

THIS DECLARATION OF TRUST IS MADE

the 12th day of March 2008 by

Malcolm Christopher Dragon, of 8 Swn yr Aderyn, Kenfig Hill,
Bridgend, CF33 6GA

Graham Andrew Dragon, of 57 Winnall Manor Road, Winchester,
Hampshire, SO23 0NN

Angela Claire Oldroyd, of 32 Chelmorton Place, Chaddesden,
Derby DE21 4QL

(“the first Trustees”).

The first Trustees hold the sum of £10 (ten pounds) on the trusts declared in this deed and they expect that more money and assets will be acquired by them on the same trusts.

NOW THIS DEED WITNESSES AS FOLLOWS:

1) Administration

The charitable trust created by this deed (“the Foundation”) shall be administered by the Trustees. (In this deed, the expression “the Trustees” refers to the individuals who are the Trustees of the Foundation at any given time. It includes the first Trustees and their successors. The word “Trustee” is used to refer to any of the Trustees.

2) Name

The Foundation shall be called “**The Chreda Foundation**” but the Trustees may by resolution change the name of the Foundation from time to time. Before doing so, if the Foundation is registered with the Charity Commission of England and Wales (“the Commission”), they must obtain the written approval from the Commission for the new name.

3) Application of Income

The Trustees must apply the income of the Foundation in furthering the following objects (“the Objects”):

- (a) To help young people, especially but not exclusively through leisure time activities, so as to develop their capabilities that they may grow to full maturity as individuals and members of society.
- (b) To provide recreational and leisure time activity in the interests of social welfare for people who have need by reason of their youth, age, infirmity or disability, poverty or social and economic circumstances with a view to improving the conditions of life of such persons.
- (c) To assist in the treatment and care of persons suffering from mental or physical illness or disability of any description or in need of rehabilitation as a result of such illness or disability, by the provision of facilities for recreation and any other services not normally provided by the statutory authorities.

4) Application of Capital

At their discretion, the Trustees may spend all or part of the Capital of the Foundation in furthering the objects.

5) Powers

In addition to any other powers they have, the Trustees may exercise any of the following powers in order to further the objects (but not for any other purpose):

- (a) to raise funds. In exercising the power, the Trustees must not undertake any substantial permanent trading activity and must comply with any relevant statutory regulations;
- (b) to buy, take on lease or in exchange, hire or otherwise acquire property and to maintain and equip it for use;
- (c) to sell, lease, or otherwise dispose of all or any part of the property belonging to the Foundation. In exercising this power the Trustees must comply as appropriate with sections 36 and 37 of the Charities Act 1993;

- (d) to borrow money and to charge the whole or any part of the property belonging to the Foundation as security for repayment of the money borrowed. The Trustees must comply as appropriate with sections 38 and 39 of the Charities Act 1993 if they wish to mortgage land owned by the Foundation;
- (e) to cooperate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them;
- (f) to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the objects;
- (g) to acquire, merge with or enter into and partnership or joint venture arrangement with any other charity formed for any of the charitable purposes included in the objects;
- (h) to create such advisory committees as the Trustees think fit;
- (i) to employ and remunerate such staff as are necessary for carrying out the work of the Foundation;
- (j) to do any other lawful thing that is necessary or desirable for the achievement of the objects.

The Foundation has been established as a living memorial to Chris and Freda Dragon, who were lifelong, upright members of the Salvation Army, and whose lives epitomised Christian values. The Trustees must take account of this in all their decisions and actions and not allow anything to be done in the name of the Foundation which would not be in harmony with their values.

6) Statutory Powers

Nothing in this deed restricts or excludes the exercise by the Trustees of the powers given by the Trustee Act 2000 as regards investment, the acquisition or disposal of land, and the employment of agents, nominees and custodians.

7) Delegation

- (a) In addition to their statutory powers, the Trustees may delegate any of their powers or functions to a committee of two or more Trustees. A committee must act in accordance with any directions given by the Trustees. It must report its decisions and activities fully and promptly to the Trustees. It must not incur expenditure on behalf of the Foundation except in accordance with a budget previously agreed by the Trustees.
- (b) The Trustees must exercise their powers jointly at properly convened meetings except where they have:
 - a. Delegated the exercise of the powers (either under this provision or under any statutory provision), or
 - b. Made some other arrangements, by regulations under clause 21,
- (c) The Trustees must consider from time to time whether the powers or functions which they have delegated should continue to be delegated.

