

# **CONSTITUTION.**

**(THIS IS AN EXTRACT OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION. IN THE EVENT OF ANY DISCREPANCY BETWEEN THIS DOCUMENT AND THE MEMORANDUM AND ARTICLES OF ASSOCIATION, THE SAID MEMORANDUM AND ARTICLES OF ASSOCIATION WILL BE DEEMED TO BE THE CORRECT DOCUMENTATION)**

## **1. NAME.**

- 1.1 The name of the Company is THE CRADLE OF HOPE (Incorporated under Section 21)
- 1.2 The name of the Company in any other official language of the Republic of South Africa is THE CRADLE OF HOPE.
- 1.3 The shortened name of the Company - None.

## **2. PURPOSE : DESCRIBING OBJECTIVES AND ACTIVITIES.**

- 2.1 The upliftment of the community by instilling a sense of dignity in each individual through the proclamation of the Kingdom of God through the spreading of the Gospel.
- 2.2 To develop Portion 273 of the farm 160 Vlakplaats (Krugersdorp District), owned by “The Cradle of Hope” wholly and debt free, as a productive and sustainable kibbutz where people will live and work to sustain themselves through self-help and sweat equity
- 2.3 To house and feed destitute women and their children.
- 2.4 To establish a safe haven for orphans, abandoned and molested children.
- 2.5 To provide skills training and job creation for jobless people.
- 2.6 To establish a clinic to provide medical services to own residents and the surrounding community.
- 2.7 To provide an educational facility for pre-school children.
- 2.8 To either establish new or support existing mission stations in Africa where a need thereof is identified and to equip it with all the required disciplines and services.
- 2.9 To undertake any other projects of whatsoever nature that may be identified in future that will better the quality of life of fellow human beings.

**3. VISION.**

To empower the poor, youth, aged, disabled, jobless and uneducated to lead a meaningful and dignified life so that they can fulfill their physical, spiritual, family, social, career and financial needs and to enable them to pay it forward to others from day to day.

**4. MISSION.**

To create and facilitate an environment to care for and mentor our “Vision” audience through a care centre where they will be provided with safe housing, healthy nutrition, medical services, education skills training, job creation, creative recreation and spiritual development on a sustainable basis.

**5. POWERS.**

5.1 The Company may take part in the management, supervision and control of the business or operations of any other organisation, Company or business having the same or similar objectives as the Company and to enter into partnerships with other people or organisations having the same or similar objectives as the Company.

5.2 The Company may remunerate any person or persons in cash or in kind for services rendered in the formation or development of the Company's activities to reach its objectives.

5.3 The Company may make donations provided that no donations may be made to any director, officer, employee or member of the Company.

5.4 The Company may enter into and sign contracts that will empower it to reach its objectives.

5.5 The Company will continue to exist even when its Directors, officers, employees and membership change.

5.6 The Company can sue and be sued in its own name.

**6. CONDITIONS: USE OF FUNDS AND PROPERTY.**

6.1 The income and property of the Company, howsoever derived, shall be applied solely towards the promotion of the objectives of the Company and no portion thereof shall be paid or transferred directly or indirectly, to the directors, officers, employees or members of the Company.

6.2 Nothing mentioned in 6.1 shall however prevent the payment in good faith of reasonable remuneration to any officer or employee of the Company or to any member thereof or any outside institution in return for any services actually rendered to the Company to promote its objectives.

- 6.3 The Company will keep a meticulous inventory of all property, donated items and all other merchandise obtained in whatsoever way
- 6.4 Upon its winding-up, deregistration or dissolution, the assets of the Company remaining after the settlement of all its liabilities shall be given or transferred to some other association(s) or institution(s) having objectives similar to the Company's main objectives. This is to be determined by the members of the Company at or before the time of its dissolution or, failing such determination, by the Department of Welfare's Directorate for Non Profit Organisations or failing that by the Court.
- 6.5 Any donation that may be recalled by the donor (a subject to donation), or where the donation will benefit a connected person, will not be accepted.
- 6.6 Property can be transferred to a separate taxable entity provided the separate entity is wholly controlled by the Company.
- 6.7 Any winding up procedure will be as provided for in paragraph 73 of the Company's Memorandum of Association.

