

Date: 23 February 2013

Introduction

This Constitution amends the Trust Deed dated 14 February 1924 ("the 1924 Deed") establishing Bawdeswell Parish Room as a charitable trust.

The Trustees and the committee of management exercised their power under Clause 3 of that deed to sell the parish room therein given to them and erect a Village Hall on land belonging to the Parish Council.

By a Deed of Declaration of Trust dated 16 September 1992 the Parish Council holds the freehold title to the Property upon the trusts described below.

Area of benefit:

It is not necessary for the area of benefit to be restricted to the civil parish in which the hall is situated. If desired, a wider area of benefit may be defined so as to include, for example, an adjoining parish or hamlet. Insert the name of the Parish or the geographic boundaries as appropriate.

Charity: Insert name.

Connected persons:

This definition relates to Clause 6.11 which covers remuneration of members of the management committee.

Holding/custodian trustees:

If holding trustees then delete 'custodian' (and vice versa) and insert 'the holding trustees' or 'the Parish Council'.

Holding/custodian trustees may be: (a) the Parish Council or some other corporate body qualified to act as custodian trustee or (b) a number of private individuals. To avoid confusion over their roles these should preferably not be members of the management committee. See note (6(f) on page 3.

Parish Council:

Insert name of the Parish Council.

1. Definitions and interpretation

1.1 In this Deed (the 1924 Deed as amended):

‘area of benefit’	means the Parish of Bawdeswell
‘the Charity’	means Bawdeswell Village Hall.
‘connected persons’	means and includes, in relation to a member of the management committee: <ul style="list-style-type: none"> • that person’s spouse or long term partner • that person’s relatives, namely their children, parents, grandchildren, grandparents, brothers, sisters and their spouses and • persons related by marriage.
‘holding/custodian trustees’	means the Parish Council and any other holding/custodian trustee(s) from time to time appointed by the Charity in accordance with this Trust Deed.
‘management committee’	means the first charity trustees and future charity trustees of the Charity.
‘objects’	means the objects of the Charity described in Clause 3.
‘Parish Council’	means the Parish Council of Bawdeswell.

Notes

Property:

Insert details of land.

Charity:

Insert name of charity.

Objects:

The purpose of the charity as here set out reflects the wording of Section 5 of the Charities Act 2011 and current best practice.

Administration, repairs and insurance, and use of income and capital:

The most suitable persons to be named here would be the persons who have acted as an ad hoc or steering committee to acquire the site of the hall.

'Property'

means the property described in the Deed of Declaration of Trust dated 16 September 1992 which forms part of Title NK425612.

'permanent endowment'

means other property of the Charity (i.e. land, buildings, investments or cash) which the management committee may not spend as if it were income without the prior approval by order of the Charity Commission; and expendable endowment means capital of the Charity which may be so spent.

'secretary'

means the secretary of the Charity or any other person appointed to perform the duties of the secretary of the Charity.

'trust fund'

means all property monies and other assets of the Charity.

- 1.2 Words importing the singular only shall include the plural; words denoting one gender shall include each gender and all genders; and words importing natural persons shall include also corporations.
- 1.3 References to an Act of Parliament are to the Act as amended or re-enacted from time to time and to any subordinate legislation made under it.

2. Charity

This Deed constitutes a charitable trust whose name is Bawdeswell Village Hall.

3. Objects

The Property and the trust fund and its income shall be applied for the purposes of a village hall for the use of the inhabitants of the Parish of Bawdeswell without distinction of sex, sexual orientation, age, disability, nationality, race or political, religious or other opinions, including use of the Property for meetings, lectures and classes or other forms of recreation and leisure time occupation in the interests of social welfare and with the object of improving the conditions of life for the said inhabitants.

4. Administration, repairs and insurance, and use of income and capital

- 4.1 The Charity, the Property and the trust fund must be administered by the management committee. The members of the management committee are the charity trustees within the meaning of Section 177 of the Charities Act 2011. Until the end of the first annual general meeting to be held after the date hereof, the management committee shall comprise the Trustees and committee of management currently appointed under the 1924 Deed.