8) Duty of Care and Extent of Liability

When exercising any power (whether given to them by this deed, or by statute, or by any rule of law) in administering or managing the Foundation, each of the Trustees must use the level of care and skill that is reasonable in the circumstances, taking into account any special knowledge or experience that he or she claims to have (“the duty of care”).

No Trustee, and no one exercising powers or responsibilities that have been delegated by the Trustees shall be liable for any act or failure to act unless, in acting or failing to act, he or she has failed to discharge the duty of care.

9) Appointment of Trustees

- (a) There must be at least two Trustees. Apart from the first Trustees, each Trustee must be appointed by a resolution of the Trustees passed at a special meeting called under clause 15 of this deed.
- (b) In selecting individuals for appointment as Trustees, the Trustees must have regard to the skills, knowledge and experience needed for the effective administration of the Foundation.
- (c) The Trustees must keep a record of the name and address and the date of appointment, re-appointment and retirement of each Trustee.
- (d) The Trustees must make available to each new Trustee, on his or her first appointment:
 - a. a copy of this deed and any amendments made to it;
 - b. a copy of the Foundation's latest report and statement of accounts.

10) Eligibility for Trusteeship

- (a) No one shall be appointed as a Trustee:
 - a. if he or she is under the age of 18 years; or
 - b. if he or she would at once be disqualified under the provisions of clause 11 of this deed.
- (b) No one shall be entitled to act as a Trustee whether on appointment or on any re-appointment as Trustee until he or she has expressly acknowledged, in whatever way the Trustees decide, his or her acceptance of the office of Trustee of the Foundation.

11) Termination of Trusteeship

A Trustee shall cease to hold office if he or she:

- (a) is disqualified from acting as a trustee by virtue of section 72 of the Charities Act 1993 or any statutory re-enactment or modification of that provision;

- (b) becomes incapable by reason of mental disorder, illness, or injury of managing his or her own affairs;
- (c) is absent without the permission of the Trustees from all their meetings held within a period of six months, and the Trustees resolve that his or her office be vacated;
- (d) notifies to the Trustees a wish to resign (but only if enough Trustees will remain in office when the notice of resignation takes effect to form a quorum for meetings).

12) Vacancies

If a vacancy occurs the Trustees must note the fact in the minutes of their next meeting. So long as there are fewer than two Trustees, none of the powers or discretions conferred by this deed or by law on the Trustees shall be exercisable by the remaining Trustee except the power to appoint new Trustees.

13) Ordinary Meetings

The Trustees must hold at least two ordinary meetings each year. These meetings need not require the Trustees to be physically present or to see each other. A telephone conference, if agreed by a quorum of Trustees that this constitutes a valid Trustees meeting, will legally constitute such a meeting even though the Trustees may not be able to see each other as a consequence.

Where it is a legal requirement, or a requirement of a third party entitled to make such a stipulation regarding an act to be carried out at a meeting, that all participants can both see and hear each other, the meeting will not be a valid Trustees meeting unless this requirement is met.

14) Calling Meetings

The Trustees must arrange at each of their meetings the date, time and place of their next meeting, unless such arrangements have already been made. Ordinary meetings may also be called at any time by the person elected to chair meetings of the Trustees or by any two Trustees. In that case not less than ten days' clear notice must be given to the other Trustees. The first meeting of the Trustees must be called by Malcolm Dragon or, if no meeting has been called within three months after the date of this deed, by any two of the Trustees.

15) Special Meetings

A special meeting may be called at any time by the person elected to chair meetings of the Trustees or by any two Trustees. Not less than four days' clear notice must be given to the other Trustees of the matters to be discussed at the meeting. However, if those matters include the appointment of a Trustee or a proposal to amend any of the trusts of this deed, not less than 21 days' notice must be given. A special meeting may be called to take place immediately after or before an ordinary meeting.

16) Chairing of Meetings

The Trustees at their first ordinary meeting in each year must elect one of their number to chair their meetings. The person elected shall always be eligible for re-election. If that person is not present within ten minutes after the time appointed for holding a meeting, or if no one has been elected, or if the person elected has ceased to be a Trustee, the Trustees present must elect one of their number to chair the meeting.

