



Corris Railway Company Corris Railway Society

Constitutional changes

WHY

OUR CHARITABLE PURPOSE IS TOO NARROW IN SCOPE

**OUR CONSTITUTION REQUIRES AMENDMENT TO BRING IT
UP TO DATE**

WHY

**THE CURRENT SET UP GIVES NO PROTECTION TO COUNCIL MEMBERS.
IN THE LIGHT OF A CLAIM NOT COVERED BY INSURANCE ALL COUNCIL
MEMBERS WOULD HAVE UMLIMITED PERSONAL LIABILITY.**

WHY

ALL THE MEMBERS OF THE COUNCIL ARE TREATED AS TRUSTEES OF THE CRS.

THAT MEANS THAT ALL ARE INDIVIDUALLY LIABLE WITHOUT LIMIT OR RIGHT OF CONTRIBUTION OR INDEMNITY FOR ALL LIABILITIES OF THE CHARITY.

THERE COULD ALSO BE PROBLEMS WITH THE ACCUMULATED CRC DEBT.

WHY

IT IS BELIEVED THAT THE CURRENT SET UP MAKES IT DIFFICULT FOR EXTERNAL BODIES AND PARTICULARLY GRANT MAKERS TO UNDERSTAND THE RELATIONSHIP BETWEEN THE PARTIES WITH THE DEBTS OF THE CRC AND CTL BEING A STUMBLING BLOCK.

WHY

IT HAS BEEN OBSERVED THAT “RUNNING A RAILWAY” IS NOT SPECIFIED IN OUR CURRENT “OBJECTS” AS LODGED WITH THE CHARITIES COMMISSION. OUR ACTUAL RAILWAY OPERATIONS THEREFORE RELIES ON OUR INTERPRETATION OF THE CLAUSE. CURRENT PRACTICE WITH OTHER HERITAGE RAILWAYS IS FOR IT TO BE INCLUDED AS A SPECIFIC

LEGISLATION AND INCORPORATION

IT HAS BEEN STRONGLY RECOMMENDED BY THE HRA THAT, GIVEN THE NATURE OF THE SOCIETY'S ACTIVITIES AND THE SCALE OF POSSIBLE LIABILITIES, THAT THE STRUCTURE OF THE SOCIETY AND SUBSIDIARIES IS BROUGHT MORE INTO LINE WITH CURRENT PRACTICES AND LEGISLATION.

IT IS ESSENTIAL THAT IT BECOMES INCORPORATED IN SOME FORM. THIS WOULD ENABLE IT TO OWN ASSETS IN ITS OWN RIGHT, TO ENTER INTO AGREEMENTS/CONTRACTS ETC. AND OF COURSE PROTECT ITS LEADERS AGAINST VIRTUALLY ALL FINANCIAL EXPOSURE.

RIGHTS AND EXPECTATIONS

**THE RIGHTS AND EXPECTATIONS OF CRC SHAREHOLDERS
IS UNCLEAR AND NEEDS TO BE CLARIFIED WITHIN THE
CONSTITUTION**

CHARITABLE PURPOSES

WHATEVER STRUCTURE IS ADOPTED IN FUTURE THE ADVANTAGES OF CHARITABLE STATUS SHOULD BE RETAINED BUT IT WOULD BE PRUDENT TO UPDATE AND IF POSSIBLE, EXTEND THE CHARITABLE PURPOSES

NOT ONLY IS IT IMPORTANT THAT THE TRUSTEES STICK WITHIN THE BOUNDARIES OF THE REGISTERED CHARITABLE PURPOSES BUT THERE MAY BE FUNDRAISING OPPORTUNITIES FROM EXTENDING THEM.

WHAT HAVE WE DONE SO FAR?

SET OUT OUR CONCERNS ABOUT THE CURRENT STRUCTURE

SPOKEN TO AND MET WITH AN ADVISOR FROM HRA

HRA ADVISOR CONFIRMED THE ISSUES WE IDENTIFIED AND HIGHLIGHTED A NUMBER OF OTHER ISSUES AND CONCERNS WHICH WE WILL INVESTIGATE FURTHER

HRA PROVIDED A MATRIX OF POSSIBLE STRUCTURES AND THE IMPLICATIONS OF EACH OF THEM

RESTRUCTURE

ANY RESTRUCTURE SHOULD AT LEAST ENSURE THE BENEFIT OF LIMITED LIABILITY EXTENDS TO ALL THE TRUSTEES AND THAT GIFT AID POTENTIAL IS MAXIMISED.

ADDITIONALLY, WE NEED TO ENSURE THAT FUNDRAISING, RAILWAY OPERATING INCOME AND ASSET OWNERSHIP IS CLEAR AND IN ACCORDANCE WITH BEST PRACTICE

STRUCTURE POSSIBILITIES

INCORPORATED CHARITY

LIMITED COMPANY

COMMUNITY INTEREST COMPANY (CIC)

CHARITABLE INCORPORATED ORGANISATION (CIO)

**COOPERATIVE COMMUNITY BENEFIT SOCIETY
(CCBS)**

THE WAY FORWARD

THE WAY FORWARD

PROFESSIONAL EXPERTISE IS REQUIRED FROM BOTH A LEGAL AND ACCOUNTING VIEW. THIS TAKES TIME ALTHOUGH WE HAVE BEEN GIVEN CONTACTS BY THE HRA AND FIRST APPROACHES WILL BE MADE SHORTLY

THE WAY FORWARD

**ADDITIONALLY
ANY CHANGES NEED TO BE DONE QUICKLY AS THE CURRENT
LIABILITIES ARE NOT SUSTAINABLE AND THE EXISTING SET UP IS NOT
LEGALLY CORRECT.**

TIMESCALE

IN ACCORDANCE WITH SECTION 11 OF THE CURRENT CONSTITUTION ANY CHANGES ARE REQUIRED TO BE PLACED BEFORE AND APPROVED BY COUNCIL BEFORE A VOTE BY THE MEMBERSHIP AT A GENERAL MEETING.

TIMESCALE

**IT IS NOT POSSIBLE TO GET EVERYTHING READY FOR THE
OCTOBER 2024 AGM.**

**CAN WE AFFORD TO LEAVE CHANGES UNTIL THE
OCTOBER 2025 AGM?**

PROPOSAL

THE COUNCIL AGREES THAT THE CONSTITUTION SUB-COMMITTEE CONTINUES TO INVESTIGATE

ALL POSSIBILITIES OF CHANGE

TO REPORT TO COUNCIL WITH A FINAL PROPOSAL

**TO ENDEAVOUR TO ENSURE THIS IS COMPLETED BY THE
END OF 2024 WITH A VIEW TO HOLDING A GENERAL
MEETING AND POSTAL VOTE IN ACCORDANCE WITH
SECTION 11 OF THE CONSTITUTION BY THE END OF THE
FIRST QUARTER 2025.**