Community Matters
The National Federation of Community Organisations

communityalliance
Working together

information

No. 50 **Revised: March 2006**

This Information Sheet provides a specimen constitution for a small local organisation whose objects are not charitable, and which therefore will not be registered by the Charity Commission

Specimen Constitution for a Small Non-charitable Community Organisation

Introduction

This specimen constitution is designed for small unincorporated organisations, and should be adapted to suit particular needs and circumstances. It is not suitable for submission to the Charity Commission for charity registration, and therefore should **not** be used by organisations whose objects are wholly charitable.

The Community Matters *Model Constitution for a Community Association* should be used for charitable community associations, and may in certain circumstances be adapted for use by other organisations wishing to seek charity registration. Community Matters should, however, be consulted if any such adaptation is contemplated.

For an explanation of what a charity is, what the benefits and costs of charitable status are, and the circumstances in which a charity is required to register, see Information Sheet 82 (*Charitable Status and Registration*).

An outline agenda for an Annual General Meeting is in Information Sheet 68 (*Annual and Other General Meetings*).

© Community Matters
*Quoting from this information sheet is permitted with acknowledgement to Community Matters. Reproduction of the whole sheet for **external** use is only permitted where an organisation holds a reproduction licence from Community Matters.*

12-20 Baron Street London N1 9LL ☎ 020 7837 7887

A charitable company registered in England & Wales as The National Federation of Community Organisations.
Charity no. 1002383. Company no. 2595247. VAT no. 577 6737 79. Registered office as above

Constitution of

……

[insert Name of Organisation]

1. Name

The name of the organisation is ..... ('the Organisation').

2. Administration

Subject to the matters set out below the Organisation shall be administered and managed in accordance with this constitution by members of the Management Committee, constituted by clause 7. of this constitution ('the Management Committee').

3. Objects

The objects of the Organisation ('the objects') are:

.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....
.....

4. Powers

In furtherance of the objects the Management Committee may exercise the following powers:

(a) power to raise funds and to invite and receive grants, donations and other contributions;

(b) power to buy or lease and to maintain any equipment or materials necessary for the achievement of the objects;

(c) power to buy, take on lease or in exchange any property necessary for the achievement of the objects and to maintain and equip it for use;

(d) power to sell, lease or dispose of all or any part of the property of the Organisation;

(e) power to borrow money and to charge all or any part of the property of the Organisation with repayment of the money so borrowed;

(f) power to employ such paid workers (who shall not be members of the Management Committee) as are necessary for the proper pursuit of the objects and to make all reasonable and necessary provision for the payment of pensions and superannuation for paid workers and their dependants;

(g) power to publish books, periodicals, pamphlets and other materials in printed, recorded or electronic format, and to hold intellectual property rights in any such material;

(h) power to organise conferences, debates, seminars, and such other special events as the Management Committee may determine;

(i) power to co-operate with other organisations in furtherance of any of the objects or of similar purposes;

(j) power to provide indemnity insurance cover for the members of the Management Committee (or any of them) out of the funds of the Organisation: Provided that any such insurance shall not extend to any claim arising from any act or omission which the members of the Management Committee (or any of them) knew to be a breach of duty or breach of trust or which was committed in reckless disregard of whether it was a breach of duty or breach of trust or not.

(k) power to do all such other lawful things as are necessary for the achievement of the objects.

5. Membership

5.1 Ordinary Membership of the Organisation shall be open to individuals, and Group Membership shall be open to groups, who are interested in furthering the Organisation's objects and who shall be admitted by and pay the annual subscription laid down from time to time by the Management Committee.

5.2 Prospective members should apply in writing to the membership secretary who shall inform the Management Committee of their names no later than the next meeting of that Committee. The Management Committee will confirm membership. The membership secretary shall be responsible for ensuring membership records are kept and passing any subscription income to the treasurer.

5.3 The Management Committee may by unanimous vote and for good reason terminate the membership of any Ordinary or Group member: **Provided that** the Ordinary Member or a representative of the Group Member concerned shall have the right to be heard by the Management Committee, accompanied by a friend, before a final decision is made.

6. Honorary Officers

At the Annual General Meeting the members shall elect from among themselves the following Honorary Officers, who shall hold office from the conclusion of that meeting:

the Chair
the Secretary
the Treasurer
[add other Officers as required]

7. Management Committee

The Management Committee shall consist of:

(a) The Honorary Officers specified in the preceding clause;
(b) Not less than ... and not more than ... Ordinary Members, and not more than ... representatives of Group Members, elected at the Annual General Meeting, who shall hold office from the conclusion of that meeting;
(c) Not more than ... persons whom the Management Committee may co-opt.

All the members of the Management Committee shall 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 re-appointed.

A member of the Management Committee shall cease to hold office if s/he:

(a) has been convicted of any offence involving dishonesty or deception;
(b) has been adjudged bankrupt or sequestration of her/his estate has been awarded and s/he has not been discharged;
(c) has made a composition or arrangement with, or granted a trust deed for, her/his creditors and has not been discharged;
(d) has been removed by the Charity Commissioners or by any court or under the Company Directors Disqualification Act 1986 or the Insolvency Act 1986 from being concerned with the management or control of any body;
(e) has become incapable by reason of mental disorder, illness or injury of managing his or her own affairs;
(f) is absent without the permission of the Management Committee from all its meetings held within a period of six months and the Management Committee resolves that s/he shall cease to hold office; or
(g) notifies the Management Committee of her/his resignation: **Provided that** at least three members of the Management Committee will remain in office when the notice of resignation is to take effect.