The management committee must act reasonably and prudently in all matters relating to the Charity and must always pursue the interests of the Charity to the exclusion of personal prejudices and interests.

Powers of holding trustees and vesting in the Official Custodian for Charities:

Official Custodian for Charities

It is recommended that the Property should be vested in the Official Custodian for Charities. The disadvantage of individuals as holding trustees is that they die or retire or move away and they will need to be replaced thereby creating expense and trouble for the charity (see note (e) on page 3). The Official Custodian will not take part in the management of the land or property and the control and management of any hall vested in the Official Custodian is left entirely to the management committee. The services of the Official Custodian are free. Where it is decided to appoint the Official Custodian an application must be made on-line to the Charity Commission, who will then make an order vesting the land in the Official Custodian for Charities. If the Official Custodian is not to be appointed, Clause 5.1 should be deleted, the first line of Clause 5.2 should be deleted and sub-clauses 5.2.1 to 5.2.4 renumbered as sub-clauses 5.1 to 5.4.

- 4.2 The management committee must:
 - 4.2.1 ensure that the Property and all buildings thereon and other property of the Charity are at all times kept in repair and sufficiently insured against all insurable risks including fire, theft and public liability and must whenever necessary procure a professional valuation for such purposes, and
 - 4.2.2 take out such insurance as the management committee considers necessary to protect the Charity's property including but not limited to public liability insurance (to include the liability of the Charity to its volunteers) and employer's liability insurance.
- 4.3 The management committee must firstly apply:
 - 4.3.1 the Charity's income, and
 - 4.3.2 if the management committee think fit, expendable endowment and
 - 4.3.3 when the expenditure can properly be charged to it, its permanent endowment in meeting the proper costs of administering the Charity and of managing its property (including the repair and insurance of its buildings).
- 4.4 After payment of these costs, the management committee must apply the remaining income in furthering the Objects.
- 4.5 The management committee may also apply for the Objects:
 - 4.5.1 expendable endowment and
 - 4.5.2 permanent endowment, but only on such terms for the replacement of the amount spent as the Charity Commission may approve by order in advance.

Custodian Trustee:

Parish Council as Custodian Trustee

This alternative Clause 5 should be used if the Parish Council is to be appointed as custodian trustee.

As custodian trustee a Parish Council would have no powers of management but it can be represented on the committee of management as a local organisation (however see Note (f) on page 3). Whilst any corporation qualified to act as custodian trustee may be appointed it is custom to appoint the Parish Council as custodian rather than any other body corporate.

Powers of the management committee:

The management committee is very important. A village hall is intended for the use of every section of the community and national experience suggests that the management should largely be in the hands of local organisations all of which, including those formed after the establishment of the hall, should be given an opportunity to appoint a representative to the management committee. Clause 7 in this Model gives the power to the management committee to enlarge the management committee as required. Provision is made for an annual general meeting open to all inhabitants aged eighteen and upwards in the area of benefit who have the right to elect a number of individuals to serve on the management committee. The management committee thus formed has the power to co-opt additional members but these should be few in number and less than the number of either the appointed or elected members. It is also preferable that

5. Custodian trustee

- 5.1 The Parish Council is the custodian trustee of the Charity and the provisions of Section 2(4) of the Public Trustee Act 1906 applies to the Parish Council and to the management committee respectively in like manner as they apply to the public trustee and managing trustees.
- 5.2 The Parish Council has no powers of management except such as are expressly conferred on it by this Deed.
- 5.3 The Parish Council has the custody of all securities and documents of title relating to the Property but the members of the management committee or any of them have free access and are entitled to take photocopies of them.
- 5.4 The Parish Council must do all that is asked of it by the management committee in relation to the Property unless it involves a breach of trust or involves a personal liability upon it. Provided it acts only in accordance with the lawful directions of the management committee, the Parish Council should not be liable for the act and defaults of the management committee or any of its members.
- 5.5 The powers of appointing new or additional custodian trustees and of discharging custodian trustees are exercisable by the management committee alone, but the Parish Council has the same power of applying to the court or to the Charity Commission for the appointment of a new custodian trustee as has any other trustee for a charity.

