

FRITWELL VILLAGE HALL COMMITTEE

PROCESS OF CONVERTING TO A CHARITABLE INCORPORATED ORGANISATION (CIO)

The process of converting to a CIO involves:

- setting up a new charity
- winding up the old charity
- transferring the assets of the old charity to the new charity (CIO)

A CIO only comes into existence when it has been registered with the Charity Commission (CC) and becomes active once it has assumed the assets of the old charity. There is a time lag between registration of the CIO and it becoming operational.

Date	Decision/Document	Solicitor? Yes/No	Explanation
18 Nov. 2020	To begin the process of becoming a CIO & to appoint Tessa Hennessy	No	Will provide greater legal protection to individual trustees and allow contracts to be in the CIO's name
30 Nov. 2020	Letter of Engagement and Terms and Conditions signed and returned by HM	Yes	Employing TH and the terms under which she is employed
8 Dec. 2020	Majority decision to opt for the Foundation Model	Following input and questions to TH	This is the CC model, is the most popular, simpler governance procedures, administration kept to a minimum
14 Jan. 2021	Draft Constitution for new CIO received, along with Report from TH. Subcommittee formed to go through each clause and report back.	Yes	Keeping as close to the original trust deed as possible, given that much of it was out of date.
Feb. 2021	Trustee Information and Eligibility Declarations gathered together.		Necessary identity verification etc. No change Eligibility Declaration.
10March 2021	Approval of revised Constitution:	Yes, response to queries, revisions made and final constitution drafted	A modern, fit for purpose blueprint for administering the charity which runs the Village Hall and whose objects are the same as before. Details on trustees, meetings, decision making, etc. Following resignation of MR and GD, their names, as trustees, were removed.

Fritwell Village Hall CIO, Fewcott Road, Fritwell, OX27 7QA

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			All trustees have a copy for reference.
7th April	Application to Charity Commission to register the new CIO received, checked approved and returned to TH for sending to CC	Yes	Necessary requirement of the CC to set up a new charity (in our case a CIO. This gives all the details of the CIO.)
20 May 2021	Notification of registration, password set and Registration Document received.	No	Proof that the new Fritwell Village Hall CIO now exists, has been registered and the new charity's entry can be viewed on the CC website
13 July 2021	Meeting for Residents over 18 to confirm the decision to transfer assets and property from the unincorporated charity to new CIO. Resolution passed unanimously Date of transfer to be 1 st January 2022. Trustees resolve, inter alia, to put in place arrangements for the transfer, apply to CC for an Order authorising the transfer and the granting of an indemnity by the CH <u>CIO</u> to the trustees	Yes, provision of rules for the advertising of the meeting and the resolutions of residents and trustees. Applying to the CC for the order	This is a requirement of clause 14 of the trust deed, dated 6 th November 1950 which established the charity, that local people are involved; it is also a statutory requirement in the Charities Act 2011 where land held on trust for specific purposes (as is the case here) is being sold. Whilst there is no actual sale involved here, transferring trust property to another charitable body is viewed as a disposal.
5.Oct 2021	Order authorising the transfer of assets and property from the existing charity to the new CIO received <u>from the CC</u>	Yes	Arrangements for the legal transfer of property and assets can now be put in hand
15 Oct. 2021	Draft Vesting Declaration received <u>from TH (subject to review by our property solicitor)</u>	Yes, clarification of the provisions given on request of CS	Whereby trustees of existing charity "vest" (ie confer, or bestow) the title in property and assets to the new CIO. The vesting declaration is based on model wording provided by the Charity Commission (CC) for charities which hold permanent endowment (as is the case here, with the village hall, which is designated land, a form of PE) and provides for the new charity (the CIO), to receive the assets and any outstanding liabilities from the existing charity

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			<p>on 1st January 2022. The CIO agrees to hold the assets on the same trusts as they were held immediately before, as far as reasonably practicable. A distinction is made in the vesting declaration between the general assets of the charity (which will be held by the CIO as corporate assets) and the PE, which is a restricted asset and does not form part of the corporate property of the CIO. Clauses 2-4 in the vesting declaration concern the property being transferred, i.e. the hall, and are subject to review by Jennie Loynes as our appointed property lawyer. Specific wording is required under Land Registry rules and if not included, the transfer will not be registered by them. It is now in the hands of our property solicitor Jenny Loynes</p>
17 th Dec. 2021	CIO Bank Accounts opened	No	Business Current A/C and Business Reserve A/C
31 st Dec. 2021	Transfer of Assets from existing charity to CIO bank accounts	No	
1 st Jan. 2022	Fritwell Village Hall CIO begins operations	No	
10 th Jan. 2022	Details of CIO entered on Charity Commission records.	No	
11 th Jan. 2022	Appointment of 2 trustees	No	Members of existing Committee since 12 th May 2021, when the process was already well under way
2nd Feb. 2022	Application to Land Registry to have CIO registered as the owner of the property	Yes	
3 rd Feb. 2022	Charity Commission confirms merger of the 2 charities and that the old one has been removed from the Register of Charities. File closed by solicitor and put into storage	Yes	

Helen Metcalfe, Secretary Fritwell Village Hall CIO

February 2022