



THE TRIRATNA TRUSTEES' HANDBOOK

A guide for members of Triratna Councils

CONTENTS	PAGE	
1 Introduction	2	
2 Spiritual responsibility	3	
3 Charities and charitable status	3	
a. demonstrating public benefit		
b. the Charity Commission/Office of the Scottish Charity Regulator		
c. restrictions and benefits to being a charity		
4 The legal structure of Triratna charities	7	
a. charities and companies and trustee liability		
b. company or charity?		
c. governance of Triratna charities		
d. membership of the charity		
e. council members (trustees)		
(i) the role of the council		
(ii) more on trustee responsibilities and liabilities		
(iii) legal criterion for qualifying as a trustee		
(iv) financial support of trustees		
f. officers of the charity		
(i) treasurer		
(ii) secretary		
(iii) chairman		
		(iv) the president
		(v) holding trustees
		5 Annual Returns, Reports, and Accounts
		17
		a. terminology and definitions
		b. summary of requirements for different sizes of charity
		c. annual return
		d. annual report
		e. accounts
		6 Running Meetings
		22
		a. checklist for chairing meetings
		b. some guidelines for keeping minutes
		7 Other issues Trustees Need to know about
		26
		a. legal advice found on the triratna-centre-support website
		8 Appendixes
		27
		a. a brief history of charity in the UK
		b. the Triratna constitution or governing rules
		c. sample Triratna branch rules
		d. useful contacts and further information

prepared by the Triratna Chairs Assembly, Registered Charity 1117287

1. INTRODUCTION

Most Triratna centres in the UK are run as registered charities. When you become a Council member you become a charity trustee. Being a Council member carries legal responsibilities and duties. This handbook sets out briefly and simply the responsibilities and duties of a Council member in the light of the Charity law and provides information on some of the other many relevant issues involved with running a Triratna charity.

The emphasis of this handbook is on the legal requirements and responsibilities of being a trustee, but the intention is not to give the impression that being a trustee needs to be arduous, or anxiety provoking! The charity commission report that serious problems in the charity sector as a whole are extremely rare. In the Triratna too, serious legal or financial problems have rarely, if ever, occurred. Provided your council is reasonably responsible and careful to follow the charity commission requirements, being a trustee should be a rewarding and enjoyable process.

Triratna charities are managed by an elected Council. The Council has ultimate legal and financial responsibility for the organisation of your Triratna, and is accountable for the activities of your Triratna. Each individual Council member is responsible and accountable for the decisions made by the Council. In some centres some responsibility is delegated to an Executive or a Centre Team, but each member of the Council is still legally accountable for that delegated function and must take care that he/she is aware of actions taken by such a delegated body.

This handbook is by no means exhaustive so if there is anything you wish to know about but cannot find, please contact Lokabandhu of the Triratna Development Team, or check out the website www.triratna-centre-support.org. Although you can look at the England and Wales Charity Commission website (www.charity-commission.gov.uk), or the Scottish equivalent, it is good to also get advice that is specific to Triratna. If you are unsure about something you may well be better discussing it with me before turning to government offices. We would also like to collect as much relevant knowledge as possible on the running of our charities so as to help future generations. If you are aware of anything that would be useful to include in this publication please bring it to our attention.

This handbook has been produced by the European Chair's Assembly, itself a UK charity, and is intended as a guide to help trustees fulfil their duties. It has been prepared specifically to help in the running of Triratna charities in England and Wales and to a lesser extent Scotland and Northern Ireland. Much of this handbook applies generally, but the requirements of the Charity Commission are only applicable to England and Wales.

This handbook is not a substitute for knowledge of the law and trustees should make it their responsibility to keep updated of the changes in charity law. While every effort has been made to ensure its accuracy the Assembly can in no way be held responsible for any misunderstandings arising from the contents of this handbook.

*Originally compiled by Surana, February 2002
Updated by Vajragupta, May 2007 and January 2008.
Updated by Lokabandhu, December 2008 and March 2013*

2. SPIRITUAL RESPONSIBILITY

Most of this document is concerned with legal matters. Being a Council member of a Triratna council also carries with it a Spiritual responsibility. It is important to bear this in mind. Due to the nature of Triratna charities it is neither possible nor desirable to separate the two responsibilities. The way you conduct your legal responsibilities is a manifestation of your spiritual responsibilities. Each Triratna charity is set up to enable as many people as possible to Go For Refuge as deeply as possible to the Buddha, Dharma and Sangha. Written into the Governing rules of each Triratna charity are a number of rules that illustrate this.

Indeed the principle aim of each charity is:

“The advancement of the Buddhist religion”

Each charity endeavours:

“to encourage members and others to live in accordance with the teachings of the Buddha.”

It is committed to:

“work under the guidance of the Triratna Buddhist Order”

And it:

“respects all aspects of the Buddhist tradition and recognises the value of each”

In order for each charity to do this it is obviously essential that the members of the Council themselves understand the implications of these statements and are committed to their aims.

3. CHARITIES AND CHARITABLE STATUS

A centre of the Triratna Buddhist Community is likely to be a registered charity. A charity works for public benefit, not for private gain. In return it is treated favourably for taxation, but faces restrictions on its political and trading activities. (Some Triratna's are also registered as companies – for more information on this see section 4.)

a. Demonstrating Public Benefit:

The Triratna Buddhist Community is treated as a charity because its objects are for the advancement of religion – which is one of the main 'categories' of charitable purposes recognised by the Charity Commission. All of our charities exist to promote religion - in our case Buddhism. It is obviously necessary that our activities reflect this and we can be seen to benefit the public directly from what we do. The most obvious example is meditation. We teach meditation to members of the public so they can benefit. We teach Buddhism so members of the public can learn about it and so also benefit. School visits and social work would also benefit members of the public. It is important that the charity's activities do indeed perform benefit directly to members of the public.

In the new Charity Act 2006 there are changes to how an organisation's activities are judged to be of public benefit. The Charity Commission website states:

www.charitycommission.gov.uk/spr/pubben.asp

“The Bill requires organisations to pass two tests if they are to be charities. Firstly that their objects are charitable, and secondly that they operate for the public benefit. For the first time, the law will require charities which advance education, religion or relieve poverty to explicitly demonstrate they deliver public benefit. The law has previously presumed this to be the case for these types of charities. .”

On a consultation day run by the Commission for Buddhist charities in 2007, there was a lot of questioning and concern about this. The Commissioners were at pains to reassure Buddhist charities that religious activity was still considered of public benefit. The new law does not affect the vast majority of our activities. The only possible exception might be something like a three year retreat where the Commission might judge that the retreat benefits the individuals who participate and not the wider public. They might rule that it constitutes a private benefit, not a public one, and therefore shouldn't be funded by a charity. However, even here there would be the opportunity to argue and demonstrate how those on long-term retreat are training and preparing to be of benefit to the Buddhist community.

The Charity Commission has recently carried out a process of consultation on what constitutes public benefit. Their final guidelines have been posted on their website at www.charitycommission.gov.uk/Library/publicbenefit/pdfs/publicbenefittext.pdf. As you'll see, Triratna charities can easily fit within these principles. You can bear them in mind when completing your annual report to the charity commission. For example, it might be worth mentioning that your centre keeps its charges very low, or charges a special low-income rate to help those on low income.

The current principles are -

Principle 1: There must be an identifiable benefit or benefits

The following are important factors to consider when deciding whether an organisation's aims meet the 'benefit' principle of the public benefit requirement:

- Principle 1a It must be clear what the benefits are
- Principle 1b The benefits must be related to the aims
- Principle 1c Benefits must be balanced against any detriment or harm

Principle 2: Benefit must be to the public, or a section of the public

- Principle 2a The beneficiaries must be appropriate to the aims
- Principle 2b Where benefit is to a section of the public, the opportunity to benefit must not be unreasonably restricted:
 - by geographical or other restrictions; or
 - by ability to pay any fees charged
- Principle 2c People in poverty must not be excluded from the opportunity to benefit
- Principle 2d Any private benefit must be incidental

More detail on all the above can be found on the Charity Commission website.

The Charity Commission has also produced specific guidance for religious charities; this can also be found on their website at www.charitycommission.gov.uk/Library/publicbenefit/pdfs/pbreligiontext.pdf .

They open this discussion by saying –

“To be recognised as charitable, all organisations advancing religion must be able to show that there is a moral or ethical framework which is promoted by the religion. “In charity law, it is the existence of an identifiable, positive, beneficial moral or ethical framework that is promoted by a religion which demonstrates that the religion is capable of impacting on society in a beneficial way.

