



North Avenue Youth Centre

Reg Charity No.1125028

Explanatory Note

for Special General Meeting to be held on 7th July 2021 at 6.00pm

1. The trustees of NAYC (known as the Management Committee) propose that NAYC apply to the Charity Commission to be registered as a Charitable Incorporated Organisation (CIO). This is a relatively new category of charity which provides similar protection to that of a limited company but without the additional requirements placed on companies.
2. The Charity Commission recommends that CIOs are generally the most appropriate type of charity for those which employ people and/or enter into contracts. Charities are run along the lines set out in their governing documents, usually a constitution. The Charity Commission has model constitutions which it expects CIOs to use with only minimal changes to suit their circumstances.
3. NAYC is currently a registered charity. The Management Committee is aware that its current constitution (agreed when NAYC was set up in 2000) anyway needs to be updated for two reasons:
 - a. to reflect subsequent changes in charity law and best practice; and
 - b. to replace references to the North Avenue United Reformed Church (now closed) with references to the Eastern Synod of the United Reformed Church which has taken over the role of the local church in relation to NAYC.
4. The need to update the constitution therefore presents the ideal opportunity also to change the status of the charity to that of a CIO.
5. Under NAYC's current constitution changes can only be made by 'a resolution passed both by two-thirds of those attending and voting at a Special General Meeting' and by similar agreement from the United Reformed Church. The Executive Committee of the URC Eastern Synod has already given its approval both to NAYC applying to become a CIO, and also to the proposed constitution at Annex A.

6. The proposed constitution follows the Charity Commission model but takes account of NAYC's circumstances. NAYC will remain a member organisation, with the parents/guardians of the young people attending having the right to vote at general meetings, including the Annual General Meeting (AGM). There will continue to be three categories of trustees – those nominated by the URC Eastern Synod, those who are trustees by virtue of the post they hold, and those elected by the members.
7. There will be no more than twelve trustees and no fewer than three, as recommended by the Charity Commission. Up to six trustees will be nominated by Synod and up to five will be appointed at the AGM. The one ex-officio appointment will be the County Director of Essex Boys & Girls Clubs. This post is currently held by Martin Solder, who has been a NAYC trustee since the beginning and whose organisation is hugely supportive of NAYC.
8. If the proposed resolution is agreed, NAYC will apply to the Charity Commission for registration as a CIO. We understand that this process may take some time. Once NAYC has been registered as a CIO the next step will be to agree a further resolution to transfer the assets and liabilities of the current charity to the new CIO, so that, for instance NAYC's current employees become employees of the new CIO. In the same way it is expected that the trustees of the current charity will become trustees of the CIO. Once all transfers have taken place, the current registered charity will be wound up and NAYC will go forward as a CIO.

Janet Cassels
Secretary, NAYC

June 2021]