

## Articles of Association for a Charitable Company

### THE COMPANIES ACT 2006

### COMPANY LIMITED BY GUARANTEE

#### Articles of Association of The Institute for Outdoor Learning

- 1 **The company's name is The Institute for Outdoor Learning** (and in this document it is called the "charity").

#### Interpretation

- 2 In the articles:

"**Accredited Member**" means a member who is a natural person who presents such evidence to the charity on applying to become a member as satisfies the criteria to become an Accredited Member as adopted by the directors from time to time;

"**address**" means a postal address or, for the purposes of electronic communication, a fax number, an e-mail or postal address or a telephone number for receiving text messages in each case registered with the charity;

"**articles**" means the charity's articles of association;

"**Associate Member**" means a member who presents such evidence to the charity on applying to become a member as satisfies the criteria to become an Associate Member as adopted by the directors from time to time;

"**business day**" means any day not being a Saturday or Sunday or public holiday where the banks in England are open for business;

"**the charity**" means the company intended to be regulated by the articles;

"**clear days**" in relation to the period of a notice means a period excluding:

- the day when the notice is given or deemed to be given; and
- the day for which it is given or on which it is to take effect;

"**the Commission**" means the Charity Commission for England and Wales;

"**Companies Acts**" means the Companies Acts (as defined in section 2 of the Companies Act 2006) insofar as they apply to the charity;

"**the directors**" means the directors of the charity. The directors are company directors and are charity trustees as defined by section 97 of the Charities Act 1993;

"**document**" includes, unless otherwise specified, any document sent or supplied in electronic form;

"**electronic form**" has the meaning given in section 1168 of the Companies Act 2006;

"**Fellow**" means a member who is a natural person who presents such evidence to the charity on applying to become a member as satisfies the criteria to become a Fellow as adopted by the directors from time to time;

"**Home Nation**" means Northern Ireland, Scotland and Wales;

"**Honorary Member**" means a natural person who is invited to become an honorary member by the directors in recognition of significant service rendered to Outdoor Learning;

"**Individual Member**" means a member of the charity who is a natural person and who presents such evidence to the charity on applying to become a member as satisfies the criteria to become an Individual Member as adopted by the directors from time to time;

"**International Member**" means a member who is not domiciled, or in the case of an Organisation Member registered, in the United Kingdom;

"**members**" means the members of the charity together and "**member**" means a member of the charity of whatever class;

"**the memorandum**" means the charity's memorandum of association;

"**officers**" means the officers of the charity as detailed at article 23;

"**Organisation Member**" means a member who is any body corporate or unincorporated organisation or association and who presents such evidence to the charity on applying to become a member as satisfies the criteria to become an Organisation Member adopted by the directors from time to time;

"**Outdoor Learning**" means learning of whatever kind in or about the outdoor environment;

"**Region**" means a region in the UK in which the charity operates, the regions as at the date of adoption of these articles are the North, the Midlands, the Peak, the East, the South, the South West and Wessex and the directors shall determine the geographical areas making up a region and the classification of particular regions from time to time and "**Regional**" shall be construed accordingly;

"**the seal**" means the common seal of the charity if it has one;

"**secretary**" means any person appointed by the directors to perform the duties of the secretary of the charity;

"**Student Member**" means a member who is a natural person who presents such evidence to the charity on applying to become a member as satisfies the criteria to become a Student Member as adopted by the directors for the time being;

"**the United Kingdom**" means Great Britain and Northern Ireland; and

words importing one gender shall include all genders, and the singular includes the plural and vice versa.

Unless the context otherwise requires words or expressions contained in the articles have the same meaning as in the Companies Acts but excluding any statutory modification not in force when this constitution becomes binding on the charity.

Apart from the exception mentioned in the previous paragraph a reference to an Act of Parliament includes any statutory modification or re-enactment of it for the time being in force.

### **Liability of members**

- 3 (1) The liability of the members is limited.
- (2) Every member of the charity promises, if the charity is dissolved while he or she or it is a member or within twelve months after he or she or it ceases to be a member, to contribute such sum (not exceeding £10) as may be demanded of him or her or it towards the payment of the debts and liabilities of the charity incurred before he or she or it ceases to be a member, and of the costs charges and expenses of winding up, and the adjustment of the rights of the contributories among themselves.

