

CONSTITUTION

Date: 4th June 2003

By: A Public Meeting for the Charity

Introduction

By a Trust Deed the four individual holding trustees hold the legal title to the Property by virtue of a conveyance dated 9th March 1944.

Now this Deed witnesses as follows:

1. Definitions and interpretation

1.1 In this Constitution:

'area of benefit' means Galphay and neighbouring communities

'the Charity' means Galphay Village Institute.

'connected persons' means and includes, in relation to a member of the management committee:

- 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 John Darnborough, Maurice King, William Connor and Peter Dean and any other holding trustee(s) from time to time appointed by the Charity in accordance with the charity's trust deed

'management committee' means the charity trustees of the Charity

'Objects' means the objects of the Charity described in the charity's constitution.

'Parish Council' means the Parish Council of Azerley.

'permanent endowment' means property of the Charity (ie 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

'Property' means the Village Hall and adjacent land as defined in the 1926 conveyance and any other subsequent additions of land which the charity may now own.

'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 from time to time other than the Property.

1.2 Words importing the singular only shall include the plural; words denoting one gender shall include each and all genders; and words importing natural persons shall include also corporations.

1.3 Reference to an Act of Parliament refer to the Act as amended or re-enacted from time to time and to any subordinate legislation made under it.

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

OBJECTS

The property and the trust fund and its income shall be applied for the purposes of a village hall and recreation, for the use of the inhabitants of Galphay and neighbouring communities, 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.

2.1 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 97(1) of the Charities Act 1993.

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.

2.2 The management committee must:

2.2.1 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

2.2.2 take out such insurance as the management committee considers necessary to protect the Charity's property including but not limited to public liability insurance and employer's liability insurance to cover the liability of the Charity's volunteers.

2.3 The management committee must firstly apply:

2.3.1 the Charity's income and

2.3.2 if the management committee think fit, expendable endowment and

2.3.3 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).

2.4 After payment of these costs, the management committee must apply the remaining income in furthering the Objects.

2.5 The management committee may also apply for the Objects:

2.5.1 expendable endowment and

2.5.2 permanent endowment, but only on such terms for the replacement of the amount spent as the Charity Commission may approve by order in advance.

3. Powers of holding trustees

3.2.1 the holding trustees have no powers of management except such as are expressly conferred on them by the charity's trust deed

3.2.2 the holding trustees have 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 thereto and are entitled to take photocopies of them

3.2.3 the holding trustees must do all that is asked of them by the management committee in relation to the Property unless it involves a breach of trust or involves a personal liability upon them. Provided they act only in accordance with the lawful directions of the management committee, the holding trustees should not be liable for the acts and defaults of the management committee or any of its members

3.2.4 the powers of appointing new or additional holding trustees and of discharging holding trustees are exercisable by the management committee alone, but the holding trustees have the same power of

applying to the court or to the Charity Commissioners for the appointment of a new holding trustee as has any other use for a charity. The holding trustees are disqualified from holding office as members of the management committee and no member of the management committee may be appointed a holding trustee so long as he or she remains in office as such member.

4. Powers of the management committee

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

- 4.1 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 substantial permanent trading activity and must conform to relevant requirements of the law
- 4.2 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
- 4.3 subject to Clause 18 and subject to the restrictions imposed by the Charities Act 1993, to sell, lease or otherwise dispose of all or any part of the Property and other property comprised in the trust fund
- 4.4 to deposit or invest funds in any manner (but to invest only after obtaining advice from a financial expert)
- 4.5 to borrow money by mortgage or otherwise 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 (but only in accordance with the restrictions imposed by the Charities Act 1993)
- 4.6 to employ staff (who shall not be members of the management committee) and to make all reasonable and necessary provision for the payment of pensions and superannuation for staff and their dependants
- 4.7 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
- 4.8 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
- 4.9 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. The management committee must exercise reasonable supervision over any such member or members acting on their behalf under this provision and must ensure that all their acts and proceedings are fully and promptly reported to the management committee
- 4.10 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)
- 4.11 to remunerate any member of the management committee and any connected persons for services rendered to the Charity PROVIDED THAT:
 - 4.11.1 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
 - 4.11.2 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
 - 4.11.3 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
 - 4.11.4 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

- 4.11.5 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 has agreed to provide them
 - 4.11.6 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 and
 - 4.11.7 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
- 4.12 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
- 4.13 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 97 of the Charities Act 1993 as the persons having the general management and control of the administration of a charity.

5. The management committee

5.1 The management committee shall consist of:

5.1.1 Twelve elected members

5.1.2 Any appointed members

and may include not more than

5.1.3 Three co-opted members.

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

Elected members

5.2 The elected members (other than those elected under Clause 5.8) must be elected at an annual general meeting.

Appointed members

5.3 Each of the following bodies may appoint one member:

the Parish Council, any village groups who use the hall on a regular basis, any village/parish group even if they do not wish to use the hall.

5.4 Any such appointment must be made according to the ordinary practice of the appointing body. An appointment must not be made more than two months before the annual general meeting.

5.5 The person appointed need not be a member of the relevant appointing body.

5.6 The management committee must promptly report any vacancy in the office of an appointed member to the body entitled to fill it.

5.7 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 to appoint a member of the management committee in the same manner as if such organisation had been named in Clause 5.3. 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

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

Terms of office

- 5.9 Subject to Clauses 5.10 and 5.11 the period of office of members of the management committee starts
- 5.9.1 in the case of elected members, at the end of the annual general meeting at which they were elected
 - 5.9.2 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
 - 5.9.3 in the case of co-opted members, from the date of their co-option.
- 5.10 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

- 5.11 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 to the proper appointing body 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 was so elected.

