

**THE KNOWLE SOCIETY**  
**EXTRAORDINARY GENERAL MEETING**  
**HELD AT KNOWLE VILLAGE HALL**  
**ON 6<sup>TH</sup> JUNE 2005**

The Chairman (Colin Smith) opened the meeting by welcoming members. There were 44 members present. The minimum required for such meetings to go ahead is 30 as per the Constitution.

The Chairman told members that he would explain the reasoning behind the proposal of making Knowle Society a company limited by guarantee. Afterwards questions could be asked and he requested members to give their name prior to the question.

Please see attached the Chairman's report to members.

Following this explanation members were invited to ask questions.

**Geoffrey Dean** asked the Chairman to confirm that the liability to members in total if a claim was made against the Society, above and beyond the assets of the Society, would be the number of members x £1. This was confirmed.

**Lyn Harris** asked what the cost of indemnifying trustees would be. The Treasurer (Sandra Lea), said that they had received a quote of £250 for £250000 cover. However the present Constitution did not allow for such a payment to be made from Society funds. **Mr Harris** also asked that the Chairman could confirm that the Trustee/Directors of the proposed new company would receive no pecuniary benefits. This was confirmed.

**Phil Lovegrove** asked if the old constitution would be dead. The Chairman confirmed this would be so, but much of the old constitution formed the basis of the Memorandum and Articles of the proposed new company. The Chairman went on to say that the objects had been amended to ensure that the activities of the Society of today fell within the parameters.

**Dr Peter Morton** asked what administrative changes there would be with the new company. The Chairman explained that the Society would have to appoint a Company Secretary. However there would still be four officers as now. The present Executive Committee who are Trustees would become Trustee Directors. He said that Sandra Lea had offered to put her name forward to be Company Secretary and for her home address to be the Registered Office. All the official documents would go to the Registered Office and would be dealt with or passed on as appropriate. The Accounts would have to be submitted to Companies House together with the Chairman's Report. An Annual Return would also be submitted to Companies House. A copy of the Accounts would also be forwarded to the Charity Commission.

**Gary Masters** referred to the question by Mr Lyn Harris. He noted that Number 5 of the Memorandum enabled Trustee Directors to receive payment for services etc. The Chairman agreed but this would be a normal business transaction with no pecuniary benefit to the Trustee Director.

**Michael Willett** asked if the Chairman was aware of possible changes to the Charities Act. He confirmed that he was but that at this moment the Society can only act within the present framework.

**Dave Hensley** asked what happens during the interim period. The Chairman explained that the documents would be forwarded to Companies House and the Charity Commission, so that all formalities would be ready for the next E G M in September 2005.

The Chairman then read out the Resolution (see attached) twice, so that members could fully understand. A vote was taken and carried unanimously.

Afterwards one member enquired of membership numbers. Derek Mellor confirmed it is 1683. It was explained that the Constitution required a minimum of 30 members present, and that the resolution had to be passed with a 2/3 majority of those present and voting. **Elizabeth Stanley** asked whether it would be possible for the membership to vote against the resolution as presented in September. The Chairman said that it was technically possible for this to happen. At the September meeting a minimum of 30 members would again be required, but this time a majority of 51% would be sufficient.

## Report on the EGM of 6<sup>th</sup> June 2005

44 Members attended the EGM.

The Chairman reminded members that there had been significant publicity about Incorporation and that the draft Memorandum and Articles were still available for inspection on the website and in hard copy, in the Knowle Library.

The Chairman set out, in detail, the reasons why the Executive Committee had concluded that incorporation was the right move for the Knowle Society. He explained the opportunity to bring our constitution up-to-date and the need for greater protection for the members of the Executive Committee and others, acting on behalf of the Society.

He also explained that the Knowle Society would continue to act as it does now.

He explained that, procedurally, it was necessary to vote now, to wind up the current Knowle Society to put in train the process to create a company limited by guarantee which would inherit the name and the assets of the Society. In accordance with our constitution, a further, confirmatory vote would be required to complete the process and bring the incorporated Society into being.