### **Objects**

- 4 The charity's objects ("**Objects**") are specifically restricted to the advancement of education in and through Outdoor Learning.

### **Powers**

5. The charity has power to do anything which is calculated to further its Object(s) or is conducive or incidental to doing so. In particular, the charity has power:
  - (1) to raise funds and to invite and receive contributions. In doing so, the charity must not undertake any substantial permanent trading activity and must comply with any relevant statutory regulations;
  - (2) to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;
  - (3) to sell, lease or otherwise dispose of all or any part of the property belonging to the charity. In exercising this power, the charity must comply as appropriate with sections 36 and 37 of the Charities Act 1993, as amended by the Charities Act 2006;
  - (4) to borrow money and to charge the whole or any part of the property belonging to the charity as security for repayment of the money borrowed or as security for a grant or the discharge of an obligation. The charity must comply as appropriate with sections 38 and 39 of the Charities Act 1993, as amended by the Charities Act 2006, if it wishes to mortgage land;
  - (5) to co-operate with other charities, voluntary bodies and statutory authorities and other relevant bodies operating in furtherance of the Objects or of similar charitable purposes and to exchange information and advice with them;
  - (6) to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects;

- (7) to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity and/or to establish or acquire a trading subsidiary;
- (8) to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;
- (9) to employ and remunerate such staff as are necessary for carrying out the work of the charity. The charity may employ or remunerate a director only to the extent it is permitted to do so by article 6 and provided it complies with the conditions in that article;
- (10) to:
  - (a) deposit or invest funds;
  - (b) employ a professional fund-manager; and
  - (c) arrange for the investments or other property of the charity to be held in the name of the nominee;

in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000;

- (11) to provide indemnity insurance for the directors in accordance with, and subject to the conditions in, section 73F of the Charities Act 1993;
- (12) to pay out of the funds of the charity the costs of forming and registering the charity both as a company and a charity and the costs of establishing or acquiring a trading subsidiary;
- (13) to appoint and constitute such advisory committees as the directors think fit;
- (14) to carry out activities to support networks for members at Home Nation and Regional level, including conferences, exhibitions, meetings, lectures, classes, seminars and courses either alone or with others;
- (15) to provide information services at Home Nation and Regional level to identify, examine and report on issues concerning Outdoor Learning;
- (16) to cause to be written and printed or otherwise reproduced and circulated, gratuitously or otherwise, periodicals, magazines, books, leaflets or other documents, films or recorded tapes;
- (17) to provide support services and training opportunities at Home Nation and Regional level and to promote, monitor and support appropriate vocational, professional and academic qualifications, research projects, accreditation schemes and career pathways provided that any research is carried out and published in accordance with charity law;
- (18) to represent the views of members to Governments, Parliaments and Assemblies and other relevant bodies with a view to influencing policy and opinion in furtherance of the charity's Objects provided that this activity is consistent with charity law;

- (19) to require members to subscribe to the charity's statement of purpose, diversity policy, code of conduct, environmental and sustainability policy and other policies of the charity as the directors adopt and see fit from time to time;
- (20) to promote international links and support International Members; and
- (21) to do all such other lawful things as are necessary for the furtherance of the Objects.

### **Application of income and property**

#### **Universal clauses**

- 6. (1) The income and property of the charity shall be applied solely towards the promotion of the Objects.
- (2) (a) A director is entitled to be reimbursed from the property of the charity or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the charity.
- (b) A director may benefit from trustee indemnity insurance cover purchased at the charity's expense in accordance with, and subject to the conditions in, section 73F of the Charities Act 1993.
- (c) A director may receive an indemnity from the charity in the circumstances specified in article 54.
- (3) None of the income or property of the charity may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the charity. This does not prevent a member who is not also a director receiving:-
  - (a) a benefit from the charity in the capacity of a beneficiary of the charity;
  - (b) reasonable and proper remuneration for any goods or services supplied to the charity.

#### **Directors' benefits**

- (4)(A) No director or connected person may buy goods or services from the charity on terms preferential to those applicable to other members of the public, or sell goods or services to the charity or receive remuneration, or acquire any interest in property belonging to the charity or receive any other financial benefit from the charity without the prior written consent of the Commission.