## **7. MEMBERSHIP.**

- 7.1 Membership of the Company may be divided into such number of classes as the Board of Directors of the Company may from time to time determine, e.g. youth, individuals, groups (Churches/Schools), Corporates.
- 7.2 Members may be admitted by the Board of Directors in its sole and absolute discretion, subject to any such qualifications and obligations to the class of membership.
- 7.3 The Board of Directors may decline to admit membership to any intending member, notwithstanding his/her willingness and ability to fulfil the requirements of the specific class of membership. In such circumstances the Board of Directors shall be under no obligation, expressed or implied, to divulge or justify the reasons for its decision.
- 7.4 No political party or any member of a political party with any political agenda may become a member of the Company.
- 7.5 Membership of a person will be terminated by the Board of Directors:
  - 7.5.1 Upon receipt by the Company, in writing, by a member requesting removal.
  - 7.5.2 Upon the death of any member.
  - 7.5.3 In the event of non-compliance by a member of any obligations attached to his/her membership.
- 7.6 Membership may not be assigned or transferred unless approved by the Board of Directors and in that event it will be subject to such conditions and in such

manner as the Board of Directors in their sole discretion may deem appropriate.

- 7.7 The Company shall maintain at its office a register of members that shall at all times be open to inspection.
- 7.8 A membership fee for the different categories shall be determined by the Board of Directors from time to time. Only paid up members will be eligible to vote at Annual and Special General Meetings.

## **8. GENERAL MEETINGS.**

- 8.1 The Company shall hold its first Annual General Meeting within eighteen (18) months after the date of its incorporation and annually thereafter.
- 8.2 A period of not more than fifteen (15) months shall elapse between the date of one Annual General Meeting and that of the next.
- 8.3 An Annual General Meeting shall be held within nine (9) months after the end of the financial year of the Company.
- 8.4 Annual General Meetings and other General Meetings shall be held at such time and place as the Directors may appoint.
- 8.5 Notice in writing of not less than twenty-one (21) days before an Annual General Meeting or any other General Meeting called for the passing of a special resolution must be sent to all members eligible to vote. The agenda for the meeting and minutes of the previous meeting must accompany the notification. Notice of fourteen (14) days must be given in writing for any general meetings.
- 8.6 The Annual General Meeting shall deal with:
  - 8.6.1 The Chairman's Annual Report
  - 8.6.2 The Annual financial statements
  - 8.6.3 The Election of Directors
  - 8.6.4 The appointment of an auditor
  - 8.6.5 Any other business laid before it.
- 8.7 No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting starts. A quorum shall never be less than three (3) members present in person or by representation.
- 8.8 If, within thirty (30) minutes of the appointed time for the meeting, a quorum is not present the meeting shall be adjourned to a day not earlier than seven (7) days and not later than twenty-one (21) days after the date of the meeting and if at such adjourned meeting a quorum is not present within thirty (30) minutes after the time appointed for the meeting the members present in person or by proxy shall be a quorum.

- 8.9 Only matters as stated on the original agenda may be discussed at the re-convened meeting. No items may be added to or removed from the agenda.
- 8.10 Voting shall only be done by eligible voters present at any General Meeting.
- 8.11 Only members eighteen years and older with eligible membership, may vote.
- 8.12 Voting may be done by either a show of hands or by ballot papers. Every eligible member has only one vote.
- 8.13 If there is a cessation of votes the Chairman of the meeting may cast a second deciding vote.
- 8.14 Proxy votes will be allowed. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his agent duly authorised in writing.
- 8.15 An Auditor shall be appointed or re-appointed and if necessary removed and replaced in accordance with the relevant law.
- 8.16 Minutes shall be kept of all discussions and decisions taken at all meetings.
- 8.17 All meetings and voting will be in accordance with the Company's Memorandum and Articles of Association as per Paragraph 5 to 22 in the said Memorandum.

