



**BEDFORD HARRIERS SPECIAL GENERAL MEETING**

**Wednesday 30<sup>th</sup> November 2016**

**Chaired by – Steve Crane**

**PRESENT:-** Bill Tallentire, Bill Kinda, Neil Lovesey, Mark Tinkler, Val Bird, Lesley Barnes, Tony Barnes, Noel Jones, Richard Watson, Steve Crane, Beverley Tredget, Jack Keenan, Jerry Pullinger, Jen Lovesey, Veronica Singleton, Graham Horne, Angela Gallivan, Stuart Bullard, Elaine Fullard, Amanda Friman, Peter Pack, Sue Pack, Kevin Willett, Russell Page, Larry Corkrey, Chris Capps, Ian Kingston, Phil Supple, Stuart Snelson, Sylvia Jones, Jenny King, Simon King, Alex Rothwell, Lorraine MacCormack, Richard Gallivan, David Prior, Judy Prior, Steve Gaunt, Lesley Gaunt, Sally Cartwright, Jacinta Horne, Shelia Humphries, Norma King, Lynne Greenard, Julie Driver, Tony Jones, Zoe Willett, Lorena Henderson.

**APOLOGIES: -** Gill Fullen, Graham Short, Carrie Trail, Jeannette Cheetham, Mark Taggart, Alastair Fadden, Ken Toye, Linda Watson, Tony Parello, Chris Parello.

The Meeting was opened by the Chairman (SC) who introduced the people at the table. ZW – Secretary, LH – Committee Member and RW Treasurer.

SC explained a letter was sent to the membership dated 8<sup>th</sup> November 2016 formally inviting everyone to the Special General Meeting (SGM). Ten members had signed a document calling for a SGM. The form was available for inspection at the meeting.

SC informed all present about the format of the meeting.

A document titled Club Governance was circulated to all Harriers members for review, however there needs to be some amendments to the version.

Page 5 – under the summary stated ‘The Club’s current estimated Corporation Tax liability amounts to £17,187.65 as at the end of 2014’, should read at end of 2015

Page 8 – ‘The trading turnover restricting it to £50,000 per year’ should read £100,000 per year.

Page 12 – ‘The committee consisting of five Honorary Officers’ should read six.

Page 16 – ‘vested in Trustees’, should read ‘vested in trustees’

SC vocalised, ‘How will this proposal affect individual members? – it won’t. It is protection for the club as whole and individual committee members.’

The document is split into four sections. Everyone has been invited to read and understand. SC gave all present a brief overview and asked for questions from the floor.

Questions, responses and comments.



1. Contracts – who is responsible for the contracts i.e. purchasing mementoes for races? – Currently the individual is responsible and liable for payment should the Club not meet the payment. A change of legal status to a company limited by guarantee will move the liability from the individual to the Club.
2. Are trading profits taxable? – Currently trading profits are subject to Corporation Tax. Only profits generated from races is taxable. The Club does not generate trading profits from any other source.
3. The club is solvent and the Club management has a responsibility to keep it solvent.
4. Brilliant document and recognition goes to SC & LH for effort put in preparing.
5. If the clock is hired out who is responsible if damaged? – The person who hires it has responsibility, however if our own race we are responsible and will be covered under our own insurance.
6. Clarification on the limit of individual; member liability is £1 per member, assuming the proposal for the change in legal status is approved; the Club would only be liable to the limit of present funds plus £1 per member.
7. SC asked if everyone understood the corporation tax and vat as per table on page 5 of the document.
8. No Limitz buy and sell Bedford Harriers kit through their own business therefore Bedford Harriers activities and No Limitz activities are completely separate and one has no influence over, or connection with anything the other does.
9. There is evidence that VAT will not apply to Bedford Harriers as an organisation. However, there is a small area of concern since this evidence applies to eligible bodies that are not-for-profit organisations. Whilst the Club ethic is not-for-profit this statement does not appear in the current Club rules. SC asked if anyone had any rules pre-2005 as he would like to see them to verify whether earlier versions of the rules did include such a statement.
10. CASC registration and requirements – the Club would benefit by lowering or eliminating the element of liability to corporation tax. CASC registration requires the compliance with certain rules and the Club requires a written Constitution complying with said CASC rules.
11. SC – HMRC online advice for organisations that expect to exceed the £50,000.00 turnover from trading activities is to establish a separate trading subsidiary that ‘Gift Aids’ surpluses to the CASC registered ‘parent’ organisation.
12. Any help / advice from other clubs? – Some local clubs are already registered i.e. Beds & County, BCC and Serpentine.
13. Oakley and Wootton figures almost reach the £50K trading turnover limit and the chances of the club staying below £50 K are slim. Therefore, the option is available to form a trading



subsidiary as detailed in the Club Governance document page 8.

14. Page 8 of document shows a table summary of options how to proceed. There is also an explanation on how trading subsidiary would work. Any surplus generated and donated to club is not liable for tax and the club receives all monies.
15. Blank
16. Does it affect how we spend the Club's funds? – Members will not notice any discernible change.
17. Any purchases by a trading subsidiary are viable at the standard rate subject to the status of trading subsidiary. To be confirmed.
18. Race related purchases would be an asset of the trading subsidiary.
19. We would need to submit returns each year to Companies House and HMRC, the club is not exempt from statutory requirements of audit and needs to keep records and file accounts.
20. Do we need to keep income below levels for CASC? Yes, we could even restrict the level income from races as it is difficult to prevent going over the £50K threshold.
21. Setting up this structure reduces risk for future committees and members.
22. Not aware of any limit on Gift Aid trading subsidiary to give back to club.

There may be a need to form a new committee for a trading subsidiary. A trading subsidiary is separate and could be detrimental to the club if it is not in the control of the 'parent' organisation. The directors of the trading subsidiary would be Bedford Harriers itself. More work is needed to be fully conversant with the legal implications.

The club constitution is presently 2 pages long and does not meet the requirements for CAC registration. It is a requirement of CASC registration for the constitution to contain CASC qualifying conditions. Therefore, the current rules need to be replaced with a CASC qualifying constitution.

The meeting discussed the geographical area covered by club and the qualifying requirements of CASC. Following a show of hands the meeting agreed to accept the wording in the proposed constitution.

Regarding the membership applications – under 18 year olds can train with us at the discretion of the coaches with parent support on runs and the training sessions suitable for their age.

Clarification confirmed re club colours in the proposed constitution.

Trading subsidiary will consist of a committee to execute contracts on behalf of the club in connection with event management.

### **Proposals**



1. Proposal to be put before the membership to change the club's legal status from an Unincorporated Association to a Company Limited by Guarantee as put forward in the document entitled 'Club Governance'

- Proposed by Steve Crane
- Seconded by Veronica Lawley

PASSED UNANOMOUSLY.

2. Proposal to be put before the membership for the Club to become a registered Community Amateur Sports Club as put forward in the document entitled 'Club Governance'

- Proposed by Steve Crane
- Seconded by Lorena Henderson

PASSED UNANOMOUSLY.

3. Proposal to be put before the membership to adopt the ' Club Constitution' as put in the document entitled 'Club Governance'

- Proposed by Steve Crane
- Seconded by Richard Watson

PASSED UNANOMOUSLY.

4. Proposal to be put before the membership for the Club to establish a trading subsidiary to administer the Club's races.

- Proposed by Steve Crane
- Seconded by Jerry Pullinger

PASSED UNANOMOUSLY.

This will now be further discussed at the next committee meeting and in subsequent months advising the membership of the progress made.

Meeting closed by Steve Crane.