New members

- 5.12 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

- 5.13 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.

6. Eligibility for membership of the management committee

- 6.1 No person may be appointed as a member of the management committee:
- 6.1.1 unless he has attained the age of 18 years or
 - 6.1.2 if he is disqualified from acting as a member of the committee by virtue of Section 72 of the Charities Act 1993 or
 - 6.1.3 in circumstances such that, had he already been a member of the management committee, he should have been disqualified from office under the provisions of Clause 7.
- 6.2 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.

7. Termination of membership of the management committee

- 7.1 A person shall cease to be a member of the management committee if he:
- 7.1.1 is disqualified from acting as a member of the committee by virtue of Section 72 of the Charities Act 1993
 - 7.1.2 becomes incapable by reason of a mental disorder, illness or injury of managing and administering his own affairs or

7.1.3 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.

7.2 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).

7.3 The members of the management committee may not all resign at the same time unless and until they have (a) elected or procured the appointment of at least three new members in accordance with Clause 5 and (b) convened a special general meeting in accordance with Clause 12.

8. Members not to be personally interested

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

8.1 receive any benefit in money or in kind from the Charity [other than in respect of insurance provided pursuant to Clause 4.10 and remuneration paid in accordance with Clause 4.11] or

8.2 have a financial interest in the supply of goods or services to the Charity or

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

9. Officers

Chairman and vice-chairman

9.1 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

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

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

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

10. Meetings of the management committee

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

10.2 Subsequent meetings may be arranged by the members of the management committee at their meetings or may be called at any time by the chair or any two members of the management committee upon not less than ten days' notice having been given to all other members.

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

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

10.5 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.

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

- 10.7 The chair of the meeting may cast a second or casting vote only if there is a tied vote.
- 10.8 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.

11. 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:

- 111 the secretary or
- 11.2 another suitable person appointed by the management committee to do so.

12. Annual General Meeting and Special Meetings

- 12.1 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. The Annual General Meeting will be held after 31st December but no later than 31st March.
- 12.2 Annual general meetings shall be convened 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.
- 12.3 There shall be a quorum when at least five people are present at an annual general meeting.
- 12.4 The chair of the management committee must be the chair of an annual general meeting. In his absence the chair must be taken by the vice-chair (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.
- 12.5 The management committee must present to each annual general meeting the annual report and accounts of the Charity for the preceding year.
- 12.6 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 ten 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.
- 12.7 The secretary or other person appointed by the management committee must keep minutes of proceedings at every annual general meeting and special general meeting.
- 12.8 Every matter for consideration at an annual general meeting or a special meeting must be decided (save as otherwise provided herein) by majority decision of those present and voting. The chair of the meeting may cast a second or casting vote only if there is a tied vote.

13. Accounts

The management committee must comply with their obligations under Part VI of the Charities Act 1993 with regard to:

- 13.1 the keeping of accounting records for the Charity
- 13.2 the preparation of annual statements of account for the Charity
- 13.3 the auditing or independent examination of the statements of account for the Charity and
- 13.4 the transmission of the statements of account of the Charity to the Charity Commissioners.

14. Annual Report

The management committee must comply with their obligations under Part VI of the Charities Act 1993 with regard to the preparation of an annual report and its transmission to the Charity Commissioners.

15. Annual Return

The management committee must comply with their obligations under Section 48 of the Charities Act 1993 with regard to the preparation of an annual return and its transmission to the Charity Commissioners.

16. 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.

17. Disposal Of Trust Property And Dissolution

17.1 Subject to the provisions of this Clause, the management committee may sell or require the holding trustees to sell 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 Section 36 of the Charities Act 1993.

17.2 The management committee may only do so if:

17.2.1 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 and

17.2.2 the decision to sell 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

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

17.3 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.

17.4 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:

17.4.1 in the purchase or lease of other property approved by the management committee and to be held upon the trust of the Charity or to such charitable purposes as near thereto as circumstances permit or

17.4.2 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 Commissioners.

17.5 Pending such application, such monies as 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 the charity's trust Deed.

17.6 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 Commissioners.

18. Amendment Of Trust Deed

18.1 Subject to the provisions of this clause, this Deed may be amended.

18.2 With the exception of an amendment made by virtue of Clause 5.7, any other amendment must be made by a resolution passed at either the annual general meeting or a special general meeting.

18.3 The notice of the meeting must include notice of the resolution, setting out the terms of the amendment proposed. No amendment must be made which would:

- 18.3.1 vary this clause or
- 18.3.2 vary the objects of the charity, 8 (members not to be personally interested) and 17 (disposal of trust property and dissolution).
- 18.4 The prior written approval of the Charity Commissioners must be obtained to any amendment which would:
 - 18.4.1 vary the composition of the management committee or the terms on which members hold office (other than amendments made under Clause 5.7)
 - 18.4.2 change the name of the Charity
 - 18.4.3 vary the powers of investment exercisable by the management committee.
- 18.5 The management committee must:
 - 18.5.1 promptly send to the Charity Commissioners a copy of any amendment made under sub-clause 18.2 and
 - 18.5.2 keep a copy of such amendment with this Deed.

19. Rules

Within the limits prescribed by the charity's trust deed and this constitution the management committee may from time to time make and alter rules for the management of the Charity and in particular with reference to:

- 19.1 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 the charity's trust deed and the sum (if any) to be paid for such use
- 19.2 the deposit of money at a proper bank and the safe custody of documents
- 19.3 the appointment of an auditor or an independent examiner
- 19.4 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)
- 19.5 the summoning and conduct of meetings.

20. Indemnity

The members of the management committee, the holding 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.

IN WITNESS whereof the charity trustees have signed this document as their constitution the day and year first before written.

Signed:

Chairman

Signed