

CHARITABLE TRUST DEED FOR AN INDEPENDENT CHURCH

THIS DECLARATION OF TRUST is made [date] by the First Trustees [Full names and residential addresses of all of the First Trustees.]

WITNESSES AS FOLLOWS

1 INTRODUCTION

- 1.1 The First Trustees hold pounds (£) on the trusts declared in this Deed.
- 1.2 Further money or property may be paid or transferred to the Trustees for the furtherance of the Objects.

2 INTERPRETATION

In this Deed:

- 2.1 The following expressions have the following meanings:

'the Chair'	means the person appointed by the Trustees to preside at their meetings
'charity trustees'	has the meaning prescribed by section 97(1) of the Charities Act 1993 as amended
'the Church'	means the charity created by this Deed
'the Commission'	means the Charity Commission for England and Wales
'holding trustee'	means an individual or corporate body responsible for holding the title to property but not authorised to make any decisions relating to its use, investment or disposal
'independent examiner'	has the meaning prescribed by section 43(3)(a) of the Charities Act 1993 as amended
'material benefit'	means a benefit which may not be financial but has a monetary value
'the Objects'	means the charitable objects of the Church set out in clause 3
'the Spiritual Leadership'	means the body of persons recognised by the Church as having responsibility and authority within the Church for its spiritual leadership
['Statement of Beliefs']	means the statement of beliefs which appears in the schedule to this Deed]
'taxable trading'	means carrying on a trade or business on a continuing basis for the principal purpose of raising funds and not for the purpose of actually carrying out the Objects

'trust corporation'	has the meaning prescribed by section 205(1)(xxviii) of the Law of Property Act 1925 but does not include the Public Trustee
'Trustee'	means a charity trustee of the Church
'written' or 'in writing'	refers to a legible document on paper including a fax message
'year'	means calendar year

2.2 references to an Act of Parliament are references to the Acts as amended or re-enacted from time to time and to any subordinate legislation made under it.

3 NAME & OBJECTS

3.1 The name of the Church is [Name] (or any other name chosen by resolution of the Trustees)

3.2 The Objects of the Church are for the benefit of the public:

3.2.1 to advance the Christian faith [in accordance with the Statement of Beliefs] in such ways and in such parts of the United Kingdom or the world as the Trustees from time to time may think fit;

3.2.2 to relieve sickness and financial hardship and to promote and preserve good health by the provision of funds, goods or services of any kind, including through the provision of counselling and support in such parts of the United Kingdom or the world as the Trustees from time to time may think fit; and

3.2.3 to advance education in such ways and in such parts of the United Kingdom or the world as the Trustees from time to time may think fit.

3.3 The Trustees must use the income and may use the capital of the Church in promoting the Objects.

4 POWERS

The Trustees have the following powers, which may be exercised only in promoting the Objects:

4.1 to arrange or join in arranging and providing for the holding of worship services, meetings, seminars, conferences, and training courses;

4.2 to establish and run educational institutions;

4.3 to promote or carry out research;

4.4 to provide advice;

4.5 to publish or distribute information;

4.6 to co-operate with other bodies;

- 4.7 to support, administer or set up other charities;
- 4.8 to raise funds (but not by means of taxable trading);
- 4.9 to borrow money and give security for loans (but only in accordance with the restrictions imposed by the Charities Act 1993 as amended);
- 4.10 to acquire or hire property of any kind;
- 4.11 to let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act 1993 as amended);
- 4.12 to make grants or loans of money and to give guarantees;
- 4.13 to set aside funds for special purposes or as reserves against future expenditure;
- 4.14 to deposit or invest funds in any lawful manner;
- 4.15 to delegate the management of investments in accordance with the provisions of the Trustee Act 2000;
- 4.16 to insure the property of the Church against any foreseeable risk and take out other insurance policies to protect the Church when required;
- 4.17 to insure the Trustees against the costs of a successful defence to a criminal prosecution brought against them as charity trustees or against personal liability incurred in respect of any act or omission which is or is alleged to be a breach of trust or breach of duty (unless the Trustee concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty);
- 4.18 to pay reasonable fees to any nominee or holding trustee;
- 4.19 subject to clause 8, to employ or otherwise engage the services of agents, staff or advisers;
- 4.20 to enter into contracts to provide services to or on behalf of other bodies;
- 4.21 to pay the costs of forming the Church; and
- 4.22 to do anything else within the law which promotes or helps to promote the Objects.