6. Powers of the management committee

The management committee has the following powers, which may be exercised only in promoting the Objects:

- 6.1 to raise funds and invite and receive contributions and endowments (whether for general or special purposes). In raising funds the management committee must not undertake any trading activities which are liable to tax other than charity trading and must conform to relevant requirements of the law
- 6.2 to buy, take on lease or in exchange, hire or otherwise acquire any property necessary for the achievement of the Objects and to maintain and equip it for use
- 6.3 subject to Clause 19 and subject to the restrictions imposed by the Charities Act 2011, to sell, lease or otherwise dispose of all or any part of the Property and other property comprised in the trust fund
- 6.4 to deposit or invest funds in any manner (but to invest only after obtaining advice from a financial expert)
- 6.5 to borrow money by mortgage or otherwise or to seek grant aid as may be required for maintaining, extending or improving the Property or any part thereof or erecting any building thereon or for any work carried on therein and to charge the whole or any part of the Property and the trust fund with repayment of the money so borrowed or granted (but only with the agreement of the Parish Council and in accordance with the restrictions imposed by the Charities Act 2011)
- 6.6 to employ staff (who shall not be members of the management committee) and to make all reasonable and necessary provision

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the number of appointed members is greater than the number of elected members; if there are only a few local organisations it may be desirable that each should have two representatives. In this case Clause 7 of the Model must be amended to enable the future organisations to also have two representatives to ensure parity between them. However, it is important that the management committee does not become too large as this may make meetings difficult and lengthy. The appointment, election and co-option of members is made afresh each year.

Where a village has a parish meeting (which is the case in some very small settlements) it is not normally appropriate for the parish meeting to be represented on the management committee as, since the parish meeting includes all persons on the electoral register, a person nominated by the parish meeting would in effect be another elected member. A nomination from a parish meeting might be desirable where a village hall serves two or more parishes to ensure that each parish is represented.

Alternatively such representation could be achieved by specifying that each parish elect a set member of members.

It is advisable to ascertain at an early date any special requirements for the composition of the management committee or otherwise which may be laid down by a local authority or other grant making body.

Remuneration:

In deciding whether to remunerate any member of the management committee and any connected persons for services rendered to the Charity, the management committee must balance the advantages against the disadvantages. The advantages may be seen to be that the charity will benefit from services provided by a trusted member, someone who knows and understands the Charity, its participants and its activities, and

for the payment of pensions and superannuation for staff and their dependants

- 6.7 to co-operate with other charities, voluntary bodies and statutory authorities operating in furtherance of the Objects or of similar charitable purposes and to exchange information and advice with them
- 6.8 to appoint, constitute and provide clear terms of reference for, such sub-committees as the management committee may think fit. Such sub-committees shall be answerable to the management committee and all their acts and proceedings must be fully and promptly reported to the management committee
- 6.9 to delegate to any one or more of the members of the management committee any business of the Charity which is within the professional or business competence of such member or members. The management committee must agree the terms of reference of any such delegation and include them in the minutes of the meeting of the management committee at which the decision to delegate is made
- 6.10 to insure the members of the management committee against the costs of a successful defence to a criminal prosecution brought against them as charity trustees or against personal liability incurred in respect of any act or omission which is or is alleged to be a breach of trust or breach of duty (unless the member concerned knew that, or was reckless, whether the act or omission was a breach of trust or breach of duty)
- 6.11 to remunerate any member of the management committee and any connected persons for services rendered to the Charity PROVIDED THAT:
 - 6.11.1 the amount or maximum amount of the remuneration is set out in an agreement in writing between the management committee and the member concerned
 - 6.11.2 such member and all connected persons (if any) shall not be present at or take part in any discussions or decision relating to such remuneration or the performance and supervision of such services
 - 6.11.3 any decision to remunerate such member and any connected persons shall be taken unanimously by the other members present and voting at the meeting at which the decision is made
 - 6.11.4 the other members are satisfied that they have explored all other avenues of service provision by third parties and that the services rendered by the member or any connected persons and the payment of remuneration are in the best interests of the Charity
 - 6.11.5 the other members are satisfied that the level of remuneration is reasonable and proper having regard to the services rendered by such member and any connected persons to the Charity
 - 6.11.6 the other members are satisfied that the services rendered to the Charity are of special value to the Charity having regard to such member's ability, qualifications, or experience and/or to the level of remuneration for which he/she has agreed to provide them