## **9. CHANGES TO THE CONSTITUTION.**

- 9.1 The Constitution can only be changed by a members' resolution.
- 9.2 Members can only vote at an Annual General Meeting, or at a specially convened General Meeting to change the Constitution.
- 9.3 The resolution must be agreed upon and passed by not less than two thirds of the members who are present at the meeting
- 9.4 A written notice on the proposed changes to the constitution must be circulated to all members eligible to vote not less than twenty-one (21) days before the said meeting
- 9.5 No amendments may be made to the constitution to terminate the existence of the Company.
- 9.6 Copies of all amendments to the constitution must be presented to SARS within seven (7) days after the meeting where the amendments were approved.

## **10. MANAGEMENT.**

- 10.1 A Management Committee consisting of the five (5) portfolio Directors will manage the day to day operations of the Company. Three (3) Directors will form a quorum.

- 10.2 The Management committee will meet at least once a month or as the need for their decisions may be required.
- 10.3 Minutes will be taken at every meeting to record decisions taken and to assign certain responsibilities for the execution of such decisions to specific persons.
- 10.4 The Management committee has the power to buy, hire, borrow or exchange any property that it needs to achieve the objectives of the Company.
- 10.5 The Management Committee may however not engage in any activities that may change the Company from its non-profit status.
- 10.6 The Management committee has the power to form sub-committees, that may include Directors, officers, employees and members of the Company, to perform certain tasks. Such sub-committees must submit all their recommendations to the Management Committee for approval before they are implemented.

## **11. FINANCES**

- 11.1 The finances of the Company shall be managed by the Directors who may pay on behalf of the Company, all expenses incurred in promoting and incorporating the Company, and may exercise all such powers required to be exercised by the Company
- 11.2 An Auditor shall be appointed at the Annual General Meeting to administer the financial affairs of the Company.
- 11.3 All financial expenditure documents shall be counter signed by at least two of the authorised Directors. e.g. cheques and requisitions for electronic transfers from the bank account.
- 11.4 The financial year of the Company shall start on the 19th day of the month October of the year 2007 and will end on the 30th day of the month June of every year thereafter.
- 11.5 At the end of each financial year the Company's financial records and reports shall be audited by an independent auditor, finalised and lodged with SARS and the Directors of Non-profit Organisations within six (6) months after the end of each financial year.
- 11.6 Funds that are available for investment shall only be invested with registered financial institutions.
- 11.7 The Directors shall cause such accounting records as are prescribed by Section 284 of the Companies Act to be kept.
- 11.8 The accounting records shall be kept at the registered office of the Company or at such other place or places as the directors think fit, and shall always be open for inspection by the directors.

## **12. INDEMNITY.**

- 12.1 The Company shall exist in its own right separate from its members.
- 12.2 Every Director and other officer of the Company shall be indemnified out of the funds of the Company against all costs, expenses and liabilities properly incurred by him/her in the course of the Company's business.
- 12.3 No Director, officer or employee of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director, officer or employee.
- 12.4 No Director, officer or employee of the Company shall be liable for loss or expense happening to the Company through the insufficiency or deficiency of any security in or upon which any of the monies of the Company shall be invested, or for any loss or damage arising from bankruptcy, insolvency or delictual acts of any persons with whom monies, securities or effects shall be deposited.
- 12.5 No Director, officer or employee of the Company shall be liable for any loss or damage occasioned by any error of judgement or oversight on his/her part, or for any other loss or damage which shall happen in the execution of duties of his/her office unless it happens through his/her own wrongful act, negligence, default, breach of duty or breach of trust.