5 THE TRUSTEES

- 5.1 The Trustees are responsible for the management and administration of the Church's property and funds in accordance with this Deed.
- 5.2 The minimum number of Trustees is three individuals but there is no maximum [all Trustees must subscribe and adhere to, in belief and lifestyle, the Statement of Beliefs]
- 5.3 Trustees must be appointed by a resolution passed by a simple majority at a meeting of the Spiritual Leadership. [The appointment must be confirmed by Deed where property is held.]
- 5.4 Every future Trustee must sign a declaration of willingness to act as a Trustee of the Church before he or she is eligible to vote at any meeting of the Trustees
- 5.5 A Trustee ceases to be a Trustee if he or she:

- 5.5.1 is or becomes disqualified under the Charities Act 1993 as amended or any other legislation from acting as a charity trustee or trustee for a charity;
 - 5.5.2 is incapable, whether mentally or physically, of managing his or her own affairs;
 - 5.5.3 is absent from [number] consecutive meetings of the Trustees and a two-thirds majority of the Trustees resolve that he or she be removed;
 - 5.5.4 resigns by written notice to the Trustees (but only if at least two Trustees will remain in office); or
 - 5.5.5 is removed for good and sufficient reason by a resolution passed by two-thirds of the other Trustees after inviting the views of the Trustee concerned and considering the matter in the light of any such views [including (without limitation) if he or she ceases in the reasonable opinion of the other Trustees to subscribe and adhere to, in belief and lifestyle, the Statement of Beliefs].
- 5.6 A retiring Trustee is entitled to an indemnity from the continuing Trustees at the expense of the Church in respect of any liabilities properly incurred during his or her trusteeship.
- 5.7 A technical defect in the appointment of a Trustee of which the Trustees are unaware at the time does not invalidate decisions taken by the Trustees.
- 5.8
- 5.8.1 The first Spiritual Leadership comprises [identify individuals by name] and they shall appoint successors.
 - 5.8.2 The spiritual leadership of the Church shall rest with the Spiritual Leadership. If there are Trustees who are not members of the Spiritual Leadership then their role shall be confined to the management and administration of the Church in accordance with the provisions of this Deed and of the general law.
 - 5.8.3 The Trustees of the Church shall fulfil their legal duties having due regard to the spiritual direction of the Church as set from time to time by the Spiritual Leadership acting always in accordance with the requirements of this Deed and the general law.

6 DUTY OF CARE AND EXTENT OF LIABILITY

- 6.1 When exercising any power (whether given to them by this Deed or by statute or by any rule of law) in administering or managing the Church each of the Trustees must use the level of care and skill that is reasonable in the circumstances, taking into account any special knowledge or expertise that he or she has or claims to have (“the duty of care”). No Trustee and no-one exercising powers or responsibilities that have been delegated by the Trustees shall be liable for any act or failure to act unless, in acting or in failing to act, he or she has failed to discharge the duty of care.

7 PROCEEDINGS OF TRUSTEES

- 7.1 The Trustees must hold at least [four] meetings each year.
- 7.2 A quorum at a meeting is [two or one-half] of the Trustees for the time being [whichever is the greater number].