“For many followers or adherents, the most significant benefit they might identify is the meaning that religion gives to their lives and the way in which it contributes to their spiritual well-being. It helps to develop their spirituality (including strengthening their relationship with their supreme being or entity) as well as providing a moral or ethical framework to live by. This moral or ethical framework is considered by many to offer benefits to wider society, as well as individual comfort, solace and a sense of purpose”.

Again it is very unlikely that any Triratna charity would have difficulty being accepted under these criteria. The Charity Commission have useful sections on providing benefits to members of a religious community; on the practice of charging money for services offered by religious charities, and the new duty imposed upon charity trustees to report in their Trustees' Annual Report on their charity's public benefit.

b. the Charity Commission / Office of the Scottish Charity Regulator

Charities are subject to Charity Law (e.g. Charities Act 1993 or 2006) as well as to common law. The **Charity Commission** is responsible for regulating charities in England and Wales. In Scotland, the equivalent body is **OSCR – the Office of the Scottish Charity Regulator**. (For a brief history of charity in the UK see appendix a, and for contact details see appendix d.)

The Charity Commission is the government department that exists to support and supervise charities in England and Wales. It maintains a registrar of all 189,104 (as of December 2008) registered charities. It provides help and advice to guide charities in their activities. They are answerable to the Courts for their legal decisions and their interpretation of charity law, and to the Secretary of State for the Home Office, as well as Parliament, for performing effectively as a Government department. The powers and functions of the Commissioners are set out in the Charities Act 1993.

While the Charities Commission provides a degree of support and monitors charity activity it is the **Inland Revenue** that has the ultimate authority over charities when it comes to financial matters. They are a lot more rigorous and unforgiving, so it is essential that as well as complying with all that the charity commission ask of you the charities accounts must be kept up to date and in good order at all times.

c. restrictions and benefits to being a charity

Restrictions:

Charities must only undertake charitable activities. The following two areas are not usually regarded as charitable:

1. *Political activity* - Charities cannot exist primarily for political purposes, although they can campaign and lobby when to do so is: relevant to the Charity's objects; in the interest of the charity's beneficiaries; not party political; is not the main work of the charity.

2. *Commercial activity (trading)* - Charities can carry out a trading activity if it directly furthers the primary purposes of the charity, or if it involves the sale of things produced by the beneficiaries, or it involves charging for services provided to the beneficiaries (e.g.. meditation tuition) or the sale of donated goods. Other commercial activity may be undertaken if it is incidental and ancillary to the charity's main work.

If a charity undertakes a substantial amount of commercial activity, it may need to set up a separate trading company. If it wishes to carry out trading activities other than those listed above, it will have to set up a non-charitable trading company.

If the company is to be owned by the Triratna Buddhist Community then the chairman or holding trustee should own the majority of shares in the trading company, in trust for the Triratna Buddhist Community. The persons responsible for the day to day running of the company will be the directors. Any profits of the trading company can be donated free of taxation back to the Triratna Buddhist Community.

Benefits:

There are six key advantages to having charitable status:-

1. Recognition as 'bona fide' and trustworthy.
2. Rate relief on any premises you occupy: you are entitled to 80% relief, with the possibility of a further 20% at the discretion of your rating authority. This can be further extended to 100% relief if your Centre is registered as a 'Place of Religious Worship'. Guidance for the procedure for doing this can be found on the Triratna Centre Support website.
3. Relief from direct taxes such as corporation tax, income tax, inheritance tax, and capital gains tax.
4. Tax benefits on gifts made to the charity through covenants, gift aid and legacies.
5. Some possible advantage in the payment of VAT. For details contact customs and excise.
6. You may raise funds from trusts and donors that only give to registered charities.

4. THE LEGAL STRUCTURE OF TRIRATNA CHARITIES

a. charities and companies and trustee liability

Each Triratna is legally and financially autonomous in that it is organisationally and financially independent from all other Triratna centres. Most Triratna charities are unincorporated associations and most of this section refers specifically to these. An unincorporated association is not regarded as a legal entity. This is *not* to say it has no legal status but that, for most purposes, it is regarded as a collection of individuals. This is unlike, for example, a Limited Company, which is regarded as a legal entity regardless of the individual directors who run it. An unincorporated association cannot hold assets or enter into legal agreements. Property can only be held by individuals on behalf of the Triratna Buddhist Community, known as "holding trustees" – see section f(v) below.

The assets of an unincorporated association must be transferred each time one of the trustees, in whose collective names they are held, leaves. Legal agreements and contracts can only be entered into by individuals acting on behalf of the organisation. As a council member you should therefore realise that you are personally responsible for any decisions you take.

Because trustees are exposed and liable in this way, some Triratna charities have decided to incorporate themselves as companies. The following section gives you more information about the pros and cons of company registration.

b. company or charity?

* The main reason Triratna's consider incorporation as a company is that it gives their trustees reduced liability in the event of any claims or debts owed by the charity. However, this advantage may not be as clear-cut as it may seem.

* Although, as explained above, most Triratna charities are unincorporated associations, where the trustees are personally responsible for decisions taken by the charity,, the Trustee Act 2000 gives trustees of unincorporated associations the right to an indemnity out of the assets of the charity for liabilities, costs and expenses where they have acted reasonably, with due diligence and in accordance with their powers (i.e. the law and the charity's own rules). This reduces the risk to charity trustees and reduces the advantages of incorporating as a company in order to reduce your personal liability as trustees.

* Trustees should be encouraged to be clear about their roles and responsibilities, keep accurate records of decisions taken, take professional advice when needed and keep up to date with good practice. They should also ensure that employees and volunteers have been properly selected and are supervised reasonably. If you do this, it is very unlikely you will be found to have acted without due diligence etc.

** Where the assets of the charity are insufficient to cover a liability, the trustees (at the time of the actions in question) may still be personally liable for any debts or claims that arise. So, where a charity exposes itself to the possibility of sizeable claims by having a number of employees, or entering into contracts for the supply of (charitable or commercial) services, or being a substantial owner of property, incorporation may be worth considering.*

* Even incorporation as a company would not protect trustees from the consequences of wilful misconduct – e.g. breach of trust or duty, or fraudulent wrongful trading. Trustees who become company directors must therefore continue to take their responsibilities very seriously.

* Trustee liability insurance may be taken out by the charity (unless its own rules prohibit this – otherwise there is now a general dispensation for trustees to benefit from being trustees in this one respect) to cover trustees for any honest mistake. In my (limited) experience this insurance can be rather expensive.

Other possible advantages to Incorporation as a Company:

* As a company is a legal person, all property would be held in the name of the company. This would avoid the need to change the paperwork when holding trustees change (though there would need to be an initial transfer to the company).

Disadvantages of Incorporation as a Company:

* The charity will need a new constitution (memorandum and articles of association) and may need professional legal advice with this and the rest of the company set-up.

* It means you have to meet the dual regulatory requirements of both the Charity Commission and Companies House i.e. two sets of annual return, accounts etc. Companies House tends to be much stricter on filing deadlines for the annual report and accounts – with fines for late filing. The annual report and accounts would also need to meet the different requirements of Companies House and the Charity Commission – hence the additional costs of accountancy.

* The accounting/financial reporting requirements of Companies House used to be more stringent than the Charity Commission requirements, but they are now being brought

more into line with each other. The table below gives the requirements and thresholds for financial years that started on, or after, 27th February 2007. This may mean more work and paying the fees of an accountant, or possibly auditor.

Also Worth Knowing About:

The Charity Commission has recognised that many charities are registering as companies and that this then creates extra work. The 2006 Charity Act therefore creates a new vehicle for these charities – the Charitable Incorporated Organisation (CIO). A CIO will have the advantages of a corporate structure, such as reduced personal liability for trustees, without the burden of dual regulation. Creating CIOs will require additional, secondary legislation and the recently formed Office of the Third Sector will start consultations in preparation for this legislation in 2008. I'll provide more information about this, when the details emerge. It is currently at a 'consultation stage'.

c. governance of Triratna charities

What follows now concerns the legal structure and governance of a Triratna charity. A draft/sample Triratna charity constitution can be found in appendix b.

Each Triratna charity is made of a membership, a council, and the officers of the council:

- **Members of the charity** - these are individuals who support the aims and objects of the charity.
- **Council members** - these are the charity trustees elected by the members to run the charity.
- **Officers** - These are elected by the council to fulfil specific functions.

d. membership of the charity

Every Triratna is formed of members. These are individuals who support the aims and objects of the charity. They have no legal responsibilities and are not involved with the running of the charity. All members should be loyal and sympathetic to the Triratna Buddhist Community. Rules 5 to 9 of the standard constitution (see appendix B) cover membership of the charity. Depending upon the size of the centre it is recommended that there should be between 12 and 20 members at any one time.

