



## Scotland Malawi Partnership 3<sup>rd</sup> October AGM Motions for Members' Vote

Between the 1<sup>st</sup> October and 16.20 on the 3<sup>rd</sup> October, SMP members will be invited to vote on four topics:

- 1) Director Elections (see separate paper)
- 2) Approval of the 2019-20 Annual Accounts (see separate paper)
- 3) **MOTION ONE: Proposal to change SMP status to SCIO (details below)**
- 4) **MOTION TWO: Appointment of the Independent Examiner (details below)**

### **MOTION ONE: Proposal to change SMP legal status to become a SCIO:**

The Scotland Malawi Partnership (SMP) is currently a Company Limited by Guarantee (SC294378) and a registered Scottish Charity (SC037048).

When the SMP was established some 15 years ago, SCIOs (Scottish Charitable Incorporated Organisations) did not exist and companies limited by guarantee were deemed best practice. Since then, SCIOs have been developed precisely for charities such as ours.

[SCVO has excellent information](#) about what a SCIO is and [OSCR has clear details](#) about the process of becoming a SCIO.

In keeping with our [Year of Governance Strengthening](#), the Board has been examining the best structure to take the SMP forward into the future. We have considered revisions to the Memorandum and Articles of Association (MAA) and indeed, have done some preparatory work on this earlier in the year. Through this process, the Board decided it would be most appropriate for the SMP to become a SCIO. SCIO's do not have an MAA but a Constitution.

The main reason for the Board favouring becoming a SCIO is that this removes one layer of governance (Companies House) while retaining the important features of limited liability and charitable status. Indeed, a SCIO can only exist as long as it remains a charity. It also removes the necessity of members contributing to the assets of SMP in the event of it ceasing to function (currently £1 per member, on paper). There are slight increases in the duties of members – they are required to act on behalf of the charity in the event of there being any sort of conflict (rather than themselves) and cannot be voted onto the Board to represent a particular interest or pressure group. These are minor and reflect best practice in any event.

The Board is therefore recommending that the SMP changes its legal status to become a SCIO. At the 3<sup>rd</sup> October AGM members will be asked whether they are happy in principle for the SMP to move to become a SCIO, following the below process and timescales. This is not a formal, binding vote. As outlined below, if members give their approval at the AGM to this process, the formal and final decision of whether the SMP should become a SCIO will come at an Extraordinary General Meeting in March 2021.

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The proposed timescales for this are as follows:

- **November** – Board to complete the drafting of a constitution for the SMP to become a SCIO. This has already begun and now needs some work to tidy it up. This will be sent to members in draft form with a ten-day window for members to feed in to the constitution at this stage.
- **1<sup>st</sup> December** – Board meeting will formally agree the draft constitution and then documentation will then be sent to OSCR for approval – this is a 42-day process.
- **Late January/early February** – Members sent the formal proposal that the SMP becomes a SCIO, and proposed constitution, for their consideration.
- **March** – An Extraordinary General Meeting is held, most likely by Zoom, to formally ask members whether they approve the change to become a SCIO. This will be a binary yes/no vote as edits cannot be made to the proposed constitution at this stage without incurring a further 42-day OSCR approval process.
- **1<sup>st</sup> April** – If the Members have voted ‘yes’, the SMP will start to operate as a SCIO.

### **MOTION TWO: Appointment of the Independent Examiner:**

The independent examination of charity accounts is required by law. The appointment of the Scotland Malawi Partnership’s present independent examiners, Martin Aitken & Co, Chartered Accountants, was ratified by members at the 2019 AGM, members at this meeting are asked to approve their re-appointment as independent examiners for a further twelve months.