#### **Members**

- 7 (1) The subscribers to the memorandum are the first members of the charity.
- (2) Membership is open to other individuals or organisations who:

- (a) apply to the charity in the form required by the directors for the relevant class of member;
  - (b) agree to subscribe and accept the Objects of the charity and any policies, procedures or codes of practice the directors have adopted for the charity for the time being and to support the work of the charity; and
  - (c) are approved by the directors.
- (3) (a) The directors may only refuse an application for membership if, acting reasonably and properly, they consider it to be in the best interests of the charity to refuse the application.
- (4) Membership is not transferable.
- (5) The directors must keep and maintain a register of names and addresses of the members.

### **Classes of membership**

8. (1) The directors may establish classes of membership with different rights and obligations and shall record the rights and obligations in the register of members.
- (2) The directors may not directly or indirectly alter the rights or obligations attached to a class of membership.
- (3) The rights attached to a class of membership may only be varied if:
- (a) three-quarters of the members of that class consent in writing to the variation; or
  - (b) a special resolution is passed at a separate general meeting of the members of that class agreeing to the variation.
- (4) The provisions in the articles about general meetings shall apply to any meeting relating to the variation of the rights of any class of members.
- (5) The classes of membership at the date of adoption of these articles are:
- (a) Individual Members;
  - (b) Accredited Members;
  - (c) Fellows;
  - (d) Honorary Members;
  - (e) Organisation Members;
  - (f) Student Members; and
  - (g) Associate members

## **Termination of membership**

9 Membership is terminated if:

- (1) the member dies or if it is an Organisation Member, ceases to exist;
- (2) the member resigns by written notice to the charity;
- (3) the member is removed from membership by a resolution of the directors that it is in the best interests of the charity that his or her or its membership is terminated. A resolution to remove a member from membership pursuant to this article 9(3) may only be passed if:
  - (a) the member has been given at least twenty-one days' notice in writing of the meeting of the directors at which the resolution will be proposed and the reasons why it is to be proposed;
  - (b) the member or, at the option of the member, the member's representative (who need not be a member of the charity) has been allowed to make representations to the meeting.

10 Membership may be terminated by a resolution of the directors, if:

- (1)
  - (a) any sum due from the member to the charity is not paid in full on the due date; or
  - (b) a member does not indicate agreement in a form acceptable to, and in accordance with the requirements of, the directors to any existing, amended or additional policies, procedures or codes of practice of the charity adopted by the directors from time to time; or
  - (c) in the opinion of the directors a member does not comply with or does not act in accordance with any of the policies, procedures or codes of practice of the charity as prescribed by the directors from time to time.
- (2) Where a resolution of the directors is passed pursuant to article 10(1) above the directors shall notify the member that their membership has been terminated as soon as reasonably practicable following the resolution of the directors and for the avoidance of doubt the provisions of articles 9(3)(a) and 9(3)(b) shall not apply to a resolution passed pursuant to article 10.

## **General meetings**

- 11
- (1) An annual general meeting must be held in each year and not more than fifteen months may elapse between successive annual general meetings. For the avoidance of doubt references to general meetings in these articles includes the annual general meeting.
  - (2) The directors may call a general meeting at any time.

## **Notice of general meetings**

12

- (1) The minimum period of notice required to hold any general meeting of the charity is twenty-eight clear days.
- (2) The notice must specify the date and time and place of the meeting and the general nature of the business to be transacted. If the meeting is to be an annual general meeting, the notice must say so. The notice must also contain a statement setting out the right of members to appoint a proxy under section 324 of the Companies Act 2006 and article 18.
- (3) The notice must be given to all members and to the directors and auditors.

13 The proceedings at a meeting shall not be invalidated because a person who was entitled to receive notice of the meeting did not receive it because of an accidental omission by the charity.

## **Proceedings at general meetings**

- 14
- (1) No business shall be transacted at any general meeting unless a quorum is present.
  - (2) A quorum is ten members present in person or by proxy or by an authorised representative in the case of an Organisation Member, and entitled to vote upon the business to be conducted at the meeting.

- 15
- (1) If:-
    - (a) a quorum is not present within half an hour from the time appointed for the meeting; or
    - (b) during a meeting a quorum ceases to be present;the meeting shall be adjourned to such time and place as the chairperson of the meeting shall determine
  - (2) The directors must reconvene the meeting and must give at least seven clear days' notice of the reconvened meeting stating the date, time and place of the meeting.
  - (3) If no quorum is present at the reconvened meeting within fifteen minutes of the time specified for the start of the meeting the members present in person or by proxy at that time shall constitute the quorum for that meeting.

