



Notice of Root & Branch Special General Meeting (SGM)

Members of Root & Branch Westmill (R&B) are invited to a Special General Meeting to consider changing the status of the charity from an **Unincorporated Charity** to a **Charitable Company**.

The meeting will be held on Thursday 21 July starting at 6:30 pm at R&B, Westmill Farm.

You are welcome to join us for refreshments and informal discussion from 6:00 pm.

Background

Like many small charities, Root & Branch has been an Unincorporated Charity since formation. The trustees have resolved that we need to change to become a Charitable Company. It is stressed that this new Charitable Company will in all important respects be the same as the current Root & Branch. It will have the same name, Charitable Objects and undertake the same activities as before. The sole reason for the change is to protect trustees from potential financial liabilities.

Unfortunately, it is not possible to change a charity into a company. Hence we have to set up a company, have this company registered as a charity and then transfer all our assets, liabilities and activities to the new charitable company.

More details are given on the next page.

Agenda for SGM

1. Chairperson's welcome
2. Members to approve the motion that Root & Branch should change from an Unincorporated Charity to Charitable Company (limited by guarantee) at the earliest practicable date.
3. Members to approve the motion that on a date to be decided by trustees, but not later than 1 April 2012, the activities, liabilities and funds the current Unincorporated Charity be transferred to the new Charitable Company.
4. Members to approve the motion that on the same date as in item 3, the current Unincorporated Charity be closed

Questions or comments on this meeting should be addressed to

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Further information

R&B is currently an **Unincorporated Charity** and is managed by a board of trustees. The members of the charity elect the trustees and approve the trustees annual report and the financial accounts.

Recently the Oxfordshire PCT has awarded a major contract to Restore to provide a new recovery service for clients in the Oxfordshire area. In turn R&B has entered into a contract with Restore to provide a number of places as part of that new recovery service. These new contractual arrangements are more complex than R&B has had before, but they are the standard contracts used by the PCT for this type of arrangement.

Many charities that have more complex contracts in place often organise themselves as a **Charitable Company**. This is a legal structure that clearly separates the charity's assets and liabilities from those of its trustees. Without this clear separation it may be difficult for these charities to find people willing to be trustees.

With this background, the trustees of R&B have resolved to form a new charitable company. The company name will be **Root & Branch Westmill** and it will have the same charitable purpose as the current R&B.

The trustees further propose that, as soon as and subject to all necessary registrations with Companies House and the Charity Commission being successfully completed, all the current activities, liabilities and assets (including all cash reserves) of the unincorporated charity R&B are transferred to the new charitable company R&B Westmill.

Members are being asked to consider and approve this proposal. Subject to the required quorum, at least two-thirds of members attending the meeting must vote in favour for this proposal to be passed. The target date for the changeover is 1 September 2011 but we are uncertain of how long the various steps will take so will be asking Members to allow us flexibility on the changeover date.

More information about the charitable company.

The new charitable company is limited by guarantee. This means it does not have shareholders and does not pay out any dividends. The company will not trade and can only carry out its charitable purpose. The directors of the company are charity trustees.

The charitable company is a member based company. Initially the trustees will be the first members of the company. All existing members of R&B will be invited to become members of the charitable company. The members will elect the trustees and will approve the trustees annual report and financial accounts.

Each member must commit to paying £1 in the event the charitable company becomes insolvent and is unable to pay its liabilities.

The articles of association of the charitable company may be downloaded as a pdf file (208 kb) from the following link

www.rootandbranch.info/downloads/SGM/articlesofassociation.pdf