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that the cost may be lower than using an external service provider. The disadvantages are that: the rest of the management committee will have to supervise the work performed in another capacity by a colleague; and the management committee will be deprived of such individual's contribution to the committee's deliberations on matters connected with the services provided that may be of considerable importance to the charity. The decision to so remunerate may also be seen in a negative way by others involved in the Charity.

The management committee:

Insert numbers desired in each case. See note on page 10.

Appointed members:

Each organisation must be fully described, e.g.
Hollybush Women's Institute

6.11.7 all deliberations and decisions of the management committee under the above are minuted and the secretary is instructed to display the minute of such deliberations and decisions on the Charity's notice board immediately after the minutes have been approved

6.11.8 the number of such members for the time being in receipt of remuneration do not exceed a minority of the members of the management committee and

6.11.9 the management committee has had regard to any guidance given by the Charity Commission concerning the making of such agreement.

6.12 other than where the Property and the trust fund is held by a custodian trustee, to permit any investments comprised in the trust fund to be held in the name of a clearing bank, trust corporation or any stockbroking company which is a member of the International Stock Exchange (or any subsidiary of such stockbroking company) as nominee for the management committee, and to pay such a nominee reasonable and proper remuneration for acting as such

6.13 to do anything else within the law which promotes or helps to promote the Objects. In the exercise of these powers the management committee members must always be mindful that they are charity trustees within the definition of Section 177 of the Charities Act 2011 as the persons having the general management and control of the administration of a charity.

7. The management committee

7.1 The first members of the management committee described in Clause 4.1 shall hold office until the end of the first annual general meeting of the Charity.

7.2 Subject to Clause 7.1, the management committee shall consist of:

7.2.1 6 elected members

7.2.2 4 appointed members and may include not more than

7.2.3 3 co-opted members.

All such members of the management committee are charity trustees for the purposes of charity law.

Elected members

7.3 The elected members must be elected at an annual general meeting or a special general meeting convened in the circumstances described in clause 9.3. If an insufficient number of persons stand, the Parish Council may appoint additional members to complete the committee.

7.4 Appointed members

7.4.1 The Parish Council may appoint two members

7.4.2 Two members may be appointed jointly by the parish clubs and associations which are users of the village hall. The users are:

7.4.2.1 Bawdeswell Bowls Club

7.4.2.2 Bawdeswell Football Club

7.4.2.3 Jaycee Bridge Club

7.4.2.4 The Friends of Bawdeswell Church

7.4.2.5 Bawdeswell Village Cinema

7.4.2.6 Little Monkeys

7.4.2.7 Seekers Children's Club

7.4.2.8 Bawdeswell Running Club

7.5 Any such appointment must be made according to the ordinary practice of the appointing body and must be notified in writing

to the secretary. An appointment must not be made more than two months before the annual general meeting. A meeting will be arranged immediately before the annual general meeting for the appointment of the members by the users. That meeting will determine its own procedure for appointment.

- 7.6 The person appointed need not be a member of the relevant appointing body.
- 7.7 The management committee must promptly report any vacancy in the office of an appointed member to the body entitled to fill it. If the users fail to appoint a member to fill a vacancy, the Parish Council may appoint a member on their behalf.