Although members have no legal responsibility/liability, they are entitled to attend the AGM of the charity and have a vote when the trustees of the charity are elected. For this reason in particular, it is essential that the secretary keep an up to date list of the members of the charity. In the past there have been disputes about who is a member of a charity and therefore entitled to vote in the AGM.

How is membership of the charity decided? The trustees can adopt new members at any council meeting. In practice, some centres invite all Order members who are involved with the centre to be members. Some centres ask local Order members to pay £1 (or some nominal fee) to become members. This provides a means whereby local OMs other than those on the council can be involved and connected to the centre in some way.

e. council members

The council has a collective responsibility to make sure that the Triratna Buddhist Community keeps to its objects, that it uses its assets only for the pursuit of the objects, and that it acts at all times in the interests of the beneficiaries. In addition to these duties,

the trustees must also work together to make sure that organisation is properly managed and that its work is effective.

Historically in the Triratna Buddhist Community we have held firm to the principle that those who run and 'control' a charity should be spiritually committed. In practice this has usually meant that it is those ordained into the Triratna Buddhist Order who become trustees. Some Councils also have mitras who have asked for ordination, or, more rarely, mitras who have not, as trustees. This might happen in a smaller situation where there are less Order members (though Order members from outside the situation can also be invited). It might also be where there is a mitra(s) with more relevant experience and expertise (e.g. financial expertise) than the Order members. In such cases, we need to remain aware of the principle of 'control' remaining with the spiritually committed – perhaps by always having a majority of Order members as trustees. In one or two cases neighbouring Centres have agreed to have some interlinked Trustees, where Order Members working in one Centre are the trustees of the other, and vice versa.

The council must meet regularly (at least 4 times a year) if it is to administer the Triratna Buddhist Community effectively. It is important to bear in mind that the council does not exist apart from the individual trustees on the council. It should always be borne in mind that it is individual council members that make decisions for which they are personally responsible. This is even the case when matters are delegated to others. The duties of trustees will be dealt with in more detail in the next section.

As stated above, council members are elected annually at the AGM by the membership of the Triratna Buddhist Community. The Council can co-opt members to bring extra skills or experience to the Council. There may be observers and representatives present but they do not have legal responsibility for any decisions made. Order members from outside the situation can serve as trustees. This increases the level of contact with other bodies. The elected Council is accountable to the membership.

Sub committees may be set up. Often these are centre teams or Executives. The subcommittee may be Council members but can include others. The Council should receive reports from any subcommittee regularly so that you are sure that their work conforms to the aims and objects. If they take on work for the charity and make decisions concerning its direction without the knowledge of the council the council is not fulfilling its function and indeed they themselves thereby effectively become trustees and may be personally liable. This is because the definition of a trustee is not the title that an individual gives themselves, but the role that the individual plays.

The constitution also enables branches of the Triratna Buddhist Community to be set up in order to further the aims and objects of the charity within a specified locality or area of activity. For example a group running in a smaller town near an existing centre. (A sample set of Branch Rules can be found in appendix C.)

(i) The Role of the Council

There are six main roles:

1. Giving direction to the Triratna Buddhist Community: a strategic role, identifying and reviewing the direction of the Triratna Buddhist Community, making overall plans and monitoring progress, working with the WBO and other Triratna councils for a common purpose.
2. Managing people: to harness the efforts of people to best effect.

3. Accountability: to account for the activities to any body, group or individuals with an interest in the Triratna Buddhist Community e.g. the Chairmen's meeting, the Mitra convenors' meetings, the ordination teams, Mitras and Friends.
4. Legal Role: to ensure the organisation abides by its governing instrument and obeys the law.
5. Resource Management: to ensure that money and property are wholly used to pursue the objects of the Triratna Buddhist Community, and are managed to best effect.
6. Managing itself: making sure that the committee makes good decisions, functions well, that meetings are effective and that all members are fully involved.

The Council does not have to do all the work - this may be delegated to others, but it must know what is happening in its' name. You must work with the other Council members to give your Triratna charity a clear direction, to plan a course for the future and to use resources to the best end.

(ii) more on responsibilities and liabilities

You may incur liabilities in two main ways:

1. Liability for debts and claims resulting from contracts, leases etc.

This could occur, for example, if a centre's income declined very quickly and had a mortgage or other debts that it was no longer able to re-pay, and if the assets of the charity were not enough to cover the debts.

As the council must act collectively you will be responsible jointly to meet any liability incurred by the council. You should particularly careful when entering into substantial contracts to ensure your Triratna has means to meet its obligations. If the council incurs liabilities or debts that exceed the values of the Triratna Buddhist Community's assets, the creditors could sue each council member for the difference.

Each council member accepts personal responsibility for the activities of the Triratna Buddhist Community. You are expected to know and understand every decision taken by the council collectively. Ignorance is not an excuse. You are considered to have supported decisions made by committee members unless you can demonstrate your active opposition to them. Your active opposition has to be recorded in the minutes.

2. Liability arising from breach of trust.

You are expected to act, at all times, reasonably and with a high standard of care. If you do not then you may become in breach of trust. If you are in breach of trust you may become personally liable for any debts or claims that result from your actions.

If you act prudently, lawfully and in accordance with your governing rules, then any liabilities you may incur as a trustee can be met out of Triratna resources. If you act otherwise you may be in breach of trust and thus personally liable to meet any or all of the charity's losses arising from your actions and to make good any loss to the Triratna Buddhist Community.

For more on the responsibilities of trustees, including all sorts of other issues such as financial remuneration etc. see the charity commission's booklet CC3, ([The Essential Trustee: What You Need to Know](#)) which can be downloaded from the publications section of their website. What follows is their brief summary of the main duties of a trustee, but it is worth your council having a copy of the whole document:

What are the duties of trustees?

Ensuring compliance – Trustees must ensure that their charity complies with:

- Charity law, and the requirements of the Charity Commission as regulator; in particular you must ensure that the charity prepares reports on its work, and submits annual returns and accounts as required by law. You can find more information in our publication *The Hallmarks of an Effective Charity* (CC60).
- The requirements or rules, and the charitable purpose and objects, set out in the charity's own governing document. All trustees should have a copy of this document, and be familiar with it.
- The requirements of other legislation and other regulators (if any) which govern the activities of the charity; these will vary according to the type of work the charity carries out, and whether it employs staff or volunteers.
- The requirement for trustees to act with integrity, and avoid any personal conflicts of interest or misuse of charity funds or assets. You should check the charity's governing document for provisions relating to conflicts of interest, and you can find more information in our website guidance on conflicts of interest and in our publication *Payment of Charity Trustees* (CC11).

Duty of prudence – Trustees must:

- Ensure that the charity is and will remain solvent; this means that you need to keep yourself informed of the charity's activities and financial position.
- Use charitable funds and assets wisely, and only to further the purposes and interests of the charity.
- Avoid undertaking activities that might place the charity's property, funds, assets or reputation at undue risk.
- Take special care when investing the funds of the charity, or borrowing funds for the charity to use.

Duty of care – Trustees must:

- Exercise reasonable care and skill as trustees, using personal knowledge and experience to ensure that the charity is well-run and efficient.
- Consider getting external professional advice on all matters where there may be material risk to the charity, or where the trustees may be in breach of their duties.

The Charity Commission reports: "In the very few cases where serious problems occur, we have wide powers to look into them and put things right. Depending on the circumstances and the charity's governing document, trustees may be personally liable for any debts or losses that the charity faces. However, personal liability of this kind is rare, and trustees who have followed the requirements summarised in this booklet will generally be protected."

(iii) you cannot be a charity trustee if you

- are under 18 years of age (unless the charity is a registered company); or
- are disqualified under section 72 of the Charities Act 1993 because of bankruptcy or conviction for an offence of dishonesty or deception.

(iv) financial support of trustees

Whenever one of our charities in the UK has received a query from the Charity Commission it has invariably concerned this issue - they are checking up because the charity has indicated on its annual return form that it supports one or more of its trustees.

There are some signs that the commission is becoming more flexible on this issue and that they recognize that, in the case of religious charities, it may be appropriate that someone who works for the charity, and is supported to do so, should also be a trustee.

That said, the underlying principle in charity in the UK remains that trustees should not be benefiting from their position in the charity. You need to approach this issue with care and thought.

If the issue crops up with the charity commission, your charity can present them with an argument about why it is appropriate that a trustee be supported. In the case of Triratna charities this might include:

- i) Our constitution allows us to support ordained Buddhists and the trustee is being supported as an ordained Buddhist, not to be a trustee. They are receiving support, rather than a salary.
- ii) The supported trustee is an important figurehead (a chair or mitra convenor) in the spiritual community and it is therefore appropriate that he or she be a trustee.
- iii) The community is very small with only a few people have the relevant experience and religious commitment to be a trustee. Because the community is small, these are the very same people who are engaged full-time for the charity, and they need support to do so.
- iv) The charity has considered what it will do when clashes of interest inevitably occur – e.g. the trustee that has a conflict between their personal interest and that of the charity declares that interest and/or leaves the meeting while that issue is being discussed, and you have also ensured that the supported trustees are a minority on the trustee body.
- v) The trustee is a user of the charities services, but it helps the charity be more effective to have users on the trustee panel.