8. Meetings and proceedings of Management Committee

8.1 The Management Committee shall hold

at least ... ordinary meetings each year. A special meeting may be called by the chair or by any two members of the Management Committee upon not less than ... days' notice being given to the members of the Management Committee of the matters to be discussed.

8.2 There shall be a quorum when ... persons are present at the meeting.

8.3 When a vote is taken the matter shall be decided by a majority of those present and voting. In the case of equality of votes the chair shall have a second or casting vote.

8.4 The secretary shall keep minutes of the proceedings of the Management Committee.

8.5 In the absence of the chair or secretary the first business of the meeting shall be to ensure that a substitute is appointed for the duration of the meeting.

9. Sub-committees

The Management Committee may appoint such sub-committees as it thinks fit for supervising or performing any activity or service, defining the terms of reference and determining each sub-committee's composition and the duration of its activities. All acts and proceedings of each sub-committee shall be reported as soon as possible to the Management Committee.

10. Receipts and expenditure

10.1 The funds of the Organisation including all grants, donations, contributions and bequests, shall be paid into an account operated by the Management Committee in the name of the Organisation at such bank or other financial institution as the Management Committee shall from time to time decide. Funds belonging to the Organisation shall be applied only in furthering the objects.

10.2 All cheques, and any other instruction to a financial institution for withdrawal of funds, shall be signed by at least two signatories. Signatories shall be appointed by the Mangement Committee annually at the Committee's first meeting following the Annual General Meeting.

11. Accounts

11.1 The Treasurer shall present to each ordinary meeting of the Management Committee an up-to-date statement of the accounts.

11.2 The Treasurer shall prepare annual statements of accounts which, after examination by an auditor or independent examiner previously appointed by the Annual General Meeting, shall be presented to the next succeeding Annual General Meeting

11.3 Where funds are received by donation, grant, gift, bequest or otherwise for specifically defined purposes, such funds shall be held as restricted funds and shall be used only for the purposes defined by the donor(s). They shall be reported in the accounts as restricted funds. If such moneys cannot be spent in accordance with the conditions of their donation, any unspent balance shall be returned to the donors or to their trustees, or otherwise used only as the donors or trustees require or permit. In the absence of such requirement or permission, after reasonable notice to the donor(s) or trustee(s), the Management Committee shall apply such funds to purposes as near as possible to those for which they were granted.

12. Indemnity

No member of the Management Committee shall be liable:

(a) for any loss to the property of the Organisation by reason of any improper investment made in good faith (so long as s/he shall have sought professional advice before making such investment); or

(b) for the negligence or fraud of any agent employed by her/him or by any other member of the Management Committee in good faith (provided reasonable

supervision shall have been exercised); and no member of the Management Committee shall be liable by reason of any mistake or omission made in good faith by any member of the Management Committee other than wilful and individual fraud, wrongdoing or wrongful omission on the part of the member whom it is sought to make liable.

13. General meetings

13.1 There shall be an Annual General Meeting of the Organisation which shall be held in the month of ... each year or as soon as is practicable thereafter. Every Annual General Meeting shall be called by the Management Committee. The secretary shall give at least 21 days' notice of the Annual General Meeting to all the members of the Organisation, who shall be entitled to attend and vote at the meeting.

13.2 The business of each Annual General Meeting shall be:

(a) to receive the Annual Report of the Management Committee;
(b) to receive the accounts of the Organisation for the preceding financial year;
(c) to elect the Honorary Officers specified in Clause 6 of this constitution;
(d) to elect the members of the Management Committee specified in sub-clause 7(b);
(e) to appoint one or more qualified auditors or independent examiners for the coming year to audit or examine the accounts of the Organisation;
(f) to consider and vote on any proposals to alter this constitution in accordance with clause 14 of this constitution;
(g) to consider any other business of which due notice has been given.

13.3 The Management Committee may call a Special General Meeting at any time. If at least ten members of the Organisation request such a meeting in writing stating the business to be considered the secretary shall call such a meeting without delay. At least 21 days' notice must be given and the notice must state the business to be discussed.

14. Procedure at General Meetings

All general meetings shall be chaired by the Chair appointed at the preceding Annual General Meeting or, in his/her absence, by a person appointed at the beginning of the meeting. The Secretary or some other person specially appointed by the meeting shall keep a full record of proceedings at every general meeting. There shall be a quorum when ... persons or one tenth of the membership, whichever is the lesser, are present.

15. Alterations to the Constitution

This Constitution may be altered by a resolution passed by not less than two thirds of the members present and voting at a general meeting. Where the alteration involves a change to clause 3. (The Objects), clause 16. (Dissolution), or to this clause, at least 21 days' prior notice must be given to all members.

16. Dissolution.

If the Management Committee decides that it is necessary or advisable to dissolve the Organisation it shall call a General Meeting of all the members of the Organisation, of which not less than 21 days' notice shall be given. If the proposal is confirmed by a two-thirds majority of those present and voting the Management Committee shall have the power to realise any assets held by or on behalf of the Organisation. Any funds held in accordance with sub-clause 11.3 shall be dealt with in accordance with that sub-clause. Any assets remaining after the satisfaction of any proper debts and liabilities shall be transferred to such other organisation or organisations (having objects similar to the Organisation) as the General Meeting or the Management Committee (in the absence of direction from the General Meeting) may determine.