

**CHELMSFORD DIOCESAN BOARD OF FINANCE**

Title: **CDBF ARTICLES OF ASSOCIATION**

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**I. INTRODUCTION**

Earlier this year work from Winckworth Sherwood (WS) to draft a modern set of articles, whilst retaining our current structure in all material ways. This work, started by the previous Diocesan Secretary, has been led by our (until recently) Audit Committee Chair (with thanks to Peter Morriss for all his help) and by the Director of Development & Property during the interim period without a Diocesan Secretary. Following the instruction to WS there have been lots of conversations and a number of meetings to get us to this place, including discussions at Finance Executive, Audit Committee and Finance Committee.

**2. MAJOR CHANGES FROM PREVIOUS VERSIONS**

In addition to these articles being compliant with recent legislation, the aim has been to produce a modern and professional set of articles (and be recognisable as such) with modern language and more transparency, whilst retaining our current structure in all material ways. We were also looking for them to include:

- a. Having a leaner governing document which takes advantage of freedoms in the more recent Companies and Charities Acts
- b. Reflecting recent legislative changes which give wider powers for the remuneration of trustees and connected persons for goods and services provided to the Charity
- c. Removing the requirement for an AGM (no longer a requirement under the Companies Acts), which would give much greater flexibility over the timing of Synod.
- d. Revising notice periods, again to give more flexibility over meeting scheduling.

As part of this work, the articles of association of a number of other Dioceses were reviewed, to see what best practice could be appropriately incorporated from elsewhere in the Church of England.

### **3. LATEST VERSION**

The draft version for your review is as appended here; much work and discussion has taken place to date to produce what is here (labelled “draft 7”). A previous draft (draft 4) was considered at the last Bishop’s Council/Finance Committee meeting in October, after which some minor final tweaks have been undertaken.

The basic structure of our operations remains unchanged. The Members of the Company are the Members of Synod, and they elect the Chair and Vice Chair of the Charity. The members from time-to-time of Bishops Council form the Directors of the Company.

### **4. FURTHER ACTION**

Certain changes to the provisions in our current articles require prior approval of the Charity Commission before the changes can formally be made (known as “regulated alterations”). The advice received is that replacement of our current articles with this new set of articles contains (albeit minor) regulated alterations.

Therefore if the Members are content with these proposals, the DBF will instruct WS formally to approach the Charity Commission for their approval of the draft new articles. Once that approval has been obtained, a special resolution will be put before the next general meeting (the March meeting of Synod) at which, it is hoped, these new articles will be formally adopted.

### **5. RECOMMENDATIONS**

Members are invited to CONSIDER the draft articles and, if content, to APPROVE them for submission to the Charity Commission.