(There is guidance on some of these areas in a charity commission booklet – CC24 – [“Users on Board”](#), available on their website.)

If your charity has been feeling constricted by the requirements not to support trustees, there may be more room for negotiation now. Please contact me if you wish to do this – as I will be the most up to date on the experience of other Triratna charities and able to advise accordingly. Please don't do anything thoughtless that may jeopardise your charity status and possibly that of other Triratnas!

f. officers: treasurer, secretary and chairmen

The Council requires some of its members to take on special roles to facilitate its operation. These are described as the ‘officers’ in the standard Triratna constitution. The council elects its officers (Chairman, Secretary and Treasurer) at their first meeting after the AGM. It is the council that elects the officers (not the membership). Only in exceptional circumstances should the officers not be members of the Triratna Buddhist Order. These must be separate individuals - no one individual must perform all three functions as the charity commission consider this as giving them undue influence.

You need to know the basic duties of the treasurer, secretary and chairman. It is also useful to know what function the President fulfils and what ‘holding’ trustees are.

Some Triratna charities have (with the approval of the Charity Commission) made amendments to their constitutions to have a different set of officers, or to share the

duties of the officers between the trustees in a different way. Whatever route you take, the underlying need is to ensure that the work of the council is done effectively and the functions described below are covered in some way.

(i) the treasurer

The task of the Treasurer is to make sure that money and property are properly managed. The Treasurer acts on behalf of the Council to safeguard the finances, with a watchdog role over all aspects of financial management. The Treasurer does not necessarily do all the work of book-keeping, record keeping, budgeting etc. as such duties may be delegated.

The main duties and tasks of the Treasurer:

- Ensure proper systems for budgeting, financial control and reporting.
- Keep all the trustees properly informed about the state of the finances. Remember responsibility lies with the whole Council.
- Communicate with all so as to maintain a clear picture of the financial health of the Triratna Buddhist Community.
- Ensure financial reports to trustees are comprehensible and properly discussed.
- Ensure that financial reports are provided in the proper form and at the proper time as required by other bodies, in law e.g. the Charity Commissioners

It is the fundamental duty of all charity trustees to protect the property of their charity and to secure its application for the objects of the charity. In order to discharge this duty it is essential that there are adequate internal financial controls over the charity's assets and their use. All trustees are responsible. Don't fall into the trap of thinking that the Treasurer is the only trustee responsible for the financial affairs. Each and every trustee shares the responsibility for ensuring that the assets (all money and property) are properly managed, used only for the purposes of the organisation and used as effectively as possible. All trustees must be satisfied that they are receiving adequate financial information. They need to ensure that those delegated to handle day-to-day finances are competent and experienced enough to do so.

(ii) the secretary

Main Tasks of the Secretary

- Keep a check on the progress of work as agreed by the Council.
- Deal with correspondence, press and publicity.
- Ensure that the organisation meets its legal obligations; including reporting,
- Meeting charity law requirements and insurance.
- Make arrangements for meetings.
- Prepare the agenda with the Chair.
- Make sure that any Council members who have been given tasks know what it is they have been asked to do.
- Circulate Agenda with papers and previous minutes.
- Check that members have taken agreed action following last meeting.
- Receive agenda items

In Meetings:

- Check that a quorum is present.
- Record decisions and policy in the minutes.
- Ensure the Chairman signs minutes of previous meeting, once approved by Council.
- Produce the minutes. (The job of taking minutes can be delegated)
- Make sure decisions are clearly recorded.
- Include in minutes who will do which tasks, and when.

(For some guidelines on minute-taking, see section 6b.)

Other tasks:

- Keep a list of Council members, plus addresses and phone numbers.
- Keep a list of membership, as above.
- Ensure the members are informed of the Annual General Meeting and any General or Special meetings.
- Maintain records of correspondence.
- Ensure that the annual report is written and sent to relevant bodies.
- Ensure that every new council member is given a copy of this handbook and is lead through it to ensure they fully understand their duties and responsibilities.

(iii) the Chair

There is more helpful information and advice on the role of the chair at: <http://triratna-centre-support.org/chairs-assembly-2/what-is-a-centre-chair><http://triratna-centre-support.org/chairs-assembly-2/what-is-a-centre-chair>. This webpage, gives broader information about the role of chair, but in terms of council meetings, the Chair makes sure that the Council functions properly, that everyone is able to contribute fully during meetings, that all relevant matters are discussed and that effective decisions are made. Chairing is a key role. The Chair is expected to provide leadership to the Council but not to dominate meetings or to block or inhibit the contributions of the other members.

Duties of the Chairman:

- * A representative role as the figurehead of the organisation.
- * Ensuring the effective operation of the council. The Chairman makes sure the Council has an active, properly constituted membership. The Chairman ensures that decisions on urgent matters can be made between Council meetings, with proper consultation where appropriate.
- * The Chairman leads and facilitates meetings (as in the checklist in section 6). The Chairman must know the rules for the conduct of meetings, as set down in the governing instrument.
- * Assisting with the management of the organisation. In conjunction with others he/she may also complete various managerial tasks. These include problem solving between Council meetings, overseeing budgets and expenditure, liaising with the treasurer, representing the organisation at important meetings, signing letters and so on.
- * Attending meetings of the European Chairs Assembly (ECA). Although not a legal requirement, in order to maintain unity with other Triratna councils it is important that the Chairman attends the meetings of the European Chairs' Assembly. There are two European meetings held each year (a week in January and ten days in July/August) that Triratna chairmen attend. They are an important means of keeping abreast of developments within the Triratna Buddhist Community at large as well as a valued source of support for the chairmen themselves.

(iv) the president

Information on the president has been included here for the sake of completion, although it is important to realise that the president is not an officer, and (usually) not even a council member of the charity. They have no legal or organisational role or 'power', but are there as a kalyana mitra to those involved with the centre, especially those taking the main responsibility for its' running.

The value of a Centre having a President could be summarized under three headings:

* **Connection:** The President is someone who will have a regular and long-term connection with a Centre and the people involved in it. In this time, they can develop a sense of trust and understanding and be a kalyana mitra to the Chairperson and key people. They can build up a historical perspective on the life of the Centre through their long-term involvement; they may have been involved in the Centre longer than anyone else! Sometimes Centres choose Presidents who have lived and worked at that Centre in the past, and who will already have that historical connection, but this isn't always possible.

* **Perspective:** The President is an experienced Order member who has a good working understanding of, and harmony with, the principles of the Dharma, Bhante's teaching, and the approach of the Triratna Buddhist Community. As well as a building up a historical perspective of the Centre, they have a mature and experienced perspective on the Triratna Buddhist Community and Dharma practice. Perhaps they've been a Centre chair or mitra convenor in the past. They are likely to be aware of, and part of, the flow and life of the Movement. They can help ensure the Centre is plugged into the central tradition and values of the Movement. The system of Presidents is one of the "unifying forces" – ensuring a harmonious and coherent Triratna.

* **Helping:** Because of this connection and perspective, the President is in a particular position to help the Centre. For example:

- a) They may help at a time of transition, or when succession planning; during periods where a Centre has no chair they can provide some sense of stability and continuity.
- b) They may be involved in teaching, giving talks, or leading retreats, thereby helping provide inspiration, confidence, and spiritual depth to a situation.
- c) They may also be able to act as Preceptor to men or women at your Centre. Though this might be a consideration, especially if there are no other private preceptors at your Centre, you do want to make sure your President would be able to be available to the Centre *as a President*, and not *just* focusing on preceptor relationships.
- d) They may have experience and know-how in running a Centre – organisationally, financially, as well as spiritually. As someone who isn't directly involved on a day-to-day basis, they may be able to give advice that is more impartial and independent.
- e) In a time of conflict, they may be someone who has the trust and goodwill to help mediate.

For more guidance on the role of President and how to "appoint" a President, please see the Centre Support website (<http://triratna-centre-support.org/chairs-assembly-2/presidents>). The system has changed over the years and was most recently reviewed in early 2009.