7.8 Where any application for representation on the management committee is received from any existing or newly-formed body operating in the area of benefit, the management committee may, with the approval of not less than two-thirds of all the members of the management committee, allow such body join in the appointment of members of the management committee in the same manner as if such organisation had been named in Clause 7.4.2. A minute of the relevant resolution, authenticated by the chairman and the secretary, should be (a) placed with the title deeds and (b) kept with the management committee's working papers.

Co-opted members

7.9 Co-opted members must be appointed at a duly constituted meeting of the management committee.

Term of office

7.10 Subject to Clauses 7.11 and 7.12, the period of office of members of the management committee starts:

7.10.1 in the case of elected members, at the end of the annual general meeting at which they are elected

7.10.2 in the case of appointed members appointed at the annual general meeting in any year, at the end of that meeting or, in the case of an appointed member appointed after such annual general meeting, or to fill a casual vacancy, on the day on which notification of his appointment is received by the secretary

7.10.3 in the case of co-opted members, from the date of their co-option.

7.11 All members of the management committee retire from office together at the end of the annual general meeting next after the date on which they came into office but they may be re-elected or reappointed.

Casual vacancies

7.12 In the event of a casual vacancy, the management committee must minute it at their next meeting and, if in the office of an appointed member, notify as soon as possible the proper appointing body or bodies who may on such notice appoint an alternative member to represent them. A casual vacancy in the office of an elected member may be filled by the management committee. The period of office of a member elected to fill a casual vacancy starts at the end of the meeting of the management committee at which he or she was so elected.

New members

7.13 The management committee must give each new member on their first appointment a copy of this Deed and any amendments made to it, and a copy of the Charity's latest report and statement of accounts.

Register of members

7.14 The management committee must keep a register of the name and address of every member of the management committee and the dates on which their terms of office begin and end.

Notes

Termination of membership of the management committee:

Disqualification of trustees

Until the 1992 and 1993 Charities Act almost anybody over the age of eighteen was eligible to be appointed a trustee. Section 178 of the Charities Act 2011 states that a person may not be appointed a trustee of a charity if:

- (a) he has been convicted of an offence involving dishonesty or deception
- (b) he has been adjudged bankrupt or sequestration of his estate has been awarded and (in either case) he has not been discharged
- (c) he has made a composition or arrangement with, or granted a trust deed for, his creditors and has not been discharged in respect of it
- (d) he has been removed from office as a charity trustee or trustee of a charity by the Charity Commission or the High Court because of misconduct or mismanagement in the administration of the charity for which he was responsible or to which he contributed
- (e) he is disqualified from being a director of a company.

A person who is already a trustee is automatically disqualified from his position if he becomes disqualified for any of the reasons set out in Section 178. Acting whilst disqualified is a criminal offence and may result in a fine or even imprisonment. A person who is disqualified under Section 178 may apply to the Charity Commission for a waiver to enable them to become or continue as a charity trustee or trustee of a charity.

Termination of membership
Appointed members can be replaced by their appointing organisation under Clause 7.12

Members may not be personally interested:

A trustee must not profit from his office and a holding trustee cannot be paid unless specifically permitted by the Deed if the Charity Commission gives its approval. However a member

8. Eligibility for membership of the management committee

- 8.1 No person may be elected or appointed as a member of the management committee:
 - 8.1.1 unless he has attained the age of 18 years or
 - 8.1.2 if he is disqualified from acting as a member of the committee by virtue of Section 178 of the Charities Act 2011 or
 - 8.1.3 in circumstances such that, had he already been a member of the management committee, he should have been disqualified from office under the provision of Clause 9.
- 8.2 No person shall be entitled to act as a member of the management committee whether on a first or any subsequent entry into office until after signing in the minute book of the management committee a declaration of acceptance and willingness to act in the trusts of the Charity.