- 16
- (1) General meetings shall be chaired by the person who has been appointed to chair meetings of the directors and in his or her absence by the person appointed as vice chair of the board of directors and in his or her absence the deputy vice chair.
  - (2) If there are no such persons or they are not present within fifteen minutes of the time appointed for the meeting the members present in person or by



proxy and entitled to vote must choose one of their number to chair the meeting.

- 17 (1) Any vote at a meeting shall be decided by a show of hands unless before, or on the declaration of the result of, the show of hands a poll is demanded:
- (a) by the person chairing the meeting; or
  - (b) by at least two members present in person or by proxy and having the right to vote at the meeting; or
  - (c) by a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.
- (2) (a) The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded.
- (b) The result of the vote must be recorded in the minutes of the charity but the number or proportion of votes cast need not be recorded.
- (3) (a) A demand for a poll may be withdrawn, before the poll is taken, but only with the consent of the person who is chairing the meeting.
- (b) If the demand for a poll is withdrawn the demand shall not invalidate the result of a show of hands declared before the demand was made.
- (4) (a) A poll must be taken as the person who is chairing the meeting directs, who may appoint scrutineers (who need not be members) and who may fix a time and place for declaring the results of the poll.
- (b) The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.
- (5) (a) A poll demanded on the election of a person to chair a meeting or on a question of adjournment must be taken immediately.
- (b) A poll demanded on any other question must be taken either immediately or at such time and place as the person who is chairing the meeting directs.
- (c) The poll must be taken within thirty days after it has been demanded.
- (d) If the poll is not taken immediately at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- (e) If a poll is demanded the meeting may continue to deal with any other business that may be conducted at the meeting.

### **Content of proxy notices**

- 18 (1) Proxies may only validly be appointed by a notice in writing (a "**proxy notice**") which:

- (a) states the name and address of the members appointing the proxy;
  - (b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
  - (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - (d) is delivered to the charity in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The charity may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
  - (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
  - (4) Unless a proxy notice indicates otherwise, it must be treated as:
    - (f) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions to put to the meeting; and
    - (g) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

#### **Deliver of proxy notices**

- 18A (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the charity by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the charity a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

#### **Written resolutions**

- 19 (1) A resolution in writing agreed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the members who would have been entitled to vote upon it had it been proposed at a general meeting shall be effective provided that:

- (a) a copy of the proposed resolution has been sent to every eligible member;
  - (b) simple majority (or in the case of a special resolution a majority of not less than 75%) of members has signified its agreement to the resolution; and
  - (c) it is contained in an authenticated document which has been received at the registered office within the period of 28 days beginning with the circulation date.
- (2) A resolution in writing may comprise several copies to which one or more members have signified its agreement.

### **Votes of members**

20 Subject to article 8:

- (1) every member who is a natural person over the age of 18 years old shall have the right to receive notice of, and to attend, speak and vote at general meetings and shall have one vote each;
- (2) For the avoidance of doubt, Associate Members shall not have any right to vote at general meetings but shall have the right to receive notice of, and to attend at general meetings and may speak at general meetings if invited to do so by the chairman of the meeting;
- (3) every Organisation Member's vote exercised by its authorised representative shall count as two votes.

21 Any objection to the qualification of any voter must be raised at the meeting at which the vote is tendered and the decision of the person who is chairing the meeting shall be final.

- 22
- (1) Any Organisation Member may nominate any natural person to act as its authorised representative at any meeting of the charity.
  - (2) The Organisation Member must give written notice to the charity of the name of its authorised representative. The authorised representative shall not be entitled to represent the organisation at any meeting unless the notice has been received by the charity. The authorised representative may continue to represent the Organisation Member until written notice to the contrary is received by the charity.
  - (3) Any notice given to the charity will be conclusive evidence that the authorised representative is entitled to represent the Organisation Member or that his or her authority has been revoked. The charity shall not be required to consider whether the representative has been properly appointed by the Organisation Member.

