



Charities Act 2006

2006 CHAPTER 50

PART 2

REGULATION OF CHARITIES

CHAPTER 4

APPLICATION OF PROPERTY CY-PRÈS

Schemes

18 Cy-près schemes

After section 14A of the 1993 Act (inserted by section 17 above) insert—

“14B Cy-près schemes

- (1) The power of the court or the Commission to make schemes for the application of property cy-près shall be exercised in accordance with this section.
- (2) Where any property given for charitable purposes is applicable cy-près, the court or the Commission may make a scheme providing for the property to be applied—
 - (a) for such charitable purposes, and
 - (b) (if the scheme provides for the property to be transferred to another charity) by or on trust for such other charity,as it considers appropriate, having regard to the matters set out in subsection (3).
- (3) The matters are—
 - (a) the spirit of the original gift,
 - (b) the desirability of securing that the property is applied for charitable purposes which are close to the original purposes, and

Status: This is the original version (as it was originally enacted).

- (c) the need for the relevant charity to have purposes which are suitable and effective in the light of current social and economic circumstances.

The “relevant charity” means the charity by or on behalf of which the property is to be applied under the scheme.

- (4) If a scheme provides for the property to be transferred to another charity, the scheme may impose on the charity trustees of that charity a duty to secure that the property is applied for purposes which are, so far as is reasonably practicable, similar in character to the original purposes.
- (5) In this section references to property given include the property for the time being representing the property originally given or property derived from it.
- (6) 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 scheme may provide.”