9. Termination of membership of the management committee

- 9.1 A person shall cease to be a member of the management committee if he:
 - 9.1.1 is disqualified from acting as a member of the management committee by virtue of Section 178 of Charities Act 2011
 - 9.1.2 becomes incapable by reason of a mental disorder, illness or injury of managing and administering his own affairs or
 - 9.1.3 is absent without the permission of the management committee from all their meetings held within a period of six months and the management committee resolve that his office be vacated; PROVIDED that where a member disqualified under this clause is an appointed member of an organisation the management committee must advise the appointing organisation of the disqualification and the organisation shall have the right within one month to appoint an alternative member to represent them on the management committee.
- 9.2 A person shall cease to be a member of the management committee if he notifies the management committee in writing of his wish to resign (but only if at least three members of the management committee will remain in office when the notice of resignation is to take effect).
- 9.3 The members of the management committee may not all resign at the same time unless and until they have (a) co-opted or procured the appointment of at least three new members in accordance with Clause 7 or (b) convened a special general meeting in accordance with Clause 14.7.

10. Members not to be personally interested

Except with the prior written approval of the Charity Commission, no member of the management committee may:

- 10.1 receive any benefit in money or in kind from the Charity other than in respect of insurance provided pursuant to Clause 6.10 and remuneration paid in accordance with Clause 6.11 or
- 10.2 have a financial interest in the supply of goods or services to the Charity or

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of the management committee may be paid in the restricted circumstances described in Clause 6.11

10.3 acquire or hold any interest in property of the Charity (except in order to hold it as a trustee of the Charity).

11. Officers

Chairman and vice-chairman

11.1 At their first ordinary meeting in each year after the annual general meeting, the management committee shall elect a chairman and may elect a vice-chairman of their meetings. The chairman and vice-chairman remain in office until their respective successors are elected.

Secretary and treasurer

11.2 The management committee shall appoint a secretary and treasurer and may remove them from office at their discretion. The offices may be held by:

11.2.1 members (who must not receive any reward for acting) or

11.2.2 other suitable persons (who may be employed upon such reasonable terms, including terms as to notice, as the management committee think fit).

12. Meetings of the management committee

12.1 The management committee must hold at least two ordinary meetings in each year.

12.2 The first meeting of the members of the management committee must be called by the chairman or if no meeting has been called within three months after the date of this Deed by any two of the first members of the management committee. Subsequent meetings may be arranged by the members of the management committee at their meetings or may be called at any time by the chairman or any two members of the management committee upon not less than ten days' notice having been given to all other members.

12.3 A special meeting may be called at any time by the chairman or any two members upon not less than seven clear days' notice being given to all other members of the management committee of the matters to be discussed.

12.4 If the chairman is absent from any meeting, the vice-chairman (if any) shall preside; otherwise the members present must, before any other business is transacted, choose one of their number to be chairman of the meeting.

12.5 There shall be a quorum when at least one third of the number of members of the management committee for the time being or three members, whichever is the greater, are present at a meeting.

12.6 Except where otherwise provided in this Deed, every issue may be determined by a simple majority of the votes cast at a meeting of the management committee.

12.7 The chairman of the meeting may cast a second or casting vote only if there is a tied vote.

12.8 The proceedings of the management committee shall not be invalidated by any failure to appoint or any defect in the appointment or qualification of any members.

Clause 14.1:

The charity will be required to have a set financial year (e.g. 1 April to 31 March). Ideally, this should be decided, perhaps in consultation with local grant making bodies, prior to setting up the charity. If the charity appoints external accountants then the accountants may suggest an appropriate financial year. The annual general meeting should be set for a date roughly two months after the expected production of the annual accounts, in order that the accounts can be put before the meeting.

Clause 14.3:

It is suggested that the notice boards of the Parish Council are generally the most suitable places to display.

Clause 14.4

It is for the charity to determine the quorum. Five is suggested but the number will depend on the size of the management committee (see note on page 10). Too high a number may result in meetings not being quorate, whereas too low a number may put in doubt the democratic involvement of the local people.

13. Recording of meetings

The management committee must keep proper minutes of its meetings. The minute book must be available for inspection upon reasonable request by any member of the management committee. The minute book must be retained by:

- 13.1 the secretary or
- 13.2 another suitable person appointed by the management committee to do so.

