

Members Open Evening about Incorporation

Monday 12th November 2019

Questions/discussions

Q: Will we change to an unfavourable tax arrangement, particularly with the transfer of assets?

A: FSP: yes the tax situation will be different but not unfavourable. HMRC will review the Articles to ensure we can remain a CASC (Community amateur sports club). Capital Gains Tax should not be unfavourable but we should ask HMRC specifically when we submit the Articles to them **Action: John Coleman**

Q: Do we need to get consent from members to accept their limit of liability of £1 when we become a CLBG?

A: Currently all members have an unlimited liability if the club were to be sued. When we become a CLBG every member will have a limit of liability of £1. We should advise members as such in the subs renewal and confirm their agreement **Action: John Coleman**

Q: When the proposal to change to a CLBG is voted upon at an EGM what majority will be required?

A: The Club Rules require two-thirds of those present and voting are in favour.

Q: When we are a CLBG what majority is required to change any of the Articles?

A: FSP: 75% of members who choose to vote (either by attending or by proxy)

Q: Have there been any problems converting to a CLBG with other clubs?

A: FSP: Only with HMRC taking longer than expected

Q: If we decide to move the club currently it would be the trustees who would sign the contract to sell the All Saints Avenue land. What would happen in the future?

A: FSP: This is covered by company law. The Board must approve any motion and then two Board Directors must sign any contract.

Q: What do the new Articles and Bye-laws say about voting to move the club?

A: Currently our Rules and Regulations do not specifically cover this. When we considered moving to the Shire Horse the Committee decided that to move should require a 2/3rds majority. This need for a 2/3rds majority has been included within the new Bye-laws.

Q: What if 2 Directors want to sell the land without recourse to due processes?

A: FSP: this is a criminal act. If any member thinks something untoward is happening then they can call an EGM

Q: Is there any limitation on what Directors can be paid?

A: Directors can only be paid reasonable expenses.

Q: If a Director resigns or a new person is voted in as a Director, what has to happen?

A: FSP: Companies House has to be informed signed by 2 existing Directors.

Q: If a member wants to contact other members in order to persuade them to agree to request an EGM, how do they get members contact details?

A: Any member may request the Secretary to do such.

Q: If a Director has served on the Board for their 2 terms can they still remain a Director?

A: Yes if:

- a) They get elected to a different post. It is preferable for a Chair, Secretary, Treasurer to already have experience of being a Director.
- b) No one else wants to serve in that post/role and the Board co-opt them back
- c) They started their first term part way through the 3 year stint (e.g. due to the previous Director resigning) then they could serve for 2 further full 3 year terms (i.e. for a max of 2 + 3 + 3 years)