The person elected to chair meetings of the Trustees shall have no other additional functions or powers except those conferred by this deed or delegated to him or her by the Trustees.

17) Quorum

- (a) Subject to the following provision of this clause, no business shall be conducted at a meeting of the Trustees unless at least one third of the total number of Trustees at the time or two Trustees (whichever is the greater) are present throughout the meeting.
- (b) The Trustees may make regulations specifying different quorums for meetings dealing with different types of business.

18) Voting

At meetings, decisions must be made by a majority of the Trustees present and voting on the question. No Trustee, including the Chairman, shall have a casting vote. In the event that a majority decision cannot be made, the matter must be deferred until such a majority is obtained.

19) Conflict of Interest

A Trustee must disclose to the other Trustees any circumstances in which it is possible that a conflict will arise between his or her duty to act solely in the interests of the Foundation and any personal interest (including but not limited to any personal financial interest).

The potential conflict of interest must be noted in the minutes of the meeting at which it is disclosed and in the minutes of any subsequent meeting at which the issue, in which the potential conflict might arise, is discussed. Unless it is agreed by a majority of those Trustees present that there is no conflict of interest, the Trustee who has disclosed a potential conflict may be present during discussions and may participate in those discussions, but may not vote on the issue in which that potential conflict arises unless this would mean there could not be a quorum.

Transactions in which one or more of the Trustees have a conflict of interest and duty are valid provided the provisions of this clause are followed.

20) Minutes

The Trustees must keep minutes, in books kept for the purpose or by such other means as the Trustees decide, of the proceedings at their meetings. Electronic files will be suitable for this purpose if the Trustees agree. In the minutes the Trustees must record their decisions and, where appropriate, the reasons for those decisions. The Trustees must approve the minutes in accordance with the procedures, laid down in regulations under clause 21 of this deed.

21) General Power to make Regulations

The Trustees may from time to time make regulations for the management of the Foundation and for the conduct of their business, including:

- (a) the calling of meetings;
- (b) methods of making decisions in order to deal with cases of urgency when a meeting is impractical;
- (c) the deposit of money at a bank;

- (d) the custody of documents and files, whether physical or electronic; and
- (e) the keeping and authenticating of records. (If regulations made under this clause permit records of the Foundation to be kept in electronic form and require a Trustee or Trustees to sign the record, the regulations must specify a method of recording the signature that enables it to be properly authenticated.)

The Trustees must not make regulations that are inconsistent with anything in this deed.

22) Accounts, Annual Report and Annual Return

The Trustees must comply with their obligations under the Charities Act 1993, and any statutory re-enactment or modification of that Act, with regard to:

- (a) the keeping of accounting records for the Foundation;
- (b) the preparation of annual statements of account for the Foundation;
- (c) the auditing or independent examination of the statements of account of the Foundation if required;
- (d) the transmission of the statements of account of the Foundation to the Commission if required;
- (e) the preparation of an annual report and its transmission to the Commission if required;
- (f) the preparation of an annual return and its transmission to the Commission if required.

23) Registered Particulars

If the Foundation is registered with the Commission, the Trustees must notify the Commission promptly of any changes to the Foundation's entry on the Central Register of Charities.

24) Bank Account

Any bank or building society account in which any of the funds of the Foundation are deposited must be operated by the Trustees and held in the name of the Foundation. Unless the regulations of the Trustees make other provision, all cheques and orders for the payment of money from such an account shall be signed by at least two Trustees. For the purpose of this clause any secure systems used by a bank or other institution as an alternative to a signature may be used by the Trustees if they decide this is appropriate and in the interests of the Foundation, provided that at least two Trustees are required to provide the authorisation in the format the bank or institution requires (for example two Trustees entering their individual passwords before a transaction can be authorised).