14. Annual general meeting and special meetings

- 14.1 The first annual general meeting must be held within twelve months after the date of this Deed and subsequent annual general meetings must be held not more than fifteen months after the holding of the preceding annual general meeting.
- 14.2 All inhabitants of the area of benefit of 18 years and upward must be entitled to attend and vote at the annual general meeting. The management committee may allow inhabitants who are under 18 to attend (but not vote at) the meeting.
- 14.3 The first annual general meeting after the date of this Deed must be convened by the first members of the management committee described in Clause 4.1 and subsequent annual general meetings by the management committee. Public notice of every annual general meeting must be given in the area of benefit of at least fourteen days before the date thereof by affixing a notice to some conspicuous part of the Property or other conspicuous place in the area of benefit and by such other means as the convenors think fit.
- 14.4 There shall be a quorum when at least [five] people are present at an annual general meeting.
- 14.5 The chairman of the management committee must be the chairman of an annual general meeting. In his absence the chair must be taken by the vice-chairman (if any), failing which by any other member of the management committee chosen by the management committee, failing which by such person as the persons present shall by lot determine.
- 14.6 The management committee must present to each annual general meeting the annual report and accounts of the Charity for the preceding year.
- 14.7 The management committee may convene, and the secretary shall within 21 days of receiving a written request so to do signed by not less than 10 inhabitants of the area of benefit giving reasons for the request call, a special general meeting of all the inhabitants of the area of benefit of eighteen years and upwards. Public notice must be given of any such meeting, specifying the business to be discussed, in the same way as for an annual general meeting.
- 14.8 The secretary or other person appointed by the management committee must keep minutes of proceedings at every annual general meeting and special general meeting.
- 14.9 Every matter for consideration at an annual general meeting or a special general meeting must be decided (save as otherwise provided herein) by majority decision of those present and voting. The chairman of the meeting may cast a second or casting vote only if there is a tied vote.

Disposal of trust property, incorporation and dissolution:

This clause covers a number of possibilities: the discontinuance of the village hall and the use of the Property perhaps due to expense and/or impending bankruptcy; the acquisition of land for development of a new village hall paid for by the sale of the old village hall; and the incorporation of the village hall. In any of these circumstances, the management committee may only proceed with the required approval of local people at a special general meeting and, in the case of sale of the village hall, in accordance with s.117 to 123 of the Charities Act 2011.

No incorporation should proceed without the management committee first having taken advice from ACRE or the local RCAN member.

The Charity Commission's guide to incorporation is available on its website www.charitycommission.gov.uk

15. Accounts

The management committee must comply with their obligations under the Charities Act 2011 with regard to:

- 15.1 the keeping of accounting records for the Charity
- 15.2 the preparation of annual statements of account for the Charity
- 15.3 the auditing or independent examination of the statements of account for the Charity and
- 15.4 the transmission of the statements of account of the Charity to the Charity Commission.

16. Annual Report

The management committee must comply with their obligations under the Charities Act 2011 with regard to the preparation of an annual report and its transmission to the Charity Commission.

17. Annual Return

The management committee must comply with their obligations under the Charities Act 2011 with regard to the preparation of an annual return and its transmission to the Charity Commission.

18. Receipts and expenditure

The income of the Charity, including all donations and bequests, must be paid into an account operated by the management committee in the name of the Charity at such bank or building society as the management committee shall from time to time decide. All cheques and orders for payment of money from such account shall be signed by at least two members of the management committee.

19. Disposal of trust property, incorporation and dissolution

19.1 Subject to the provisions of this Clause:

19.1.1 if the management committee decides at any time that on the grounds of expense or otherwise it is necessary or advisable to discontinue the use of the Property and the trust fund in whole or in part for the Objects, the management committee may sell or require the sale of the Property and other property comprised in the trust fund or any part of it on such terms as may be approved by the management committee in accordance with the provisions of Sections 117 to 123 of the Charities Act 2011;

19.1.2 if the management committee decides that the Charity should incorporate, the management committee may transfer or require the transfer of the trust fund or any part of it to the new charitable corporate body having the same objects as the Charity.