## **Directors - Officers**

23

- (1) The directors must appoint one of their number to the office of chairman and they may appoint one of their number to the following offices: vice chairman, deputy vice chairman, secretary, treasurer and any other officers the board of directors sees fit.
- (2) Any officer may retire from such office by giving six month's notice in writing and all officers shall retire from their respective offices at the close of the annual general meeting following the end of their third consecutive year in a particular office. Officers retiring are eligible for re-appointment to the same or to another office. Officers shall be appointed by the directors immediately following the annual general meeting.
- (3) Any vacancy in any of the offices arising between annual general meetings may be filled by the board of directors but in the event that there is a vice-chair appointed and the chairman's office becomes vacant between annual general meetings, the vice-chair shall become the chairman. Any person appointed to an office pursuant to this article 23(3) must stand for appointment by the directors following the next annual general meeting.

## **Directors – appointment and retirement**

24

- (1) A director must be a natural person aged 18 years or older and must be a member of the charity.
- (2) No one may be appointed a director if he or she would be disqualified from acting under the provisions of article 34.

25

The board of directors shall consist of the officers who are appointed from time to time and not fewer than 3 other individuals each of whom shall be a member. The immediate past chairman shall ex officio be a director, if he is willing to act, for the year following his resignation. The immediate past chairman shall not be included in the numbers of directors set out in this article and the provisions of article 27 (including those providing that a director is prevented for standing for election as a director because he will have served for 9 years continuously as a director at the date of election) which shall not apply to this year of office.

26

At every annual general meeting, the directors (excluding the officers) shall retire by rotation in accordance with the provisions of article 27.

27.

- (1) At the first and second annual general meetings following the adoption of these articles the chairman shall select a minimum of 2 directors who must retire by drawing lots.
- (2) At the third annual general meeting following the adoption of these articles any director who has not previously been selected to retire must retire.

- (3) At any annual general meeting after the third annual general meeting following the adoption of these articles any director who has been in office for more than 3 consecutive years must retire.
  - (4) A director who retires by rotation is eligible for reappointment if he is willing to continue to act as director provided that a director who has served for 9 consecutive years (including any time spent as an officer) shall not be eligible for reappointment but they shall be eligible if they have not been a director for at least one year.
- 28 If the number of directors (other than the officers) falls below 3, the directors may act to fill any vacancy and the directors may from time to time appoint persons as additional directors. This shall be in the absolute discretion of the directors. Any director appointed in this manner shall retire at the next annual general meeting and shall be eligible for re-election.
- 29 No person other than a director retiring by rotation may be appointed or reappointed as a director at any general meeting unless:
- (1) (other than an officer) he is recommended by the directors; or
  - (2) at least 14 clear days before the date on which the general meeting is called, notice executed by two members qualified to vote at the meeting has been received by the charity of the intention to propose that person for appointment or reappointment, together with notice executed by that person of his or her willingness to be appointed or reappointed.
- 30 A notice of a general meeting of the charity must include the name of any person (other than a director retiring by rotation at the meeting) who is recommended by the directors for appointment or re-appointment as a director at the meeting or in respect of whom notice has been duly given under article 29 above.
- 31 The charity may by ordinary resolution appoint as a director a person who is willing to act, either to fill a vacancy or as an additional director.
- 32 A technical defect in the appointment of a director does not invalidate a decision taken at a board meeting if the directors present were not aware of the defect at the time of the meeting.

### **Powers of directors**

- 33
- (1) The directors shall manage the business of the charity and may exercise all the powers of the charity unless they are subject to any restrictions imposed by the Companies Acts, the articles or any special resolution.
  - (2) No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the directors.
  - (3) Any meeting of directors at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the directors.

### **Disqualification and removal of directors**

- 34 A director shall cease to hold office if he or she:
- (1) ceases to be a director by virtue of any provision in the Companies Acts or is prohibited by law from being a director;
  - (2) 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);
  - (3) ceases to be a member of the charity;
  - (4) becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs;
  - (5) resigns as a director by notice to the charity; or
  - (6) is absent without the permission of the directors from all their meetings held within a period of six consecutive months and the directors resolve that his or her office be vacated.

