

THE EDITH MAUD ELLIS 1985 CHARITABLE TRUST

STATEMENT OF PRACTICE

6 February 2019

Introduction

- a. This Statement of Practice is subordinate to the Trust Deed by which the present Trust was constituted on 12 September 1985. It is prescriptive and descriptive.
- b. The prescriptive part is shown in **bold** type below. It consists of broad principles of governance which the Trustees expect to be maintained over the longer term. Accordingly it represents the considered judgement of the Trustees as to how the Trust is best governed in conformity with its Trust Deed. It is open to amendment, but only at a general policy meeting and after the Trustees have received due notice of the amendment proposed.
- c. The descriptive part is shown in *italic* type below. It consists of detailed operational arrangements within which the Trustees intend to work in the shorter term. Accordingly it represents current practice and may be changed from time to time without notice at any meeting of the Trust. It shall in any case be reviewed at a general policy meeting every year.
- d. Although this Statement of Practice is an internal document of the Trust, intended for the guidance of present and future Trustees, it may at the discretion of the Trustees be made more widely available in the interests of transparency.

1 Name. The name of the Trust is The Edith Maud Ellis 1985 Charitable Trust.

2 Trust Deed. The Trust is constituted by the Trust Deed of 12 September 1985, as amended on 10 October 2018 (see section 4). This Statement of Practice is subordinate to the amended Trust Deed.

3 Purpose of the Trust. The purpose of the Trust is to make grants for such charitable purposes as the Trustees shall determine from time to time. These purposes include the advancement of religion; the advancement of education; the prevention or relief of poverty; the relief of those in need; the advancement of human rights, conflict resolution or reconciliation or the promotion of religious or racial harmony or equality and diversity; the advancement of citizenship or community development; the advancement of environmental protection or improvement; and the advancement of the arts, culture, heritage or science. The Trustees pay due regard to the guidance on public benefit published by the Charity Commission. Public benefit is readily demonstrated in the delivery of (a) the intended outcomes of the Trust's charitable purposes listed above, and (b) the financial and other support with which those outcomes can be achieved, among the public at large or significant relevant sections of the public without unreasonable restriction.

Clause 3 of the Trust Deed allows the Trustees "to apply the [Trust Fund] at such time or times as they may in their absolute discretion think fit for such objects or purposes according to the law of England as the Trustees may from time to time determine." Clause 4 of the Trust Deed allows both capital and income of the Trust Fund to be used. Other clauses confer mainly financial powers to enable the Trustees to give effect to these provisions. The Trustees are constantly mindful of their responsibility to uphold the purposes for which the Trust Fund exists and to put it to best use in carrying out their trusteeship.

Edith Maud Ellis (1878-1963) was a passionate Quaker and worked tirelessly for international peace and reconciliation. The Trust, which took its present form in 1985, originated in 1953 when she endowed the Trust Fund with £40,000 for general charitable purposes.

Policies and Priorities

The Trustees have devised several policies to guide their grant-making and shape it into a coherent pattern within the wide scope allowed by the Trust Deed. From April 2019 they have significantly altered their grant-making practice to give fewer but larger grants. They wish to establish relationships with some of their grantees to build a body of knowledge. They will apply more rigour to their grant-making, all within their overall aim to help bring about a more peaceful and just world, embodying Quaker values through a fearless approach to social and structural innovations in policy or practice. They aim to make grants (normally ranging from £1000 to £5000) to a limited number of Quaker and other UK-registered charities, non-governmental organisations, public bodies and social enterprises, in normal circumstances limited to those with an annual turnover of less than approximately £350,000. The Trustees favour those applicants not normally able to attract other funding.

Currently grants are made in six broad categories:

- a. Quaker work and witness*
- b. Peace- building and conflict resolution*
- c. Interfaith and ecumenical understanding*
- d. Climate change mitigation*
- e. Work with forced migrants, including internally displaced persons*
- f. Sustainable development*

The Trustees value applications that fulfil more than one of these criteria.

Successful applicants must demonstrate how they plan to use a grant to make a large impact; the expected outcome for their community; and, where appropriate, how the project will promote social and structural innovation.

The Trustees do not make grants for: core funding for organisations; individuals; infrastructure organisations; general appeals; educational bursaries; humanitarian relief appeals; medical research; or healthcare, disability and medical support services.

The Trustees seek to reflect in their pattern of grant-making a certain balance among the categories a-f above, which are kept under review as needs and opportunities change, having in mind both the causes dear to Edith Maud Ellis and more recent Quaker concerns.

Information on the application process is available in more detail on the Trust's website.

4. Appointment of Trustees and terms of service. Trustees shall be appointed for six years, with the possibility of reappointment for one further term of six years.

The Trustees decide collectively on renewal two years before the expiry of a Trustee's first six-year term of service, in order to allow sufficient time for possible successors to be approached if the appointment is not to be renewed. In the event of a Trustee being reappointed for a second six-year term of service, the Trustees expect to start considering possible successors to that Trustee two years before the expiry of the second six-year term of service, in order to allow sufficient time for approaches to be made.

