



Charities Act 2011

2011 CHAPTER 25

PART 6

CY-PRÈS POWERS AND ASSISTANCE AND SUPERVISION OF CHARITIES BY COURT AND COMMISSION

Establishment of common investment or deposit funds

98 Provisions which may be included in common investment schemes

- (1) A common investment scheme may make provision for, and for all matters connected with, the establishment, investment, management and winding up of the common investment fund, and may in particular include provision—
- (a) for remunerating persons appointed trustees to hold or manage the fund or any part of it, with or without provision authorising a person to receive the remuneration even though the person is also a charity trustee of or trustee for a participating charity;
 - (b) for restricting the size of the fund, and for regulating as to time, amount or otherwise the right to transfer property to or withdraw it from the fund, and for enabling sums to be advanced out of the fund by way of loan to a participating charity pending the withdrawal of property from the fund by the charity;
 - (c) for enabling income to be withheld from distribution with a view to avoiding fluctuations in the amounts distributed, and generally for regulating distributions of income;
 - (d) for enabling money to be borrowed temporarily for the purpose of meeting payments to be made out of the funds;
 - (e) for enabling questions arising under the scheme as to the right of a charity to participate, or as to the rights of participating charities, or as to any other matter, to be conclusively determined by the decision of the trustees managing the fund or in any other manner;
 - (f) for regulating the accounts and information to be supplied to participating charities.

Status: This is the original version (as it was originally enacted).

- (2) A common investment scheme, in addition to the provision for property to be transferred to the fund on the basis that the charity is to be entitled to a share in the capital and income of the fund, may include provision for enabling sums to be deposited by or on behalf of a charity on the basis that (subject to the provisions of the scheme) the charity is to be entitled—
- (a) to repayment of the sums deposited, and
 - (b) to interest on them at a rate determined by or under the scheme.
- (3) Where a scheme makes any such provision it must also provide for excluding from the amount of capital and income to be shared between charities participating otherwise than by way of deposit such amounts (not exceeding the amounts properly attributable to the making of deposits) as are from time to time reasonably required in respect of the liabilities of the fund—
- (a) for the repayment of deposits, and
 - (b) for the interest on deposits,
- including amounts required by way of reserve.