## **13. APPOINTMENT OF DIRECTORS.**

- 13.1 Unless and until otherwise determined by the Company in General Meeting, there shall be not less than four (4) unconnected Directors of the Company.
- 13.2 All directors, shall retire from office at the first Annual General Meeting, and one third of the directors thereafter at each following Annual General Meeting.
- 13.3 A retiring Director shall be eligible for re-election.
- 13.4 The Company, at the meeting at which a Director retires, may fill the vacated office by electing a person thereto.
- 13.5 All proceedings regarding the directors of the Company will be as more fully described in the Memorandum of Association as per paragraph 25 to 55 in the said Memorandum

## **14. DIRECTOR'S REMUNERATION AND RE-IMBURSEMENT.**

### **The Directors shall:**

- 14.1 Not be paid any remuneration for their services as Directors.
- 14.2 Be entitled to re-imbursment of all travelling, subsistence and any other expenses properly incurred by them in the execution of their duties in or about

the business of the Company and which are authorised or approved by the Directors

**15. RESERVES.**

15.1 The Directors shall set aside and carry in a reserve fund all the profits of the Company, which may at their discretion be applied for any purpose for which the profits of the Company may be properly applied in such a manner as the Directors deem fit in line with the main objective of the Company.

15.2 No part of the income or property of the Company shall be distributed to its members, and the same shall be applied solely towards the pursuit of the Company's objects.

**16. ARRANGEMENTS UNTIL THE FIRST ANNUAL GENERAL MEETING.**

This constitution was adopted at a General Meeting held on the \_\_\_\_\_ day of the month \_\_\_\_\_ of the year 2008 by the members of the Board of Directors whose names and signatures appear hereunder.

**APPOINTMENT :** Executive Chairman  
**SURNAME:** Grobler  
**FULL NAMES:** Zacharias Johannes  
**LAND LINE:** 011-955-3901  
**FAX LINE:** 011-955-3901 or 086-528-9917  
**MOBILE:** 073-814-2288  
**POSTAL ADDRESS:** P.O. Box 4012 Luipaardsvlei. 1743  
**EMAIL ADDRESS:** zac@thecradleofhope.org

\_\_\_\_\_  
**SIGNATURE**

**APPOINTMENT :** Financial Director  
**SURNAME:** van Brakel  
**FULL NAMES:** Albertus Gabriel  
**LAND LINE:** 011-955-5112  
**FAX LINE:** 086-528-9920  
**MOBILE:** 082-452-4030  
**POSTAL ADDRESS:** P.O. Box 367, Paardekraal. 1752  
**EMAIL ADDRESS:** albertus@thecradleofhope.org

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**SIGNATURE**

**APPOINTMENT :** Building and Land Projects  
**SURNAME:** Albertyn  
**FULL NAMES:** Hendrik  
**LAND LINE:** 011-955-6080  
**FAX LINE:** 086-528-9923  
**MOBILE:** 082-227-9137  
**POSTAL ADDRESS:** P.O. Box 21305, Helderkruin. 1733  
**EMAIL ADDRESS:** henry@thecradleofhope.org

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**SIGNATURE**

**APPOINTMENT :** Social Services  
**SURNAME:** van Brakel  
**FULL NAMES:** Melodie Marlene  
**LAND LINE:** 011-955-5112  
**FAX LINE:** 086-528-9917  
**MOBILE:** 082-459-5747  
**POSTAL ADDRESS:** P.O. Box 367, Paardekraal. 1752  
**EMAIL ADDRESS:** melodie@thecradleofhope.org

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**SIGNATURE**

**APPOINTMENT :** Spiritual Counselling  
**SURNAME:** van Greunen  
**FULL NAMES:** Matthys Christiaan  
**LAND LINE:** 011-664-6030  
**FAX LINE:** 086-528-9925  
**MOBILE:** 082-301-1601  
**POSTAL ADDRESS:** 021 Diamant Road, Silverfields, Krugedorp. 1739  
**EMAIL ADDRESS:** thys@thecradleofhope.org