In accordance with an amendment to the Trust Deed (10 October 2018) to enable a simplified procedure consistent with trust law, the

appointment of a new Trustee is made by resolution of the existing Trustees, recorded in a memorandum signed by the Clerk and lodged with the Trust's solicitor.

5. Number and eligibility of Trustees. The number of Trustees is at Trustees' discretion, with a minimum of three and a maximum of eight. In addition to the general requirements of the law governing eligibility of trustees there is a requirement that they shall be Quakers at the time of first appointment, in membership of Britain Yearly Meeting of the Religious Society of Friends or exceptionally of another yearly meeting within the world family of Friends.

Currently there are six Trustees, each bringing a different area of expertise to the Trust. All are active members of Britain Yearly Meeting and of their respective local and area meetings. They do, however, recognise the value of continuity notwithstanding a Trustee ceasing to be a member of the Religious Society of Friends provided that he or she remains in sympathy with Quaker faith and practice.

6. Clerkship. The Trustees shall make arrangements for one of their number to serve as Clerk, normally for three years with the possibility of reappointment.

Currently Jane Dawson serves as Clerk.

7. Frequency of meetings. The Trustees shall meet at least twice in each year, and as often as they find necessary.

The Trustees currently meet four times a year: in February and July to consider applications received and decide on grants; in October to conduct an annual review with their independent investment advisor of the Trust's financial position and its investments and other assets; and in January for a general policy meeting.

8. Requisition of meetings. A special meeting of the Trustees may be called at any time by the Clerk or by any two Trustees upon not less than four days' notice being given to the other Trustees of

the matters to be discussed. This period of notice may be waived with the consent of all Trustees.

9. Conduct of meetings. The Trustees shall conduct their meetings according to the Quaker business method as described in the Book of Christian Discipline of the Yearly Meeting of the Religious Society of Friends (Quakers) in Britain.

10. Quorum at meetings. Any two Trustees shall constitute a quorum at Trust meetings.

11. Declaration of interest. A Trustee with a personal interest in any part of an application shall declare it, and shall normally withdraw while the application is considered.

In case of doubt, the other Trustees decide whether the personal interest declared is such as to require the Trustee to withdraw while such an application is considered. Withdrawal is the normal expectation.

12. Conduct of banking. Appropriate arrangements for the conduct of banking shall be made by the Trustees.

Present practice is that, following minuted approval of grants decided by a Trustees' meeting, each grant payment not exceeding £1,000 is made by a single authorised Trustee signatory, normally through online bank transfer from the Trust's current account; and each grant payment above £1,000 is made by two authorised signatories jointly, either through online bank transfer or through a cheque drawn on the Trust's current account. Similar procedures apply to other (non-grant) payments below or above £1,000 respectively, which are normally checked and approved by Trustees separately from the making of the payments either online or through cheques by the authorised Trustee signatory or signatories. These procedures are covered by bank mandates approved by the Trustee body.

13. Investment policy. All investments are held in the name of the Trust. They are reviewed annually in line with the Trust's policies.

The Trustees have developed a positive ethical investment policy. In addition to negative screening, current practice is to hold investments having regard to the categories in which grants are awarded. The Trustees invest a small, but growing proportion of their portfolio in high social impact enterprises, mainly through the new Ethex mechanism, as part of their positive ethical investment policy.

14. Professional advice. The Trustees receive specialist advice from appointed advisers who are paid by the Trust for their professional services.

*A paid independent investment adviser for investment advice and a paid solicitor for legal advice provide professional services under their firms' respective contracts with the Trust. A paid administrator *inter alia* is the point of contact for enquiries, processes grant applications for Trust decisions, arranges room bookings, maintains the Trust diary and, as the named contact, ensures effective liaison with the Charity Commission. All work under the guidance and oversight of the Trustees.*

15. Reimbursement of expenses. The Trustees receive no remuneration, save in the case of professional or other charges for work done as permitted by clause 7 of the Trust Deed, but may be reimbursed for expenses incurred on Trust business.

Current practice is for a Trustee to submit claims for expenses to two other Trustees who, if satisfied with the claim, authorise reimbursement from the Trust's bank account in favour of that Trustee.

16. Power of dissolution. The power of dissolution of the Trust shall be exercised only at a special meeting called in accordance with paragraph 8 Requisition of meetings, and conducted in accordance with paragraph 9 Conduct of meetings. In the event

of a decision to dissolve the Trust, the Trustees shall inter alia ensure:

(a) that the remaining assets (after debts have been paid) are either spent on the charitable objects and purposes of the Trust or given to another charity with the same or similar objects and purposes, failing which (i.e. if the remaining assets cannot either be spent on the charitable objects and purposes of the Trust or given to another charity, for example if the designated charity has ceased to exist) the Trustees would need to apply to the Charity Commission for a Scheme to bring the Trust to an end and dispose of its assets;

(b) that final accounts are prepared and, after audit or examination as appropriate, submitted to the Charity Commission;

(c) and that timely notification is given to the Charity Commission of the date upon which the Trust is to be dissolved.

The Trustees have been advised that, in the unlikely event of the demise of all Trustees at the same time or in rapid succession, under trust law it would fall to the personal representative of the last surviving Trustee to appoint new Trustees.