Members raised a number of questions of clarification.

The Chairman then read the formal resolution, twice, and after satisfying himself that everyone understood what they were being asked to vote for, put the question.

The Members voted 44 - 0, a unanimous vote, in favour of the resolution.

## INCORPORATION

Ladies and Gentlemen,

We are met here this evening to discuss the proposal that the Knowle Society become a Company Limited by Guarantee. At the end of the discussion I shall put the proposal to a vote and trust that sufficient of you will support the proposal so that we can put the necessary procedures into motion.

Everyone will have had the opportunity of reading my letter in the April Newsletter, where I set out a summary of the reasons for this proposal and copies of the Memorandum and Articles (the new Constitution) have been available on the website and, in hard copy, in the Knowle Library, for anyone who wished to consult them.

The position, as I set out in the April Newsletter, is the basis for this proposed change. The Society has been in existence for over 40 years and the constitution we work under was agreed in 1984, with minor revisions in 2002. The Society is a Charity and therefore governed by rules laid down by the Charity Commission. The Society also belongs to the Civic Trust, which also prescribes certain rules. In general, it is beneficial to belong to these organisations and their rules are neither prescriptive nor onerous. We do, however, need to ensure that our activities fall within the parameters laid down for us in our constitution, which is agreed by the Charity Commission.

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A second major reason for recommending change arises out of Risk Assessment Exercise we did last year. The Civic Trust recommended that all member societies reviewed their activities, identified any risks involved and established procedures to remove or minimise those risks. We did this and the exercise revealed how many risks could exist and how many people were involved, from time to time, in the activities of the Knowle Society. I can assure you that every effort is made to ensure the safety of members taking part in Society activities. The fact remains that with so many people involved, something could go wrong and the Society could be held to be negligent.

This led to the question, what insurance cover exists for the Society and its members in the event of legal problems arising from actions of a Society member, on Society business. The Executive Committee sought guidance from the Civic Trust and from the Charity Commission. The answers were not totally clear or reassuring. There was some comfort in the advice that as long as everyone behaves responsibly and within the rules, everything should be alright. But, what is responsible and what is within the rules would ultimately be decided by the courts, not by the members. If an adverse judgement were given against the Society, the Society's funds would be the first target. If, however, there were insufficient funds to meet the judgement the individual Committee members, who legally are the trustees, would be liable for any outstanding debt.

Frankly, your Committee members were not happy with this situation. They had not agreed to serve as Committee members and by so doing, accept the risk of putting their possessions in danger. They also felt that the legal situation could easily dissuade other members from taking committee responsibility in the future.

To maintain an active committee to keep the Society running properly, something had to be done.

The Memorandum and Articles remain in the Knowle Library and on the website for anyone interested in consulting them. For anyone who does so, I must warn you, they are written in legal language, which is not always the same as plain English. Furthermore, the M & A not only have to satisfy us but also the Charity Commission. The documents follow a model which the Charity Commission has accepted. The model can be applied equally to a big multi-million pound charity and to a small 1700 member local, voluntary society. There is much therefore in the documents which will never apply to the Knowle Society, but within the M&A, there is everything we want to enable us to operate as we wish, now and in the future. We were, of course, able to stipulate what we want the Society to do, how we want it organised and how we want it run. The M&A are so drafted that we have the freedom to make changes according to future demands and still remain within our terms of reference.

The important thing about the change to incorporation is that the Society will continue to operate as it does now. It will still be called The Knowle Society, it will still be run by a Committee elected by you, the members, at the AGM. There will be the same sub-committees and the same activities. You will set the annual subscription, as you do now. In short, you will not notice any difference.

Members are required to accept one commitment. In the unlikely event of the Society going bankrupt and still owing money, each member would be liable to pay £1. None of us can imagine such a situation arising.