#### **Proceedings of directors**

- 35
- (1) The directors may regulate their proceedings as they think fit, subject to the provision of the articles but shall hold board meetings at least twice each year.
  - (2) Any director may call a meeting of the directors.
  - (3) The secretary (if any) must call a meeting of the directors if requested to do so by a director.
  - (4) Questions arising at a meeting shall be decided by a majority of votes.
  - (5) In the case of an equality of votes, the person who is chairing the meeting shall have a second or casting vote.
  - (6) A meeting may be held by suitable electronic means agreed by the directors in which each participant may communicate with all the other participants.
- 36
- (1) No decision may be made by a meeting of the directors unless a quorum is present at the time the decision is purported to be made. "Present" includes being present by suitable electronic means agreed by the directors in which a participant or participants may communicate with all the other participants.
  - (2) The quorum shall be three directors.
  - (3) A director shall not be counted in the quorum present when any decision is made about a matter upon which that director is not entitled to vote.
- 37 If the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.

- 38 (1) The chair appointed in accordance with article 23 shall chair directors' meetings or in his or her absence the vice-chair or in the vice-chair's absence the deputy vice-chair.
- (2) If no-one has been appointed to chair meetings of the directors or if the person appointed is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, the directors present may appoint one of their number to chair that meeting.
- (3) The person appointed to chair meetings of the directors shall have no functions or powers except those conferred by the articles or delegated to him or her by the directors.
- 39 (1) A resolution in writing or in electronic form agreed by a simple majority of all the directors entitled to receive notice of a meeting of directors or of a committee of directors and to vote upon the resolution shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may be) a committee of directors duly convened and held provided that:-
- (a) a copy of the resolution is sent or submitted to all the directors eligible to vote; and
- (b) a simple majority of directors has signified its agreement to the resolution in an authenticated document or documents which are received at the registered office within the period of 28 days beginning with the circulation date.
- (2) The resolution in writing may comprise several documents containing the resolution in like form, to each of which one or more directors has signified their agreement.
- 40 A director may not appoint an alternate director or anyone to act on his or her behalf at meetings of the directors.

### **Delegation**

- 41 (1) The directors may delegate any of their power or functions to a committee of directors and members subject always that any committee must consist of at least one director and a director must be the chairperson of the committee. The terms of any delegation must be recorded in the minute book.
- (2) The directors may impose conditions when delegating, including the conditions that:-
- (a) the relevant powers are to be exercised exclusively by the committee to whom they delegate;
- (b) no expenditure may be incurred on behalf of the charity except in accordance with a budget previously agreed with the directors.
- (3) The directors may revoke or alter a delegation.
- (4) All acts and proceedings of any committees must be fully and promptly reported to the directors.

### **Declaration of directors' interests**

- 42 A director must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the charity or in any transaction or arrangement entered into by the charity which has not previously been declared. A director must absent himself or herself from any discussions of the directors in which it is possible that a conflict will arise between his or her duty to act solely in the interests of the charity and any personal interest (including but not limited to any personal financial interest).

### **Conflicts of interests**

- 43 (1) If a conflict of interests arises for a director because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the articles, the unconflicted directors may authorise such a conflict of interests where the following conditions apply:
- (a) the conflicted director is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;
  - (b) the conflicted director does not vote on any such matter and is not to be counted when considering whether a quorum of directors is present at the meeting; and
  - (c) the unconflicted directors consider it is in the interests of the charity to authorise the conflict of interests in the circumstances applying.
- (2) In this article a conflict of interests arising because of a duty of loyalty owed to another organisation or person only refers to such a conflict which does not involve a direct or indirect benefit of any nature to a director or to a connected person.

### **Validity of directors' decisions**

- 44 (1) Subject to article 44(2), all acts done by a meeting of directors, or of a committee of directors, shall be valid notwithstanding the participation in any vote of a director:
- (a) who was disqualified from holding office;
  - (b) who had previously retired or who had been obliged by the constitution to vacate office;
  - (c) who was not entitled to vote on the matter, whether by reason of a conflict of interests or otherwise;
- if without:
- (a) the vote of that director; and
  - (b) that director being counted in the quorum;



the decision has been made by a majority of the directors at a quorate meeting.

- (2) Article 44(1) does not permit a director or a connected person to keep any benefit that may be conferred upon him or her by a resolution of the directors or of a committee of directors if, but for article 44(1), the resolution would have been void, or if the director has not complied with article 42.

### **Seal**

- 45 If the charity has a seal it must only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary (if any) or by a second director.