(v) holding trustees

The holding trustees are merely Council members in whom the Triratna Buddhist Community's property is held on behalf of the Triratna Buddhist Community. Because Triratna charities are unincorporated associations holding trustees will have all the assets of the Triratna Buddhist Community vested in them. There is a legal requirement that land, as opposed to other assets such as money and shares, be held by no less than two trustees. Usually holding trustees should be senior members of the Council who anticipate being connected with their Triratna for reasonable period of time. If a holding trustee is to leave a centre then it is important that any assets vested in him or her be transferred to new trustees. Assets should be transferred before the holding trustee departs otherwise there can be considerable delay at the most inopportune time! Some solicitors will advise that there should be no less than four holding trustees. However, only two holding trustees are required and from a logistical point of view the

less holding trustees there are the easier it is to obtain signatures to important documents.

5. ANNUAL RETURNS, REPORTS, AND ACCOUNTS

The main way in which charities are monitored by the Charity Commission is through their accounts, their annual return, and their annual report. It is therefore important you understand what your charity is required to provide.

a. terminology and definitions

Accountant's Report: Also known as an audit exemption report, it is a less onerous form of scrutiny than an audit, for charitable companies, where the charity is below the audit threshold. It can only be made by qualified persons in an approved format, set out in the Auditing Practices Board's Statement of Standards for Reporting Accountants applicable to Small (Charitable) Companies. Only certain qualified persons may act as reporting accountants. For more details refer to the guidance "Accounts and Auditing Reference Dates" available from Companies House.

Annual Information Update: This is a form that allows the Charity Commission to collect factual information about the charity to enable us to keep the Register of Charities up to date. It is mailed to relevant charities soon after their financial year-end, and is a convenient way for trustees to discharge their obligation to keep the Commission informed of changes to their Register details.

Annual Report: This is a concise but comprehensive review of the activities of the charity prepared by the trustees for each accounting year. The 2005 Regulations set out the basic requirements and more guidance is given in SORP. (Statement of Recommended Practice 2005 - available from the Charity Commission website.) The requirements of the 2005 Regulations including simplifications for charities which are not required to have a statutory audit, are set out in Appendix 1.

Annual Return: This must be completed and submitted to the Commission by trustees of registered charities with a gross income for the year of over £10,000.

Audit: For the purposes of the requirements of Part VI of the 1993 Act, as amended by Part II of the 2006 Act, is the scrutiny of accounts by a registered auditor who, as an audit professional, will apply auditing standards issued by Audit Practices Board. A registered auditor is one registered with a recognised supervisory body in accordance with the Companies Act 1989. In some charities, e.g. those connected with the NHS or local authorities, alternative auditing arrangements may be possible.

Charitable company: This means a company formed and registered under the Companies Act 1985 and which is established for exclusively charitable purposes.

Independent examination: This is a less onerous form of scrutiny than an audit. Examiners report whether specific matters which are identified in the 2005 Regulations have come to their attention. The Commission have issued guidance to trustees on the selection of examiners and directions for examiners on carrying out an examination (Independent Examination of Charity Accounts: Directions and Guidance Notes – CC63). Where the charity is not required to have an audit but gross income exceeds

£250,000, an independent examiner must qualify by being a member of an approved professional organisation specified under the 2006 Act.

Non-company charities: These are charities which are not charitable companies (see above). Examples include trusts, unincorporated associations, and also corporate bodies which have been incorporated by means other than under the Companies Act 1985 (e.g. by Royal Charter).

SORP: The Statement of Recommended Practice, issued in March 2005, sets out the recommended practice for the purpose of preparing the Trustees' Annual Report and to preparing the accounts on the accruals basis. The accounting recommendations of the SORP do not apply to charities preparing receipts and payments accounts.

Statutory audit: This is required where a charity's gross income and/or gross assets exceed the relevant statutory audit threshold(s) established under Part VI of the 1993 Act, as amended by Part II of the 2006 Act and subsequent Regulations.

b. summary of requirements for different sizes of charity

As you'll see, what is required varies according to the size of your charity's income and assets. Please also note that if your charity is also registered as a company, there will also be slightly different requirements from Companies House (see below).

For financial years that started between 27/02/07 and 31/03/08 there is more detailed guidance in Charity Reporting and Accounting: The essentials (CC15) (found at www.charity-commission.gov.uk/investigations/sorp/default.asp)

The following gives Accounting Requirements for financial years starting on, or after, 01/04/08. There is more detailed guidance in Charity Reporting and Accounting: The essentials April 2008 (CC15a) at: www.charity-commission.gov.uk/investigations/sorp/default.asp

More information about the legal status of a company can be found at: www.companieshouse.gov.uk.

More details about the rules governing independent examiners can be found at www.charitycommission.gov.uk/Library/publications/pdfs/cc31text.pdf.

Neither income nor expenditure over £10,000:

- * accounts must be prepared, but may be on the receipts and payments basis;
- * a simple annual report must be prepared, but you do not need to submit it.
- * there is no requirement to have the accounts independently examined or audited but the charity commission has the power to require an audit in exceptional circumstances.
- * you will be sent an Annual Information Update form. You are not legally obliged to submit this, but the Charity Commission will ask you to do so, as it enables them to maintain up-to-date information on charity activity. Do not send the annual report or accounts unless you are asked for them.

Income over £25,000

- * any 'serious incidents' must be reported as part of the charity's Annual Return; see below under "annual return"

Income not over £100,000 (but over the previous threshold):

- * accounts must be prepared, but may be on the receipts and payments basis;
- * accounts must be subject to outside scrutiny but trustees may choose independent examination rather than audit;

- * an annual report must be prepared; and
- * accounts, report and annual return must be sent to the charities commission within 10 months of the end of the financial year.
- * any 'serious incidents' must be reported as part of the charity's Annual Return see below under "annual return"

Income not over £500,000 and assets not over £2.8m (but income over the previous threshold):

- * accounts must be prepared on the accruals basis in accordance with the Regulations and Statement of Recommended Practice (SORP);
- * accounts must be subject to outside scrutiny but trustees may choose independent examination rather than audit. If independent examination is chosen and income is over £250,000, then the examiner appointed must be a member of an accountancy body specified under to 2006 Charity Act;
- * an annual report must be prepared; and
- * accounts, report and annual return must be sent to the charities commission within 10 months of the end of the financial year.
- * any 'serious incidents' must be reported as part of the charity's Annual Return see below under "annual return"

Income or Expenditure over £500,000 in the current year, or whose assets exceed £2.8m and gross income exceeds £100,000:

- * accounts must be prepared on the accruals basis in accordance with the Regulations and SORP.
- * accounts must be audited by an auditor who is qualified to audit the accounts of companies;
- * an annual report must be prepared; and
- * accounts, report and Annual Return must be sent to the charities commission within 10 months of the end of the financial year.
- * any 'serious incidents' must be reported as part of the charity's Annual Return see below under "annual return"

Specific requirements for charitable companies:

- * the requirements and recommendations of the SORP apply to charitable companies.
- * A charitable company must prepare a directors' report and accounts under the Companies Acts, and must file these with Companies House. The accounts must be prepared on an accruals basis.
- * The requirements for the Annual Report are the same as those for other charities and therefore the company must comply with the Regulations. In practice, companies normally produce a directors' report and that report is expanded to contain all the information required to be included in the Annual Report.
- * If the charitable company's income or expenditure is over £10,000, the trustees must also send an Annual Report (or a suitably modified directors' report), the accounts and its annual return. The requirements for an annual return are the same as for non-company charities.
- * Charitable companies are required to have their accounts audited by a registered auditor if either of the following conditions apply:
 - either gross income exceeds £500,000; or gross assets exceed £2.8m.
 However, if the gross assets are not more than £2.8m and the gross income is over £90,000 and does not exceed £500,000 then an accountant's report (or audit exemption report) may normally be prepared instead of a full audit report. If the gross assets are not more than £2.8m and gross income is £90,000 or less, no external scrutiny is required.
- * The Companies Act 2006 will introduce further provisions that will make the accounting regimes for companies and non-companies charities very similar. It will mean that

those company charities that qualify as small companies under the Companies Act, will become subject to the Charities Act 2006 independent examination and audit regime. The Charity Commission will provide amended guidance once the relevant provision of the Companies Act comes into effect.

c. annual return

Each year the charities commission sends all registered charities an annual return to complete. If the charity's income or expenditure is over £10,000 the trustees must also send the commissioners their annual report and accounts within 10 months of the end of the charity's financial year. Once they have received the annual reports and accounts, the charity commission make them available for public inspection.

The form you will be sent will depend on the size of your charity. Most of the form is asking for just basic administrative information. There is also a section on the Activities and Achievements of the Charity. This relates to the activities and achievements during the year in relation to its objects. In each case you are simply required to write a brief summary of the activities and achievements in support of the charity's objects. This need only be brief but additional information may be added if trustees feel it will help explain the figures in the accounts. Larger charities i.e. that produce accruals accounts should ideally review of all activities, including material transactions, significant developments and achievements in relation to the charity's objects.

