadcasts and 390,000 watch the television broadcasts.
- Distribution of The Word for Today and Word4U2Day booklets – nearly 4 million copies are distributed each year.
- Distribution of the Book of Hope to schools throughout the UK – over 650,000 copies are distributed each year.
- Providing the LookingforGod.com website - the site receives approximately 130,000 UK-based visitors each year.

If people in poverty are unable to access Sky digital and digital radio programmes they are able to benefit either through the distribution of free publications or the charity's website.

The fees (where paid) are affordable by most people and would therefore fit in the definition of 'low fees' in *Public Benefit and Fee-charging*. This means that the fees do not prevent people from having the opportunity to benefit from the charity's services.

We concluded that, taking into account what is reasonable and appropriate in the circumstances of this charity, it does provide sufficient opportunity to benefit in a material way for those who cannot afford the fees and that the charity fully meets sub-principles 2b (in relation to fees) and 2c.

Section D6

Principle 2d: Any private benefits must be incidental

We looked at the potential for private benefits arising from the charity carrying out its aims.

UCB is affiliated to UCB International Limited (UCBi), a corporate body registered as a charity in New Zealand, which establishes, operates, assists and encourages Christian broadcasting organisations throughout the world. UCB donates approximately 10% of any unrestricted donations it receives to UCBi in furtherance of its charitable aims.

One of the trustees of the charity (UCB) is the President of UCBi. He is paid by that body in return for services actually rendered to it in acting as its President. He does not receive remuneration or other personal benefits from UCBi in connection with:

- other work he performs in relation to its affiliate boards; or
- an interest he holds in the shares of UCBi.

The reasonable remuneration of a trustee is authorised by New Zealand law and the New Zealand Charities Commission.

The trustees confirmed that funds donated to UCBi are ring-fenced so that no part of those funds can be used to pay any part of the UCBi President's salary and that no private benefits accrue to the UCBi President from the use of resources contributed by UCB. They also confirmed that mechanisms are in place to ensure this and that any conflicts of interest are managed.

We concluded that private benefits are incidental and that this sub-principle is met.

Section D7

Conclusion: Is the public benefit requirement met?

We have concluded that all of the above sub-principles are fulfilled and that the public benefit requirement is met.

Section E: Overall conclusions and required or recommended actions

We concluded that UCB is a charity and is operating for the public benefit.

This publication can also be accessed at the Charity Commission's website: www.charitycommission.gov.uk

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