### **Minutes**

- 46 the directors must keep minutes of all:-
- (1) appointments of officers made by the directors;
  - (2) proceedings at meetings of the charity;
  - (3) meetings of the directors and committees of directors or members including:
    - (a) the names of the directors and members present at the meeting;
    - (b) the decisions made at the meeting; and
  - (4) where appropriate the reasons for the decisions.

### **Accounts**

- 47 (1) The directors must prepare for each financial year accounts as required by the Companies Acts. The accounts must be prepared to show a true and fair view and follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practice.
- (2) The directors must keep accounting records as required by the Companies Acts.

### **Annual Report and Return and Register of Charities**

- 48 (1) The directors must comply with the requirements of the Charities Act 1993 with regard to the:
- (a) transmission of the statements of account to the charity;

- (b) preparation of an Annual Report and its transmission to the Commission;
  - (c) preparation of an Annual Return and its transmission to the Commission.
- (2) The directors must notify the Commission promptly of any changes to the charity's entry on the Central Register of Charities.

**Means of communication to be used**

- 49 (1) Subject to the articles, anything sent or supplied by or to the charity under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the charity.
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 50 Any notice to be given to or by any person pursuant to the articles:
- (1) must be in writing; or
  - (2) must be given in electronic form.
- 51 (1) The charity may give any notice to a member either:
- (a) personally; or
  - (b) by sending it by post in a prepaid envelope addressed to the member at his or her address; or
  - (c) by leaving it at the address of the members; or
  - (d) by giving it in electronic form to the member's address.
- (2) A member who does not register an address with the charity or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the charity.
- 52 A member present in person at any meeting of the charity shall be deemed to have received notice of the meeting and of the purposes for which it was called.
- 53 (1) Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given.
- (2) Proof that an electronic form of notice was given shall be conclusive where the company can demonstrate that it was properly addressed and sent, in accordance with section 1147 of the Companies Act 2006.
- (3) In accordance with section 1147 of the Companies Act 2006 notice shall be deemed to be given:

- (a) 48 hours after the envelope containing it was posted; or
- (b) in the case of an electronic form of communication, 48 hours after it was sent.

### **Indemnity**

- 54
- (1) The charity may indemnify a relevant director against any liability incurred by him or her or it in that capacity, to the extent permitted by sections 232 to 234 of the Companies Act 2006.
  - (2) In this article a “**relevant director**” means any director or former director of the charity.

### **Rules**

- 55
- (1) The directors may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the charity.
  - (2) The bye laws may regulate the following matters but are not restricted to them:
    - (a) the admission of members of the charity (including the admission of organisations to membership) and the rights and privileges of such members, and the entrance fees, subscriptions and other fees or payments to be made by members;
    - (b) the conduct of members of the charity in relation to one another, and to the charity’s employees and volunteers;
    - (c) the setting aside of the whole or any part or parts of the charity’s premises at any particular time or times or for any particular purpose or purposes;
    - (d) the procedure at general meetings and meetings of the directors in so far as such procedure is not regulated by the Companies Acts or by the articles;
    - (e) generally, all such matters as are commonly the subject matter of company rules.
  - (3) The charity in general meeting has the power to alter, add to or repeal the rules or bye laws.
  - (4) The directors must adopt such means as they think sufficient to bring the rules and bye laws to the notice of members of the charity.
  - (5) The rules or bye laws shall be binding on all members of the charity. No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, the articles.

## Dissolution

- 56 (1) The members of the charity may at any time before, and in expectation of, its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the charity be applied or transferred in any of the following ways:
- (a) directly for the Objects; or
  - (b) by transfer to any charity or charities for purposes similar to the Objects; or
  - (c) to any charity or charities for use for particular purposes that fall within the Objects.
- (2) Subject to any such resolution of the members of the charity, the directors of the charity may at any time before and in expectation of its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision made for them, shall on or before dissolution of the charity be applied or transferred:
- (a) directly for the Objects; or
  - (b) by transfer to any charity or charities for purposes similar to the Objects; or
  - (d) to any charity or charities for use for particular purposes that fall within the Objects.
- (3) Nothing in the articles of association shall authorise an application of the property of the charity for purposes which are not charitable in accordance with section 7 of the Charities and Trustee Investment (Scotland) Act 2005."