- 7.3 A meeting may be held either in person or by suitable electronic means agreed by the Trustees in which all participants may communicate with all the other participants.
- 7.4 The Chair or (if the Chair is unable or unwilling to do so) some other Trustee chosen by them presides at each meeting
- 7.5 Except where otherwise provided in this Deed, every issue may be determined by a simple majority of the votes cast at a meeting of the Trustees. A resolution which is in writing and signed by all the Trustees is as valid as a resolution passed at a meeting and for this purpose the resolution may be contained in more than one document and will be treated as passed on the date of the last signature.
- 7.6 Except for the chair of the meeting, who, in the case of an equality of votes, has a second or casting vote, every Trustee has one vote on each issue.
- 7.7 The Trustees have the following powers in the administration of the Church:
- 7.7.1 to appoint a Chair, Treasurer and other honorary officers
 - 7.7.2 to delegate any of their functions to committees consisting of two or more persons appointed by them provided that all proceedings of committees must be reported promptly to the Trustees
 - 7.7.3 to make rules consistent with this Deed to govern proceedings at their meetings and at meetings of committees
 - 7.7.4 to make regulations consistent with this Deed to govern the use and application of the property and funds of the Church including regulations about the operation of bank accounts and the commitment of funds

8 APPLICATION OF FUNDS AND PROPERTY

- 8.1 The Trustees may employ or engage under a contract for services such of their number or any person connected to a Trustee (as defined in clause 8.6) as they may determine provided that:
- 8.1.1 the Trustees in each case are satisfied that it is in the best interests of the Church to employ or engage under a contract for services the Trustee or connected person concerned
 - 8.1.2 the Trustees are in each case satisfied that the terms of employment or engagement are reasonable in respect of the employment or of the services provided and are subject to regular and objective review and
 - 8.1.3 the procedure set out in clause 8.6 is followed on each occasion
- 8.2 Provided no person is remunerated for services as a charity trustee or trustee for a charity, a Trustee or person connected to a Trustee who possesses specialist skills or knowledge and any firm or company of which such a Trustee or connected person is a member, consultant, partner, trustee, officer or employee, may charge and be paid reasonable fees for goods or services supplied to the Church on the instructions of the other Trustees but only if the Trustees are satisfied that the requirements set out in Clause 8.1 are met
- 8.3 At no time may a majority of Trustees benefit directly or indirectly from payments made under clauses 8.1 and 8.2. For the purposes of this Clause 8 a payment to the spouse or dependent relative of a Trustee shall be considered to be a payment to the Trustee.

- 8.4 Subject to clause 8.3, a person may be appointed as a Trustee notwithstanding that he or she is employed or otherwise engaged by the Church and receives remuneration in that capacity.
- 8.5 No Trustee nor any person connected with a Trustee may receive from the Church any payment of money or other material benefit (whether direct or indirect) except
- 8.5.1 under clauses 4.17 (indemnity insurance), 8.1 and 8.2 (employment or engagement and fees)
 - 8.5.2 reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in the administration of the Church
 - 8.5.3 interest at a reasonable rate on money lent to the Church
 - 8.5.4 a reasonable rent or hiring fee for property let or hired to the Church
 - 8.5.5 an indemnity in respect of any liabilities properly incurred in or about the administration of the Church (including the costs of a successful defence to criminal proceedings)
 - 8.5.6 benefits received by the Trustee or a connected person as a member of the Church congregation where such benefits are no different to those received by other members of the congregation
 - 8.5.7 in exceptional cases, other payments or benefits (but only with the prior written approval of the Commission)
- 8.6 Whenever a Trustee or a person connected to a Trustee has a personal interest in a matter to be discussed at a meeting of the Trustees or any committee, the Trustee or connected person concerned must:
- 8.6.1 declare an interest before discussion on the matter begins
 - 8.6.2 withdraw from the meeting for that item unless expressly invited to remain in order to provide information
 - 8.6.3 not be counted in the quorum during that part of the meeting
 - 8.6.4 withdraw during the vote and have no vote on the matter
- For the purpose of this Clause 8 a person is connected with a Trustee if that person is:-
- (a) a child, parent, grandchild, grandparent, brother or sister of the Trustee; or
 - (b) a spouse of the Trustee or of any person falling within paragraph (a) above.
- 8.7 Funds which are not required for immediate use or which will be required for use at a future date must be placed on deposit or invested in accordance with clause 4.14 until needed
- 8.8 Investments and other property of the Church may be held:
- 8.8.1 in the names of the Trustees
 - 8.8.2 in the name of a nominee (being a corporate body registered or having an established place of business in England and Wales) under the control of the Trustees or of a financial expert acting on their instructions

