



2008 CHAPTER 12

PART 12

POWERS OF UNINCORPORATED CHARITIES

Transfer of property

Power to transfer all property of unincorporated charity

123.—(1) This section applies to a charity if—

- (a) its gross income in its last financial year did not exceed £10,000,
- (b) either—
 - (i) it does not hold any designated land; or
 - (ii) the total market value of all designated land which it holds does not exceed £90,000; and
- (c) it is not a company or other body corporate.

“Designated land” means land held on trusts which stipulate that it is to be used for the purposes, or any particular purposes, of the charity.

(2) The charity trustees of such a charity may resolve for the purposes of this section—

- (a) that all the property of the charity should be transferred to another charity specified in the resolution, or
- (b) that all the property of the charity should be transferred to two or more charities specified in the resolution in accordance with such division of the property between them as is so specified.

(3) But the charity trustees of a charity (“the transferor charity”) do not have power to pass a resolution under subsection (2) unless they are satisfied—

- (a) that it is expedient in the interests of furthering the purposes for which the property is held by the transferor charity for the property to be transferred in accordance with the resolution, and
- (b) that the purposes (or any of the purposes) of any charity to which property is to be transferred under the resolution are substantially similar to the purposes (or any of the purposes) of the transferor charity.

(4) Any resolution under subsection (2) must be passed by a majority of not less than two-thirds of the charity trustees who vote on the resolution.

(5) Where charity trustees have passed a resolution under subsection (2), they must send a copy of it to the Commission, together with a statement of their reasons for passing it.

(6) Having received the copy of the resolution, the Commission—

- (a) may direct the charity trustees to give public notice of the resolution in such manner as is specified in the direction, and
- (b) if it gives such a direction, must take into account any representations made to it by persons appearing to it to be interested in the charity, where those representations are made to it within the period of 28 days beginning with the date when public notice of the resolution is given by the charity trustees.

(7) The Commission may also direct the charity trustees to provide the Commission with additional information or explanations relating to—

- (a) the circumstances in and by reference to which they have decided to act under this section, or
- (b) their compliance with any obligation imposed on them by or under this section in connection with the resolution.

(8) Subject to the provisions of section 124, a resolution under subsection (2) takes effect at the end of the period of 60 days beginning with the date on which the copy of it was received by the Commission.

(9) Where such a resolution has taken effect, the charity trustees must arrange for all the property of the transferor charity to be transferred in accordance with the resolution, and on terms that any property so transferred—

- (a) is to be held by the charity to which it is transferred (“the transferee charity”) in accordance with subsection (10), but
- (b) when so held is nevertheless to be subject to any restrictions on expenditure to which it was subject as property of the transferor charity;

and the charity trustees must arrange for the property to be so transferred by such date after the resolution takes effect as they agree with the charity trustees of the transferee charity or charities concerned.

Changes to legislation: There are currently no known outstanding effects for the Charities Act (Northern Ireland) 2008, Section 123. (See end of Document for details)

(10) The charity trustees of any charity to which property is transferred under this section must secure, so far as is reasonably practicable, that the property is applied for such of its purposes as are substantially similar to those of the transferor charity.

But this requirement does not apply if those charity trustees consider that complying with it would not result in a suitable and effective method of applying the property.

(11) For the purpose of enabling any property to be transferred to a charity under this section, the Commission may, at the request of the charity trustees of that charity, make orders vesting any property of the transferor charity—

- (a) in the transferee charity, in its charity trustees or in any trustee for that charity, or
- (b) in any other person nominated by those charity trustees to hold property in trust for that charity.

(12) The Department may by order amend subsection (1) by substituting a different sum for any sum for the time being specified there.

(13) In this section references to the transfer of property to a charity are references to its transfer—

- (a) to the charity, or
- (b) to the charity trustees, or
- (c) to any trustee for the charity, or
- (d) to a person nominated by the charity trustees to hold it in trust for the charity,

as the charity trustees may determine.

(14) In this section “market value”, in relation to any land held by a charity, means—

- (a) the market value of the land as recorded in the accounts for the last financial year of the charity, or
- (b) if no such value was so recorded, the current market value of the land as determined on a valuation carried out for the purpose.

(15) Where a charity has a permanent endowment, this section has effect in accordance with section 125.

Commencement Information

II [S. 123](#) in operation at 24.6.2013 by [S.R. 2013/145](#), [art. 2](#), [Sch.](#)

Changes to legislation:

There are currently no known outstanding effects for the Charities Act (Northern Ireland) 2008, Section 123.