



6th February 2024

Restructure of Capel Community Trust & Capel St Mary & Little Wenham Community Association

Summary of changes

- Capel Community Trust and Capel St Mary & Little Wenham Community Association are undergoing a necessary restructure.
- Concerns were raised about the 50-year-old unincorporated charity and association structure, not limited to personal liability for committee members and bar users.
- The Charities Commission recommended transitioning the Community Trust into a Charitable Incorporated Organisation (CIO) and the Unincorporated Association into a Limited company.
- Fisher Jones Greenwood provided legal advice, subsequently ratified by the Charity Commission.
- The CIO structure allows for more Trustees, with the hope that existing association committee members and residents will fill vacancies.
- Change will not disrupt facilities and services.
- The restructure is expected to provide necessary protections, fostering growth, improvement, and continued services to Capel St Mary villagers.
- Capel Community Trust acknowledges the challenges of change but underscores the belief that restructuring is vital for long-term success and sustainability.

You can view additional background on the restructure process by scanning the QR code or visiting: www.capelstmary.org.uk/restructure





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Dear Villagers,

We are writing to provide you with some background information regarding the recent restructure of Capel Community Trust and Capel St Mary & Little Wenham Community Association. These changes simply affect the legal structure governing our activities within the village and will not impact on your use of village facilities.

Following on from last year's Annual General Meeting of the Community Trust, operational matters were raised with the Charities Commission who regulate our activities. We were pleased to learn that the Commission was satisfied with Capel Community Trust. However, the Charities Commission raised significant questions about the organisational structure of the Trust & its fundraising arm. This was in relation to us operating as an Unincorporated Charity supported by an Unincorporated Association.

Due to the fact that this setup had been in place for nearly 50 years it was no longer considered fit for purpose and raised a number of red flags. In particular regarding the personal liability carried by Trustees, Association committee members and members of the Community Association (bar users).

Following discussions with the Charities Commission, it was recommended that the Community Trust transition into a Charitable Incorporated Organisation (CIO), and the work of the Unincorporated Association should become a Limited company. As the current Association serves as the fundraising arm of the Trust, the ownership of the Limited Company would be held by the CIO to ensure continuity and oversight in supporting the Trust's charitable objectives.

To ensure the legality and viability of this transition, the Trust sought independent legal advice from Fisher Jones Greenwood, which was subsequently ratified by the Charity Commission. This aligns our structure with other similar organisations.

Despite numerous conversations in the second half of 2023, an agreement was not reached to address the red flags and provide appropriate protection for the Community Association Executive Committee and its members using the bar.

The new CIO structure will allow for more Trustees to join. It was hoped that some existing members of the Association Executive Committee would fill these vacancies along with other villagers ensuring continuity as we move forward with the new structure. This in turn will bring limited disruption to facilities and services provided by both organisations.

The new structure ensures that the necessary protections are in place, providing us with the opportunity to grow, improve, and develop the facilities and services provided to the villagers of Capel St Mary for many years to come.

We understand that change can be challenging, but we believe this restructuring is essential for the long-term success and sustainability of our community organisations.

Thank you for your understanding and ongoing support.

Sincerely,

Capel Community Trust