- 8.8.3 in the name of a trust corporation as a holding trustee for the Church which must be appointed (and may be removed) by deed executed by the Trustees
- 8.8.4 in the case of land, by the Official Custodian for Charities under an order of the Commission or the Court

9 RECORDS & ACCOUNTS

- 9.1 The Trustees must comply with the requirements of the Charities Act 1993 as amended relating to the keeping of financial records, the audit or independent examination of the accounts and the preparation and transmission to the Commission of:
 - 9.1.1 annual reports
 - 9.1.2 annual returns
 - 9.1.3 annual statements of account
 - 9.1.4 confirmation of changes to the Trustees and of any details about the Church recorded in the Central Register of Charities
- 9.2 The Trustees must maintain proper records of:
 - 9.2.1 all proceedings at meetings of the Trustees
 - 9.2.2 all reports of committees
 - 9.2.3 all professional advice obtained
- 9.3 Financial records, annual reports and statements of account relating to the Church for at least the previous six years must be available for inspection by any Trustee
- 9.4 A copy of the latest available annual statement of account must be supplied to any person who makes a written request and pays the Trustees' reasonable costs (as required by the Charities Act 1993 as amended)

10 AMENDMENTS

- 10.1 This Deed may be amended by supplemental deed on a resolution passed by at least three-quarters of the Trustees present and voting at the meeting at which the amendment is considered but no amendment is valid if it would destroy the charitable status of the Church or if it has not been confirmed by a resolution passed by a simple majority of the Spiritual Leadership. No amendment may be made to clauses 3.2, 8.1, 8.2, 8.3, 8.5, 8.6, 10, 11 or 12 without the prior written consent of the Commission.

11 AMALGAMATION

- 11.1 The Trustees may at any time on a resolution passed by at least three-quarters of the Trustees present and voting at the meeting at which the amalgamation is considered and confirmed by a resolution passed by a simple majority of the Spiritual Leadership transfer the assets and liabilities of the Church to another charity established for exclusively charitable purposes within, the same as or similar to the Objects [and having a similar Statement of Beliefs]

- 11.2 On a transfer under clause 11.1 the Trustees must ensure that all necessary steps are taken as to:
- 11.2.1 the transfer of land and other property
 - 11.2.2 the novation of contracts including contracts of employment and the transfer of any pension rights
 - 11.2.3 the transfer of trusteeship of any property held for special purposes

12 DISSOLUTION

- 12.1 The Trustees may at any time decide by resolution passed by at least three-quarters of the Trustees present and voting at the meeting at which the dissolution is considered and confirmed by a resolution passed by a simple majority of the Spiritual Leadership that the Church is to be dissolved. The Trustees will then be responsible for the orderly winding up of the Church's affairs
- 12.2 After making provision for all outstanding liabilities of the Church, the Trustees must apply the remaining property and funds in one or more of the following ways:
- 12.2.1 by transfer to one or more other bodies established for exclusively charitable purposes within, the same as or similar to the Objects
 - 12.2.2 directly for the Objects or charitable purposes within or similar to the Objects
 - 12.2.3 in such other manner consistent with charitable status as the Commission approve in writing in advance
- 12.3 A final report and statement of account relating to the Church must be sent to the Commission

IN WITNESS of the above the parties have executed this Deed

SIGNED AS A DEED BY

[Name of Trustee]

[Signature of Trustee]

in the presence of:

[Name, address and occupation of witness]

[Signature of Witness]

SIGNED AS A DEED BY

[Name of Trustee]

[Signature of Trustee]

in the presence of:

[Name, address and occupation of witness]

[Signature of Witness]

SIGNED AS A DEED BY

[Name of Trustee]

[Signature of Trustee]

in the presence of:

[Name, address and occupation of witness]

[Signature of Witness]

[Repeat for each of the Trustees]