

GLIMA: 'Merger' of NHMBA and GLIMA

Draft Steps Paper

7 May 2010

No	Step	Document	Comment/detail	Timing/status
1	Preliminary steps			
1.1	<p>Joint executive committee meeting of GLIMA and NHMBA to:</p> <ul style="list-style-type: none"> (i) agree location of Newco's head office; (ii) determine the identity of first three officers/trustees of Newco (for the purpose of incorporation); (iii) determine the identity of first two members of Newco (for the purpose of incorporation); (iv) determine assets and liabilities of GLIMA and NHMBA; (v) determine Newco membership structure (levels of membership and qualification); (vi) determine Newco members' subscription fees; (vii) confirm proposed membership of Newco (and note membership contact details); 	N/A	<p>Current proposals for first three officers/trustees are:</p> <ul style="list-style-type: none"> (i) Chris Shaw; (ii) Angela DT; and (iii) Hopeton Walker. 	May 2010

	<p>(viii) agree Newco membership voting list;</p> <p>(ix) agree number of officers/trustees to be appointed to Newco; and</p> <p>(x) review and approve Articles and Rules of Newco (as defined below).</p>			
1.2	<p>GLIMA and NHMBA members to:</p> <p>(i) agree and ratify Articles and Rules of Newco; and</p> <p>(ii) ratify choice of Newco's name.</p>	N/A	None	May 2010
1.3	Communicate 'merger' proposals to funders/stakeholders to the extent necessary	N/A	None	[To be commenced/ongoing]
2	Establish/incorporate Newco			
2.1	<p>Name of Newco to be confirmed by GLIMA/NHMBA.</p> <p>Current proposal is "Carnival Arts Masquarade Foundation"</p>	N/A	The name can be changed post-incorporation by a special resolution of the members (i.e. on a vote in favour by 75 per cent. or more of the members)	Macs to confirm that name is acceptable from a corporate/charities perspective
2.2	Names of first officers/trustees to be confirmed	N/A	Initially, three officers will be required.	GLIMA/NHMBA to confirm name of third initial officer/trustee
2.3	Names of first members to be confirmed	N/A	Initially, two members will be required.	GLIMA/NHMBA to confirm names
2.4	Companies House Form IN01 to be prepared and signed	Companies House Form IN01	None	To be drafted

2.5	Articles and Rules of Newco to be approved by the members of GLIMA and NHMBA	Articles Rules	Refer to Step 1.2	Articles and Rules drafted and circulated to GLIMA and NHMBA To be approved at meeting detailed at Step 1.2 above.
2.6	Submission of Companies House Form IN01 and Articles to Companies House together with a cheque in the sum of £20 for the incorporation fee	Companies House Form IN01	If Newco is needed urgently, same-day incorporation can be achieved for an incorporation fee of £50. The Rules do not need to be submitted to Companies House (they are for internal purposes only).	GLIMA/NHMBA to provide a cheque to cover the incorporation fee of £20. The cheque should be made payable to "Companies House".
2.7	Open bank account in Newco's name	Bank Mandate/application form	Form to be supplied by relevant bank	To be completed once Newco established
2.8	Application to register Newco for VAT	VAT 1 Form	Application to be submitted to HMRC	To be completed once Newco is established
3	Acceptance of new members / Newco AGM preparations			
3.1	Invite applications for membership of Newco from existing GLIMA/NHMBA members	[Letter to prospective members]	None	May 2010
3.2	Meeting of officers/trustees to accept applications for membership from existing GLIMA/NHMBA members	Board minutes of Newco	None	May 2010
3.3	Set the date, time and location of the first AGM	N/A		Provisional date of June 2010 set for AGM at April Exec

				meeting and members informed at April Members' meetings
3.4	[Agree nomination and election documentation] ¹	N/A		May 2010
3.5	Send formal notice of AGM and request nominations (by post)	Notice of AGM [Nomination Forms] [Election Documents]	AGM should be called in accordance with Articles (i.e. it should be called by the officers/trustees)	May 2010
3.6	Receive nominations for officers/trustees of Newco	[Nomination Forms] [Election Documents]	None	May-June 2010
4	Transfer of business/assets of GLIMA to Newco			
	Entry into by officers/trustees of GLIMA of business and assets transfer agreement (including an assignment of the right to participate in London Nottinghill Carnival)	Business and Assets transfer agreement	None	[Macs to draft]
5	Transfer of business/assets of NHMBA to Newco			
5.1	Entry into by officers/trustees of NHMBA of business and assets transfer agreement (including an assignment of the right to participate in London Nottinghill Carnival)	Business and Assets transfer agreement	None	[Macs to draft]
6	Post-merger steps			
6.1	Hold first governing meeting for Newco to: (i) approve membership applications	Board minutes of Newco	Meeting should be called in accordance with	[May/June 2010]

¹ Is this an action which the executive committees will take at the meeting referred to in Step 1.1?

	from GLIMA and NHMBA members; (ii) [other business].		Articles (see Step 3.5)	[Minutes to be drafted]
6.2	Hold first members meeting (AGM) for Newco to: (i) elect new officers/trustees ² ; (ii) ratify name of Newco; (iii) vote to wind up GLIMA (GLIMA members only); (iv) vote to wind up NHMBA (NHMBA members only).	AGM Minutes	Meeting should be called in accordance with Articles	[8 June 2010] [Minutes to be drafted]
6.3	Apply to Charity Commission for confirmation of charitable status	Charity Commission application form	None	No time limit but the trustees have a statutory duty to apply to the Charity Commission as soon as possible after they can supply evidence that Newco has received or will before the end of the financial year receive “income” (including gifts) of £5000 or more.
6.4	Inform stakeholders and funders of the completed merger	N/A	None.	July 2010

² The Articles require that at all times there must be at least three officers/trustees. Therefore new officers/trustees must be appointed prior to the resignation and re-election of the initial officers/trustees. If it is proposed that the initial officers/trustees are to remain in office it may be administratively simpler to ask the members to ratify their appointment.

Abbreviations:

Articles: **Articles of Association of Newco**

Macs: **Macfarlanes LLP**

Newco: **the company limited by guarantee (proposed to be called Carnival Arts Masquerade Foundation)**

Rules: **Rules of membership of Newco**