Information about how to complete the annual return can be found on the Charity Commission website. There is a section of their site entitled "Meeting our requirements" which contains advice on all aspects of the annual return.

"Reporting Serious Incidents"

One section of it is entitled 'Reporting Serious Incidents', and asks the Charity to confirm that no serious incidents have taken place that year. If one has, the charity is under a duty to report it immediately.

Guidance on what constitutes a serious incident, and how to report one, is available from the Commissions pamphlet '[Reporting Serious Incidents](#)'. They say -

"What is serious or significant?" and answer – "This is for you to decide in the context of your charity".

Examples given are –

- Fraud, theft or significant loss of funds or other property
- Significant sums of money or other property donated to the charity from an unknown or unverified source
- The charity (including any individual staff, trustees or volunteers) has any known or alleged link to a proscribed (banned) organisation or to terrorist or other unlawful activity
- A person disqualified from acting as a trustee has been or is currently acting as a trustee of the charity
- The charity does not have a policy for safeguarding its vulnerable beneficiaries (e.g. children and young people, people with disabilities and the elderly/old people)
- The charity has no vetting procedure to ensure that a trustee or member of staff is eligible to act in the position he or she is being appointed to

- There are suspicions, allegations and incidents of abuse or mistreatment of beneficiaries
- The charity has been subject to a criminal investigation, or an investigation by another regulator or agency; or sanctions have been imposed or concerns raised by another regulator or agency (e.g. the Health and Safety Executive, Ofsted)

d. annual report

Every charity must prepare an annual report, and those with incomes over £10,000 must send the report, in addition to the accounts and return, to the Charity Commission. The annual report must describe activities for the past year, and give some other basic information about the charity and those who administer it. The exact contents of the annual report are set out in the Regulations and vary according to the charity's income. For advice on this, please see the "Meeting our requirements" section of the Charity Commission website.

The annual report should give everyone, from the general public to regular supporters, a full picture of what a charity has done during the year. The annual report will play an important part in this by complementing the information in the accounts. Preparing an annual report will give trustees the opportunity to review the activities of the charity in relation to the objects and overall strategy. The report must include a narrative section describing the charity's activities and achievements in the year and factual information about its trustees and officers. For smaller charities the narrative need only be a brief summary.

Many centres produce quite detailed chairmen's reports and treasurer's reports. There is no legal obligation to do this. Although the charity must prepare and send the trustee's annual report it does not need to be a chairmen's and a treasurer's report. Some chairmen's reports look quite involved and hard work to produce. They may be of interest within the Triratna Buddhist Community or the local situation, but the Charity Commission do not require them. If you do send one, you should not include terms of reference that only have meaning for those involved in the Triratna Buddhist Community. The Charity Commission will not be interested in how many people have become mitras or have asked for ordination. They might however care to know how many people more or less have become committed to living in accordance with the teachings of the Buddha.

It is important that annual report is written with reference to the aims and objects of the charity as detailed in the governing document. You should also try and draw attention to all public benefit performed by the charity.

The Report should be honest regarding its failings and mistakes for example financial deficit. For fuller details refer to the SORP 2005 available on the charities commission web site. It should include:

1. A statement confirming that any major risks to which the charity is exposed have been reviewed and systems have been put in place to mitigate those risks.
2. A statement of the charity's policy on reserves. i.e. if you have any reserves what you are intending to do with them, how are they being used in a way which furthers the aims of the charity. This may also include property assets – again it might be prudent to show how property is not sitting idle, but it being used in the charities interests.

e. accounts

Trustees are required to keep accounting records which show and explain all the charity's transactions. Charities with an income of over £10,000 are required to submit the accounts.

The records must contain:

- * Day to day entries for all sums of money received or spent, showing what the money was received for or spent on.
- * A record of the charity's assets and liabilities.

The accounting records must show, with reasonable accuracy, the charity's financial position on any particular date in the past; and they must be sufficiently detailed to enable the trustees to prepare accounts in the form required. Trustees must preserve these records for at least six years after the end of the financial year to which they relate.

Public access

The 1993 Act gives members of the public the right to obtain accounts direct from the trustees. If trustees receive a written request for a copy of their latest accounts they must provide the accounts within two months of the date of the request. The trustees are entitled to charge the person a reasonable fee to cover their costs in meeting the request. If the person has paid those costs and the trustees fail to send the accounts, without a proper excuse for not doing so, they may again be at risk of prosecution.

Be aware that your Annual Reports, including the Chairman's report, will likely be posted in full, and in perpetuity, on the Charity Commission's website, and available as a public document.

Accounting thresholds

See section b above for what is required of your charity, but in brief:

- * The trustees or their financial advisers must prepare accounts for each financial year.
- * If your income is over £10,000 the accounts must be audited or examined.
- * If your income is over £100,000 the accounts must be audited or examined, and you must produce accounts on an accruals basis, following the guidelines in SORP 2005.
- * If your income is over £500,000, or assets over £2.8million, you must produce accounts on an accruals basis, following the guidelines in SORP 2005, and you must be audited by a registered auditor.

6. RUNNING MEETINGS

a. checklist for chairing meetings:

Before the meeting:

- 1 Plan the agenda in conjunction with other officers. Decide which items will be included, the purpose of their being brought up at the meeting, roughly how long each one should take, in which order they should come and who will introduce each one.
- 2 Be well briefed about each item.
- 3 Ensure all necessary background papers are sent out with the agenda beforehand.

During the meeting:

The role of the Chair is to ensure full communication and effective decision making.

a) Communicate

- * Start the meeting.
- * Welcome new members.
- * Make any necessary introductions.

- * Set the scene.
 - * State the objectives of the meeting and each item.
- b) Control
- * Maintain control.
 - * Set out any time limits.
 - * Allow flexibility and freedom of expression.
 - * Keep to the agenda.
 - * Ensure time is used effectively.
 - * Ensure that proper minutes are taken.
- c) Co-ordinate
- * Highlight the areas of common agreement.
- d) Coax
- * Ensure full participation.
 - * Draw out quiet members.
- e) Compare
- * Weigh up contributions impartially.
- f) Clarify
- * Ensure everyone understands what is being discussed.
 - * Ensure that if jargon and abbreviations are used, all present understand them.
- g) Summarise.
- * Ensure that when decisions are made they are recorded together with who is going to implement them and when.

At the end of the meeting:

- 1 Check the date of the next meeting.
- 2 Agree what special items will be put on the agenda of the next meeting and what work needs to be done, and by whom.
- 3 Ensure that the minutes will be written up and checked by the Chair before being sent out. Clarify when they will be available.

b. guidelines for triratna council minutes

Minutes are a legal record of the decisions made by the council. It is important that you leave a clear and credible 'paper trail'. Accurate council minutes show that the trustees of the council are responsibly discharging their duties. Good minutes clarify what decisions have been taken, so that they can be referred to if, at a future date, there is confusion or disagreement about what was agreed.

Some minutes of Triratna council meetings contain matters that should not be included either because they are not connected with the aims of the charity, or because they record matters too trivial. It is important to recognise that minutes of council meetings should not include minor, day-to-day items to do with the running of the centre e.g. that a new toilet roll holder should be purchased, or how mitra X got on during their retreat. Nor should you include items relating to the running of the centre, petty financial matters, personal matters and references to named people, unless there is a particular reason to do so. (You may want a record of some of these things – but it shouldn't be in the official minutes.)

Remember that minutes are a legal record that members of the public can ask to see and scrutinise. Therefore be careful that what you record is not only in accord with the aims of your charity, but that it can easily be seen and understood to be so. For example, if you are recording a payment to someone who is also a trustee, this may look

suspicious to an outsider, even if it is in accord with your rules. So, if such a decision needs to be recorded, do it carefully and thoughtfully.

Minutes are a record of who attended a meeting and of any decisions taken at the meeting. It is important that the minutes give a clear, accurate record of the decisions that your Council has made. A good question to ask to ascertain how effective your minutes are is: "If someone not at the meeting read the minutes, would they have clear and accurate information about what happened and the decisions taken?"

Minutes should be promptly circulated to all members of the council, the president of the council, and other Triratna Councils as agreed by the chairmen.