25) Trustees not to benefit financially from their Trusteeship

- (a) No Trustee may buy goods or services from the Foundation, or sell goods or services to the Foundation, or receive remuneration, or receive any other financial benefit from the Foundation or from any trading company owned by the Foundation, except in accordance with this deed or with the prior written approval of the Commission and any conditions it prescribes.
- (b) The Trustees may employ, or enter into a contract for the supply of goods or services with, one of their number. Before doing so, the Trustees must be satisfied it is in the best interests of the Foundation to employ, or contract with, that Trustee rather than someone who has no connection with the Foundation. In reaching that decision they must balance the advantages of employing or contracting with a Trustee against the disadvantages of doing so (especially the loss of the Trustee's services as a result of dealing with the Trustee's conflict of interest as required by the next sub clause). The remuneration or other sums paid to the Trustee must not exceed an amount that is reasonable in all the circumstances. The Trustees must record the reasons for their decision in the minutes.

- (c) A Trustee must be absent from the part of any meeting at which his or her employment or remuneration, or any matter concerning the contract, are discussed. He or she must also be absent from the part of any meeting at which his or her performance in that employment, or his or her performance of the contract, is considered. He or she must not vote on any matter relating to that employment or contract, and must not be counted when calculating whether a quorum of Trustees is present at the meeting.
- (d) At no time may a majority of the Trustees benefit under this provision.
- (e) The above sub clauses apply to an individual Trustee, as well as any of the following:
 - a. a company or firm in which the Trustee is a partner, and employee, a consultant, a director, or a shareholder (unless the shares of the company are listed on a recognised stock exchange and the Trustee holds less than 1% of the issued capital);
 - b. any child, parent, grandchild, grandparent, brother, sister or spouse of the Trustee, or any person living with the Trustee as his or her partner.

26) Repair and Insurance

The Trustees must keep in repair and insure to their full value against fire and other usual risks all the buildings of the Foundation (except those buildings that are required to be kept in repair and insured by a tenant). They must also insure suitably in respect of public liability and employer's liability if appropriate.

27) Expenses

The Trustees may use the Foundation's funds to meet any necessary and reasonable expenses which they incur in the course of carrying out their responsibilities as Trustees of the Foundation.

28) Amendment of Trust Deed

- (a) The Trustees may amend the provisions of this deed, provided that:

- a. No amendment may be made to clause 3 (Application of Income) without the prior written consent of the Commission, if the Foundation is registered with the Commission;
 - b. No amendment may be made to clause 8 (Duty of Care), clause 25 (Trustees not to benefit financially from their Trusteeship), clause 28 (Amendment of Trust Deed), or clause 29 (Dissolution) without the prior written consent of the Commission; and
 - c. No amendment may be made whose effect is that the Foundation ceases to be a charity at law.
- (b) Any amendment of this deed must be made by deed following a decision of the Trustees made at a special meeting.
- (c) If the Foundation is registered with the Commission it must send to the Commission a certified copy of the deed effecting any amendment made under this clause within three months of it being made. If the Foundation is not registered with the Commission it must send to Revenue and Customs a copy of the deed effecting any amendment made under this clause within three months of it being made.

29) Dissolution

The Trustees may dissolve the Foundation if they decide that it is necessary or desirable to do so. To be effective, a proposal to dissolve the Foundation must be passed at a special meeting by a two-thirds majority of the Trustees. Any assets of the Foundation that are left after the Foundation's debts have been paid ("the net assets") must be given:

- (a) to another Charity (or other Charities) with objects that are no wider than the Foundation's own, for the general purposes of the recipient Charity (or Charities); or
- (b) to any Charity for particular purposes which fall within the Foundation's objects.

If the Foundation is registered with the Commission, the Commission must be notified promptly that the Foundation has been dissolved and, if the Trustees were obliged to send the Foundation's accounts to the Commission for the accounting period which ended before its dissolution, they must send the Commission the Foundation's final accounts.

30) Interpretation

In this deed, all references to particular legislation are to be understood as references to legislation in force at the date of this deed and also to any subsequent legislation that adds to, modifies, or replaces that legislation.

IN WITNESS of this deed the parties to it have signed below

1 Signed as a deed by:

.....

on this (day) of (month) (year)

in the presence of

.....

Witness's name:

.....

Witness's address:

.....

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.....

.....

2 Signed as a deed by:

.....

on this (day) of (month) (year)

in the presence of

.....

Witness's name:

.....

Witness's address:

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.....

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3 Signed as a deed by:

.....

on this (day) of (month) (year)

in the presence of

.....

Witness's name:

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Witness's address:

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