

Guidance from England Hockey on the treatment of funds in organisations looking to dissolve in the current AGM re-organisation.

This guidance covers what should happen to funds currently held by organisations which are winding up or dissolving following the England Hockey AGM reorganisation.

It is the case that many organisations that are not continuing have accumulated surpluses over a long period of time. These surpluses have come from a variety of sources, including affiliation and entry fees and fines, officiating charges paid by Clubs and/or Counties, charges to individuals for participation in the Performance Centres, individual umpire's membership and competition entry fees from schools and clubs.

Often fees were set and collected in good faith but without any practical understanding of the level of reserves required by the organisation and with little challenge to the amount charged or already held in reserves.

Most of the constitutions of the Regional Associations, Umpires Associations and County Associations provide that they are non-profit making. Where this is not explicitly stated it is likely that it is implied due to the membership nature of the organisation, its functions, and the source of the funds.

Most of the Regional Associations, Umpire and County Associations have clauses in their constitution to provide for them dissolving or being wound up and/or having their functions passed to a successor organisation. These clauses often provide for how funds should be distributed with reference to the original source of the funds or state that funds should remain within the game of hockey or that they should go to a successor organisation. Some constitutions provide for a decision to be made by members at a general meeting or that the members can delegate any decision to the committee.

Often member organisations, such as clubs, are not aware of the nature of these provisions and where a decision is to be made, would want a say on where the funds should go to ensure that consideration is given to returning the funds to clubs who may have provided the bulk of them in the first instance.

It is England Hockey's position that if an organisation's Constitution or Articles does not clearly state where funds should go, **wherever possible**, funds should be dispersed in the following ways:

1. Returned to the individuals or clubs or organisations that have provided them. It is recognised that there may be significant logistical challenges in doing this depending on where funds were accumulated from. Therefore option 2 may be more realistic:
2. Transferred to the appropriate successor organisation. If necessary, the funds transferred can be identified and earmarked at the new organisation for the specific purpose they were collected.

It is recommended that Clubs attend Special or Annual General meetings where decisions are likely to be made and ensure that the correct process is followed and that a vote is taken where a decision is to be made.

If you require further information, please email the AGM Resolution team – agm.resolution@englandhockey.co.uk