Minutes should include:

NAME OF THE ORGANISATION

Date, time and place of meeting

1. Who was present.
2. It is possible to have people in attendance for all or part of the meeting. Those in attendance (non-trustees) do not have not voting rights.
3. Who chaired? Who took the minutes?
4. Apologies for absence

a) PREVIOUS MINUTES - AGREEING/CORRECTING

Decisions recorded in the minutes should be checked by all council members and, if approved at the next meeting, are signed by the Chair.

b) MATTERS ARISING FROM PREVIOUS MINUTES

c) NEW ITEMS

This should include a separate minute for each item covered with a summary of information and points raised

- Each paragraph should be logically, clearly and consistently numbered, for ease of reference from one meeting to a next.
- A clear indication of any decision: What was decided, Why it was decided, What else was reported or discussed, The action required to implement the decision, Who will take action Any deadline for the action.
- ***It should include*** items relating to the Governing rules e.g. membership of council, resignations, resolutions such as opening bank accounts, purchase of property, significant financial issues.

d) DATE, TIME AND PLACE OF NEXT MEETING, DEADLINE FOR AGENDA ITEMS.

Once minutes are ratified as accurate and correct they should be signed by the chairmen and archive copies stored for record.

For example...

**MINUTES OF A MEETING OF THE COUNCIL OF Triratna (STOCKPORT)
REGISTERED CHARITY NO 123789.**

**HELD AT 217 HIGH STREET STOCKPORT
ON FRIDAY 7th JULY 1999 AT 10 AM**

Present: B Smith (Chair), J Smith, A Smith and J Jones (Minutes).

In attendance: H Williams

Apologies for absence: S L Jackson.

a) Minutes of previous meeting

The minutes of the previous meeting we accepted as a true and accurate record of the meeting and were signed by the chairman.

b) Items carried forward

i) Sale of Rolls Royce:

A Smith reported back that as agreed at the meeting of the 20th May 1999 the charities Rolls Royce has been sold for £32,000.

c) New Items

i) Resignation from council

Having received written notice the council accepted the resignation of Mr Cecil James from the council. The council wished to express their gratitude for all the hard work and many years of service he had given to the charity.

ii) Opening of Bank account

B Smith proposed we open a current account with the 1st National bank of Iceland. J Jones seconded this and the council agreed.

iii) Treasurers report

J Smith presented the council with a six-month report of the charities accounts for the first half of 1999, a copy of which is included with these minutes. She drew attention that due to a decrease in donations and an increase running costs we were losing an average of £200 per month. B Smith suggested we look at ways of reducing our expenditure.

ACTION - J Smith to investigate cheaper heating bills before the next meeting.

d) Any Other Business

There was no other business.

e) Date of Next Meeting

20th September 10am at 217 high street.

Agenda items to be with J Jones by 10th September.

7. OTHER ISSUES TRUSTEES NEED TO KNOW ABOUT

a. the triratna-centre-support website

There are various other legal issues trustees need to know about and follow. Advice on these is gradually being added to the website www.triratna-centre-support.org.

The centre support website is organised into sections. What is detailed below is just the most important legal advice for trustees currently being added to the site. There is a lot more other information and resources found there too.

Website section:

Dharma Teaching

European Chairs Assembly

Fundraising

Health and Welfare

Legal and Administrative

Publicity and Communications

Sangha building and participation

Schools and Children

Team-based Right Livelihood

The kinds of advice to be found:

- * Directory of Resources
- * Mitra Study and the Mitra Community
- * Teacher Training / Teaching Methods
- * Who Teaches at Centres?
- * Chairs Handbook (information about the duties of a chair and also information on succession planning.)
- * Effective Fundraising
- * Guide to Gift Aid and Payroll Giving.
- * Faith, Health care, and dying
- * Fire Safety / Health & Safety – guide for trustees.
- * Mental Health first aid
- * Buying Property – guide for trustees.
- * Data Protection law.
- * Employment Law
- * Insurance – guide for trustees.
- * Tenants and Communities – guide for trustees.
- * Trustees Handbook (i.e. this handbook!)
- * Including charity details on publicity, communications, and websites.
- * Working with volunteers
- * Buddhist books for children, ClearVision resources
- * Resources, eg ceremonies
- * Support policies
- * Triratna Charities Supporting Order members
- * National minimum wage

If you have advice or experience that you could share with other centres, please contact Lokabandhu of the Triratna Development Team.

8. APPENDIXES

APPENDIX A: A brief history of charity in the UK

At the end of the 16th century, poor harvests and a long war with Spain resulted in a large increase in the number of impoverished vagrants. A statutory system of poor relief was created to reduce the risk of violent insurrection by hungry mobs, and individuals were encouraged to give voluntarily.

However, money given by individuals was not always used properly, and an Act of 1597 appointed county-based commissioners to investigate breaches of trust in charities. A statute passed in 1601, the statute of Elizabeth, gave commissioners powers that are familiar today. They could deal with most forms of breach of trust, and ensure that property given to charity was used as the donor intended.

The extent of the 1601 Act's influence would have astonished those who promoted it. Its lasting significance was in its introduction of the principle of public benefit, which included many purposes still regarded as charitable today, such as the relief of the elderly and sick in need. After the Civil War, society's attitude to the poor and to charity changed markedly. For example, judges often disapproved of charitable bequests because they felt the testator should provide for his next of kin.

In 1736 the Mortmain Act was passed, rendering invalid any bequest of land for charitable purposes and automatically passing it to the testator's heir. The Mortmain Act actually ended up extending the scope of charity, as the only way of overturning bequests lawfully was to show they were for charity.

Thus the definition of charity gradually grew. From the 1780s onwards the economic and social demands of a rapidly industrialising society continued to shape and develop the charity sector. The number of people in England's industrial urban areas living in poverty increased, bringing new problems of environmental health, housing and education. Many felt that the benefits of education (moral as well as practical) had to be opened to the poor. Provision of mass education was initially undertaken by charity.

The introduction of income tax in 1799 also saw the introduction of tax benefits for charities. In 1818 Parliament legislated for a commission to look into the administration of educational charities. This was extended the following year by the Charitable Foundations Act 1819 to cover all charities. The appointed commissioners visited virtually every parish in England recording the purposes, assets and trustees of every charity and endowment they could find. Much misuse of charitable funds was uncovered, but the commissioners could do little, as remedies for breach of trust still had to be pursued through the courts.

By the mid 19th century frustration with lengthy court procedure led to new attempts to find ways of resolving charities' constitutional problems. The Charity Commissioners were set up as a permanent body in 1853. In the First World War many people were keen to contribute to the war effort, and war charities were established to relieve suffering caused by the war. The 1916 War Charities Act sought to protect donors. War charities, for example, had to register with the local authority before fund-raising and it became an offence to raise money without the permission of the charity concerned. The creation of the welfare state after World War II meant state and voluntary sector provision overlapped. The Nathan Committee looked at this area, and its report formed the basis of the Charities Act 1960.

The Act empowered the Commission to promote the effective use of charitable monies, made it accountable to the Home Secretary for its efficiency and required the creation of the Register of Charities. The Commission compiled the first Register of Charities and began to educate the sector on the importance of registration.

Just over 14,000 new charities were registered in 1962, compared with 1,182 for the previous year, and 1969 saw the opening of a second Commission office in Liverpool. Between the mid 1960s and the mid 1980s, Local Review Officers were appointed to monitor charitable activity in each local authority area, feeding back information to the Commission. The Charities Act 1985 enabled small charities to wind up, strengthened the scrutiny of accounts of local charities for the poor, and made it easier for these charities to alter their objectives and transfer property.

An efficiency scrutiny by Sir Philip Woodfield in the late 1980s led to a number of significant changes, such as the creation of a new office in Taunton and the computerisation of the Register. The call for more external influence was answered by the appointment of commissioners with business and voluntary sector backgrounds.

Today's Commission has been shaped by the Charities Acts of 1992 and 1993, the aims of which were to secure openness and accountability by charities. At the same time, the Commission's ability to identify and deal with mismanagement was enhanced, including a new requirement for larger charities to make annual reports to the Commission. More recently, the Commission's ongoing review of the register of charities has led to the relief of unemployment, urban and rural regeneration, and community capacity building being accepted as charitable purposes in their own right. Conservation of the environment was accepted as a charitable purpose in March 2001.

The 2006 Charity Act, designed to clarify the definition of public benefit, and in some ways make the regulation and legal requirements of charities simpler and more effective, is now law. It is being enacted in phases through 2007 and beyond.

Clearly, the diversity of charity today would have been unimaginable 400 years ago. The past 400 years have seen a charity's role shift from controlling the poor to acting as a force for public benefit and social change.

APPENDIX B: The Triratna Buddhist Community Constitution or Governing Document

This tells you what the Triratna Buddhist Community can and cannot do and how it operates. As a Council Member you should have a sound knowledge of the purpose of the Triratna Buddhist Community and the procedures which govern its decision making.

A model Triratna constitution is available on the Triratna Centre support website at <http://triratna-centre-support.org/legal/constitutions> . Your own Triratna constitution is likely to be very similar to this though it may not be identical. Please read and understand every rule.

