



Bookhams Residents' Association

COMPANY LIMITED BY GUARANTEE

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# Topics

- ▶ Background
- ▶ What it is
- ▶ Who else in Bookham (& elsewhere)
- ▶ Advantages (i.e. why have one)
- ▶ Disadvantages

# Topics

- ▶ What differences you will see
- ▶ Timetable of events
- ▶ May 2016 A.G.M.
- ▶ Subsequent A.G.Ms
- ▶ Proposals for your consideration

# Background

- ▶ Earlier this year issue was raised at a BRA meeting
- ▶ Asked to prepare draft Articles of Association
- ▶ Merger of existing BRA Rules/Companies House example/Others I've done
- ▶ Various discussions with Committee and with MVDC
- ▶ Report at meeting this evening

# What is it?

- ▶ A type of company used primarily for non-profit organisations

For example:

clubs, membership organisations, residential property management organisations, sports associations, charities, political parties (!).

# Who else in Bookham ?

- ▶ Bookham Community Association (March 2012)
- ▶ Bookham Youth & Community Association (May 2008)
- ▶ South Bookham SPACE (July 2010)
- ▶ Bookham Tennis Club (Dec 2011)

## ... And Elsewhere?

- ▶ Leatherhead & District Chamber of Commerce (Jan 1999)
- ▶ Surrey Chambers of Commerce
- ▶ Federation of Small Business
- ▶ Coast to Capital LEP

# ... And Elsewhere?

- ▶ OXFAM
- ▶ British Heart Foundation
- ▶ BUPA
- ▶ PGA European Tour
- ▶ England & Wales Cricket Board



# Why have one?

- ▶ Limited liability

To protect the members of the organisation from personal liability for the organisation's debts

The limit is the “guarantee” - £1; £10

# Why have one?

- ▶ Deliver services under contractual agreements
- ▶ Enter into commercial contracts
- ▶ Own land and other property
- ▶ Employ staff
- ▶ Degree of credibility to funding bodies

# Why have one?

- ▶ Introduce a more formal democratic process in the election of Company officers

# Disadvantages (Few)

- ▶ Modest Administrative Burden  
(Accounts to Companies House and HMRC;  
Annual Return to Companies House; Tax Return)
- ▶ Fees payable  
(Initial Registration Fee; Annual Return Fee)

# What will be different?

- ▶ Very little, however . . .
- ▶ A.G.M. will be more formal
- ▶ Accounts will look slightly different

# Timetable

- ▶ Company is registered with “Initial Subscribers”
- ▶ Bank Account opened
- ▶ Transfer of Assets
- ▶ First A.G.M. in May

# May A.G.M.

- ▶ Final set of Accounts from BRA
- ▶ Initial Subscribers stand down, and offer themselves for re-election as Directors
- ▶ Additional Directors elected by the members
- ▶ Subscription determined

# Subsequent A.G.M.s

- ▶ Notice goes out three weeks beforehand
- ▶ One third of Directors “retire by rotation” and can offer themselves for re-election
- ▶ Members invited to nominate new Directors
- ▶ Elections take place (can be by show of hands, by private ballot, or by proxy)



# Proposal One

- ▶ That the BRA Executive Committee be authorised to register at Companies House a Company Limited by Guarantee called:  
  
“The Bookhams Residents’ Association Limited”

# Proposal Two

- ▶ On registration of “The Bookham Residents’ Association Limited” as a Company Limited by Guarantee, the BRA be wound up according to Rule 23 of its Constitution and all its assets, including existing memberships, be transferred to “The Bookhams Residents’ Association Limited.”