**Farnham Maltings Association Limited**

**Registered Company Number: 009547530(England and Wales)**

**Registered Charity Number: 605034**

**Background Notes**

**For the Extraordinary General Meeting**

**Monday 10th October 2022 at 18:00hrs.**

**To Consider Proposed New Articles of Association.**

**Background.**

Over the past 12 months, the Council of Management have been reviewing the future governance model for our organisation.

Within our existing powers, we have introduced changes in how the current Council of Management (effectively a board of directors) – conducts its business. Going forward, we believe that a new set of Articles of Association is the correct way forward.

***We ask that the Members consider, and if they see fit, to approve the new Articles of Association, subject to the approval of the Charity Commission and Companies House. Such approvals will be sought, only after the Members approve the new Articles.***

**New Articles.**

We currently operate under separate Memorandum and Articles of Association. These date back to the establishment of the charity and have been subject to minor changes over the years.

Under the Companies Act 2006, new Articles of Association effectively merge the Memorandum of Association and Articles of Association into a single document.

We have taken legal advice and the proposed new Articles reflect current thinking in terms of Articles of Association; in particular, clarity around the role of the board of directors and their powers, together with the manner in which the board reaches decisions on key issues. We believe that this update will strengthen the future governance of the organisation.

**Objects.**

The Current Memorandum of Association sets out its “Objects” over a number of pages. In a modern set of Articles, these are viewed as a mix of objects and powers.

The current thinking is that the Objects should be simple, clear and encompass the principal activities of the organisation – the “Why”; the “Powers” are then more detailed – the “What and How” the Board and the organisation operates.

As Members you will be aware of the wide breadth of activities that the Maltings engages in. These are far wider than just running a building and events in Farnham.

We work extensively beyond Farnham and supports the Arts in the South East of England and internationally. This wider role is funded by the Arts Council England, and we are grateful to them for their support and encouragement.

The new Articles will ensure that the range of the work we undertake is within the objects and to this end, we have proposed to the Charity Commission, and they have accepted, that under s.198(2)(a) of the Charities Act 2011, we amend the Objects as marked up below.

Such changes are necessary and will require the approval of the Members as part of the new Articles.

REVISED *OBJECTS*

*[note:* ***highlighted and underlined*** *text represents additional language and the ~~strikethrough text~~ represents deleted text].*

1. *The objects for which the Company is established are:‑*
   1. *To establish community centres for the benefit of the inhabitants of the Town of Farnham aforesaid and the neighbourhood, without distinction of sex,* ***sexual orientation, race*** *or* ***of*** *political, religious or other opinions, for the advancement of education and the provision of facilities, in the interests of social welfare, for recreation and leisure-time occupation, with the object of improving the conditions and life for the said inhabitants.*
   2. *To promote and encourage the arts* ***for the public benefit*** *~~[among the said inhabitants],~~ including the musical, visual, dramatic, cinematic and applied arts.*
   3. *Generally to encourage, promote, undertake or carry on or assist the promotion, undertaking or carrying on of such charitable activities and purposes as may strengthen the bonds of community life of the inhabitants aforesaid or otherwise be beneficial to the community. ~~[within the Town of Farnham and neighbourhood aforesaid]~~.*
   4. *~~Power to hold or own a collection and to operate a museum for the benefit of the public.~~*

The new wording covers the existing activities undertaken by the Farnham Maltings. In no way does it alter our role in the local community, rather that it widens the definition our role, to reflect what we do.

The previous “object 4” is more properly a “power” and is included in that section of the new Articles.

**Going Forward.**

In most respects, nothing will change by virtue of the new Articles.

We have operated a Council of Management for many years and in the future, this will be called the Board of Directors.

The involvement of the stakeholder representatives is valued, bringing the wider community involvement and support. The first decision of the new board of directors, following approval of the Articles, will be to continue to invite the stakeholders to the first part of our meetings.

**Approval Process.**

It is important that we have the requisite number of Members approving the new Articles.

To facilitate the widest possible attendance, we will carry out the EGM, using Zoom.

We ask that Members appoint proxies to ensure the EGM outcome is valid. In the month prior to the EGM, there will be ample opportunity for you to appoint proxies, and we will be available to provide information at selected key events at the Maltings.

**Conclusion.**

The Farnham Maltings is a unique organisation, benefiting not simply Farnham but the wider community, both in the south-east of England and internationally.

We have a great deal to be proud of and the new Articles will position the organisation for the future.

Your consent to these changes is sought.

Many thanks in advance.

Text, letter

Description automatically generated

Michael Maher

Chair.

13th September 2022.