APPENDIX C: Branch Rules

As stated in rule 9.13 of the Model Constitution a Triratna charity may set up branches to further the aims and objects of the charity within a specified locality, and/or area of activity. Here is a sample set of by-laws.

BY-LAWS GOVERNING BRANCHES OF Triratna (.....)

Branches may be set up under Rule 9.13 of the Rules Governing Triratna (.....).

Terms Used:

Triratna (.....) refers to the Charity TRIRATNA BUDDHIST COMMUNITY (.....)
Charity Registration number.....

COUNCIL refers to the elected Council ~Trustees~ of Triratna (.....).

RULES or **RULES GOVERNING** refers to the "Rules Governing the Charity TRIRATNA (.....)" as adopted by the Charity and accepted by the Charity Commission.

MEMBERS refers to elected Members of Triratna (.....).

CHARITY refers to the Charity TRIRATNA BUDDHIST COMMUNITY (.....) Charity
Registration number

NOTE: THE PURPOSE OF A BRANCH IS TO FURTHER THE AIMS AND OBJECTS OF THE CHARITY WITHIN A SPECIFIED LOCALITY, AND/OR AREA OF ACTIVITY.

By-Laws to be adopted with respect to Rule 9.13 of the Rules governing the Triratna Buddhist Community (.....)

GENERAL POINTS

- 1 A Branch will be governed by and be responsible to the Council of Triratna (.....).
- 2 Branch Members must be fully cognisant with the Rules Governing the Charity and must aim to promote the objects of Triratna (.....).
- 3 Branch Members must do nothing that would cause Triratna (.....) to cease to be a charity at law.

NAME

- 4 The name of the Branch shall be subject to the prior approval of the Council. No Branch shall be entitled to use the expression "Triratna (.....)" in its title unless at least one member of the Branch Committee is on the Council of Triratna (.....).

RUNNING OF THE BRANCH

- 5 Branches will be run by a Committee. This Committee shall consist of Members of Triratna (.....).
- 6 Application for Membership of Triratna (.....) shall be made in writing to the Secretary and Chairman of Triratna (.....).
- 7 Those applying for Membership of Triratna (.....) will be expected to pay the current subscription fee.
- 8 Meetings shall, where possible, be run in accordance with the provisions laid down in the Charity Rules.
- 9 At the first meeting of the Branch the Committee shall agree to be bound by the Rules governing the Charity and be cognisant with, and agree to abide by, this set of By-Laws and any such additional By-Laws which the Council of Triratna (.....) may from time to time impose. This acceptance must be recorded in the minutes.

NATURE AND RESPONSIBILITIES OF BRANCH COMMITTEE

- 10 The Branch Committee shall consist of not fewer than three and not more than fifteen Members.
- 11 Branch Committee meetings must have a quorum of three.
- 12 The Branch Committee must elect a Branch Secretary.
- 13 The Branch Secretary shall receive all correspondence for the Branch and be responsible for the production of all agendas, minutes, and other such matters as shall be deemed necessary to ensure the efficient administration of the Branch.
- 14 The Branch Secretary must also be willing, should this prove necessary, to abide by By-Law.
- 15 The Branch Committee must elect a Branch Treasurer.
- 16 The Branch Treasurer shall be responsible for the administration of the financial affairs of the Branch.
- 17 The Branch Treasurer shall be responsible for the production of accounts, budgets and other such financial reports as shall be deemed necessary for the adequate administration of the financial affairs of the Branch.
- 18 The Branch Committee must have a Branch Office Address. If the Branch neither owns nor leases any property then the address of the Branch Secretary (appointed at By-Law 11) shall serve as the Branch Office Address.
- 19 Notification of all meetings of the Branch should be sent to the Chairman, Secretary and Treasurer of the Council of Triratna (.....) in good time.
- 20 Copies of the Minutes of the previous meeting along with an agenda for the proposed meeting should be sent in a reasonable time before the proposed meeting to the Chairman, Secretary and Treasurer of the Council of Triratna (.....) prior to all meetings of the Branch Committee.
- 21 Council Members will be eligible to attend and participate in all meetings of Branches of Triratna (.....)
- 22 Branches will produce minutes of all meetings held and these minutes will be distributed to the Chairman, Secretary and Treasurer of Triratna (.....).
- 23 Notification of all changes in the membership of the Branch Committee must be made in writing to the Secretary and Chairman of Triratna (.....). Such changes must be clearly indicated in Branch Committee minutes.
- 24 All decisions made by Branch Committees will be by common consent, in the ordinary way, and accurately recorded in their minutes.
- 25 A Branch will be able to apply to the Council for permission to open a Bank account. Any bank account opened by a Branch must have the provision for cheques to be signed by a Member of Triratna (.....).
- 26 Branches may be empowered by the Council to receive donations and any money received or raised by it may be expended by the branch. in its area solely for the furtherance of the said objects.

- 27 Branches will be expected to keep accurate financial records of accounts. Accounts will be kept in accordance with regulations laid down by Charity law and recommendations made by the Charity Commission from time to time.
- 28 All major financial decisions regarding the running of the Branch must be submitted to the Council for their approval.
- 29 All fund-raising Projects undertaken by the Branch must be submitted to the Council for approval. All literature, appeal leaflets, etc., produced for fund raising purposes must conform to the requirements of the 1992 Charities Act and any further regulations laid down in law or by the Charity Commission.
- 30 Branches must submit an annual budget for approval by the Council. After a Budget has been approved changes to the Budget must be approved by the Council in writing..
- 31 Branches must submit accounts every six months to the Council showing an accurate statement of their financial situation.
- 32 Branches must submit regular written Reports of their activities to the Council stating how they are furthering the objects of the Charity. There should be a minimum of two such Reports per year.
- 33 Branches shall not be run for profit and any surplus which may accrue shall 'be devoted to the furtherance of the aims of Triratna (.....).Assets acquired by Branches whether in money, premises, furniture, literature or other form shall be held in trust by the Trustees.

SPECIFIC POWERS OF THE COUNCIL IN RELATION TO THE BRANCH

- 34 All legacies bequeathed to Triratna (.....) shall be received by the Treasurer. or other appropriate officer of Triratna (.....) but, subject to any special trusts by which such legacies may be affected, the Council shall have power to direct that any legacy or the income therefrom shall be paid to a particular branch.
- 35 The Council of Triratna (.....) has the power to dissolve a Branch by dispatch of a letter from the Secretary of Triratna (.....), stating this fact, to the Branch Secretary.
- 36 The Council of Triratna (.....) has the power to remove all members of a Branch Committee by dispatch of a letter from the Secretary of Triratna (.....), stating this fact, to the Branch Secretary.
- 37 In the event of the Council of Triratna (.....) having to dissolve a Branch all outstanding debts and liabilities 'shall remain the responsibility of the members of the dissolved Branch Committee.
- 38 In the event of the Council of Triratna (.....) having to ,remove all members of a Branch Committee all outstanding debts and liabilities shall remain the responsibility of the members of the deposed Branch Committee.
- 39 In the event of the dissolution of the Branch, after payment of all outstanding debts and liabilities (which, until discharged, shall remain the responsibility of the members of the Branch Committee) all assets shall revert to Triratna (.....).
- 40 Subject to these by-laws, the Branch may generally manage its own affairs and shall be solely responsible for its own debts and liabilities and shall not pledge the credit of Triratna (.....) or that of the Council or of any individual member of the Council.

APPENDIX D: Useful Contacts and Further Information

Charity Commission (England and Wales): www.charitycommission.gov.uk, telephone 0845 3000 218. Lines are open Monday to Friday, 9am to 5pm, except national holidays

The Commission maintains help-lines to give trustees guidance on their duties. It also produces a number of useful publications that are free to download. Make use of this free advice. Every registered charity receives a regular newsletter from the commissioners outlining any changes in the law. Council members should find time to read all the material originating from the commissioners.

You can write to the Commission at:

<http://www.charitycommission.gov.uk/sendmailCRM.aspx>

or

Charity Commission Direct

PO Box 1227

Liverpool

L69 3UG

Office of the Scottish Charity Regulator (Scotland): www.oscr.org.uk

Their website says: "There is a comprehensive range of guidance and support available on our website.

If you would like to talk to one of the team at OSCR about the new legislation or to make an application for charitable status, we are available between 08:30 and 16:30, Monday to Friday. Our telephone number is 01382 220446

OSCR is here to help charities comply with the legislation and there is a range of guidance and support available on this website. If you are unable to find an answer to your question please e-mail us at info@oscr.org.uk. We will respond to your e-mail within fifteen working days.

Written enquiries – please write to them at:

Office of the Scottish Charity Regulator (OSCR)

2nd Floor

Quadrant House

9 Riverside Drive

Dundee

DD1 4NY