

# **Kirkhill District Amenities Association**

## **Changes to the structure of the association and amendments to the constitution**

### **Introduction**

The Kirkhill District Amenities Association (KDAA) committee are of the opinion that the association's constitution is no longer fit for purpose and we have looked at alternative structures. We consider the Scottish Charitable Incorporated Organisation (SCIO) the best structure for our association. Such a change is rightly not to be considered lightly and we wish the Annual General Meeting to consider the change and, if in agreement, to mandate the committee to take steps to bring that change about. A further AGM or EGM will be required accept the new SCIO constitution, wind up the existing association and transfer the assets and liabilities to the new SCIO.

We would also like to address one particular shortcoming in our current constitution which requires us to have 15 committee members. We propose a more flexible wording.

### **KDAA structure**

KDAA is currently a voluntary (unincorporated) association, which is two tiered organisation with a decision-making management committee a wider membership of "ordinary" members. However in practice membership of the association has not been sought and so the current membership can only technically be considered the committee elected at the AGM.

It is now considered that this type of organisational structure is not fit for purpose, and does not best serve the interests of the association, its membership and elected committee members.

One of the main drivers for the change in structure is the lack of legal personality of an unincorporated association. This means that some or all of the committee members must undertake transactions on behalf of the association and title to land and buildings is held in the name of individual committee members. This exposes the committee members to personal liability for the actions of the KDAA and unlimited liability if it is wound up.

Two main alternative structures that would enable the KDAA to have a legal personality and limit liability of the committee and members are Company Ltd by Guarantee (CLG) and the new Scottish Charitable Incorporated Organisation (SCIO).

# Kirkhill District Amenities Association

CLGs have been around for a long time and are well understood. A CLG that is a charity (as we are) is regulated by both the Office of the Charity Regulator (OSCR) and Companies House. The charity accounting requirements are more onerous for a CLG.

SCIOs were introduced earlier this year to provide a legal structure that would suit unincorporated charitable associations that wish to limit the personal liability of members. As such they are not so well tried and tested. They have the advantage that there is only one regulator (OSCR) and the accounting requirements are less onerous than for a charitable company. However a SCIO has to be a charity and so if the organisation is removed from the charity register it ceases to exist.

A comparison table of the key characteristics of SCIOs and other common charitable forms is available in the OSCR SCIO guide, [www.oscr.org.uk/media/1907/SCIOs%20A%20Guide.pdf](http://www.oscr.org.uk/media/1907/SCIOs%20A%20Guide.pdf)

**The KDAA committee is of the opinion that the SCIO legal form is the most suitable one for the association and wishes the AGM to mandate the committee to carry out the necessary procedures to make this change.**

## **Proposed amendment to the constitution**

To give flexibility in the recruitment of the committee the KDAA proposes to replace clause:

### **3. THE COMMITTEE**

A committee numbering fifteen shall be elected at the AGM for a period of one year and shall be eligible for re-election.

The committee shall elect from its members the following office bearers:- Chairman, Vice Chairman, Treasurer, Secretary for a period of one year, also eligible for re-election.

A quorum shall be 5 or more members of a committee.

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### **3. THE COMMITTEE**

A committee numbering **at least five and up to** fifteen shall be elected at the AGM for a period of one year and shall be eligible for re-election.

The committee shall elect from its members the following office bearers:-

The Kirkhill District Amenities Association is a charity registered in  
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Chairman, Vice Chairman, Treasurer, Secretary for a period of one year, also eligible for re-election.

A quorum shall be 5 or more members of a committee.

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**11/10/11**