19.2 The management committee may only do so if:

19.2.1 the Parish Council agrees to any sale of the Property;

19.2.2 the decision to sell or incorporate is confirmed by a resolution passed at a special general meeting of the inhabitants of the age of 18 years and upward of the area of benefit and

19.2.3 such resolution is passed by three-quarters of such inhabitants present and voting at such meeting.

Notes

This right of termination in favour of the Tenant is included to enable the village hall to bring the lease to an end in circumstances where it has become impossible to continue running the village hall. This might be due to insolvency of the village hall or the failure to elect or appoint new trustees. Such termination would prevent any future liabilities arising for which the charity trustees will be responsible, although any liability to the landlord existing at the time notice of termination is given will still have to be met by the charity trustees.

- 19.3 Not less than fourteen days' notice of such special general meeting (stating the terms of the resolution that will be proposed) must be posted in a conspicuous place or placed on the Property and advertised in a newspaper circulating in the area of benefit or in the charity's newsletter or on the charity website.
- 19.4 Following the sale of the Property and property comprised in the trust fund in whole or in part in the circumstances described in clause 19.1.1, all monies belonging to the Charity including the proceeds of sale of any fixtures and fittings (after satisfaction of any liabilities properly payable) must be applied:
- 19.4.1 in the purchase or lease of other property approved by the management committee and to be held upon the trusts of the Charity for such charitable purposes as near thereto as circumstances permit or
- 19.4.2 towards such other charitable purposes or objects for the benefit of the inhabitants of the area of benefit as may be approved by the Charity Commission.
- 19.5 Pending such application, such monies must be invested and any income arising shall either be accumulated (for such time as may be allowed by law) by investing the same and the resulting income to be applied as the capital of such investments or must be used in furthering the purposes specified in this Deed.
- 19.6 In the event of the Charity being dissolved a copy of the statement of accounts, or account and statement, for the final accounting period of the Charity must be sent to the Charity Commission.

20. Amendment of Trust Deed

- 20.1 Subject to the provisions of this clause, this Deed may be amended.
- 20.2 With the exception of an amendment made by virtue of Clause 7.8, any other amendment must be made by a resolution passed at either the annual general meeting or a special general meeting.
- 20.3 The notice of the meeting must include notice of the resolution, setting out the terms of the amendment proposed.
- 20.4 No amendment must be made which would vary this clause.
- 20.5 The prior written approval of the Charity Commission must be obtained to any amendment which would:
- 20.5.1 vary Clauses 3 (Objects), 10 (members not to be personally interested) and 19 (disposal of trust property, incorporation and dissolution).
- 20.5.2 vary the composition of the management committee or the terms on which members hold office (other than amendments made under Clause 7.8)
- 20.5.3 change the name of the Charity
- 20.5.4 vary the powers of investment exercisable by the management committee.
- 20.6 The management committee must:
- 20.6.1 promptly send to the Charity Commission a copy of any amendment made under sub-clause 20.2 and
- 20.6.2 keep a copy of such amendment with this Deed.

21. Rules

Within the limits prescribed by this Deed the management committee may from time to time make and alter rules for the management of the Charity and in particular with reference to:

- 21.1 the terms and conditions upon which the Property or any part of the trust fund may be used by persons or bodies other than the management committee for the purposes specified in this Deed and the sum (if any) to be paid for such use
- 21.2 the deposit of money at a proper bank or building society and the safe custody of documents
- 21.3 the appointment of an auditor or an independent examiner
- 21.4 the engagement or dismissal of such officers, servants and agents as the management committee may consider necessary and the payment of such persons (not being members of the management committee)
- 21.5 the summoning and conduct of meetings.

22. Indemnity

The members of the management committee, the holding/custodian trustees or their successors in title, and the Official Custodian for Charities shall be entitled to an indemnity out of the assets of the Charity against all liabilities properly incurred by them in the management of the affairs of the Charity.

23. Deletions

Clauses 1 to 4 of the 1924 Deed are replaced by the provisions of this Constitution.