

**COMPANIES ACTS 1985 & 1989  
COMPANY LIMITED BY GUARANTEE AND  
NOT HAVING A SHARE CAPITAL**

**ARTICLES OF ASSOCIATION OF CRYSTAL PALACE COMMUNITY TRUST**

**1. NAME**

The name of the Company is Crystal Palace Community Trust ('the Company').

**2. REGISTERED OFFICE**

The registered office of the Company is to be in England and Wales.

**3. OBJECTS**

The objects of the Company ('the Objects') are the promotion for the public benefit of urban regeneration in areas of social and economic deprivation, and in particular (but not limited to) the Crystal Palace Regeneration area and its areas of influence in the five London Boroughs of Bromley, Lewisham, Southwark, Lambeth and Croydon ("the area of benefit") by the bringing together of voluntary, community, statutory and private organisations and individuals in a common effort to promote urban and rural regeneration, and by the following other means:

- 3.1 the relief of poverty
- 3.2 the relief of unemployment for the public benefit in such ways as may be thought fit, including assistance to find employment
- 3.3 the advancement of education, training or retraining, particularly amongst unemployed people, and providing unemployed people with work experience
- 3.4 the provision of financial and technical assistance or business advice or consultancy in order to provide training and employment opportunities for employment for unemployed people in cases of financial or other charitable need through help: (i) setting up their own business or (ii) to existing businesses
- 3.5 the creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms
- 3.6 preservation of buildings or sites of historic or architectural importance
- 3.7 the provision of recreational facilities for the public at large or for those by reason of their youth, age, infirmity or disablement, poverty or social or economic circumstances, have need of such facilities
- 3.8 the protection or conservation of the environment
- 3.9 the promotion of public health facilities and child care
- 3.10 the promotion of public safety and the prevention of crime

- 3.11 if the Company is registered as a charity such other means as may from time to time be determined subject to the prior written consent of the Charity Commission.

#### **4. POWERS**

The Company has the following powers, which may be exercised only in promoting the Objects:

- 4.1 to promote or carry out research and publish the useful results;
- 4.2 to provide or assist in providing information, training and support to voluntary and community bodies in the Area of Benefit;
- 4.3 to publish or distribute information;
- 4.4 to co-operate with other bodies;
- 4.5 to support, administer or set up other charities;
- 4.6 to raise funds and appeal for and receive any contribution, donation, grant or gift of money or property;
- 4.7 to borrow money and give security for loans (but only in accordance with the restrictions imposed by the Charities Act 2011);
- 4.8 to acquire or hire and manage, maintain or improve, construct, equip or furnish property of any kind;
- 4.9 to sell, let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act 2011);
- 4.10 to make grants or loans of money and to give guarantees and to give security for those guarantees (subject to the restriction in the Charities Act 2011);
- 4.11 to set aside funds for special purposes or as reserves against future expenditure;
- 4.12 to deposit or invest funds in any manner including establishment of a trading arm (but to invest only after obtaining advice from a financial expert and having regard to the suitability of investments and the need for diversification);
- 4.13 to delegate the management of investments to a financial expert, but only on terms that:
  - 4.13.1 the Directors set down the investment policy in writing for the financial expert;
  - 4.13.2 every transaction is reported promptly to the Directors;
  - 4.13.3 the performance of the investments is reviewed regularly with the Directors;
  - 4.13.4 the Directors are entitled to cancel the delegation arrangement at any time;
  - 4.13.5 the investment policy and the delegation arrangement are reviewed at least once a year;

- 4.13.6 all payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Directors on receipt;
- 4.13.7 the financial expert must not do anything outside the powers of the Directors;
- 4.14 to arrange for investments or other property of the Company to be held in the name of a nominee (being a corporate body registered or having an established place of business in England and Wales) under the control of the Directors or of a financial expert acting under their instructions and to pay any reasonable fee required (in the same manner and subject to the same conditions as trustees of a Trust are permitted to do by the Trustee Act 2000);
- 4.15 to insure the property of the Company against any foreseeable risk and take out other insurance policies to protect the Company when required;
- 4.16 to insure the Directors against the costs of a successful defence to a criminal prosecution brought against them as charity Directors or against personal liability incurred in respect of any act or omission which is or is alleged to be a breach of trust or breach of duty, unless the Director concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty (in accordance with and subject to the conditions in the Charities Act 2011);
- 4.17 subject to clause 5, to employ paid or unpaid agents, staff or advisers and make provision for pensions and superannuation for paid staff;
- 4.18 to ensure and to indemnify the charities employees and voluntary workers from and against all risks incurred in the proper performance of their duties;
- 4.19 to enter into contracts to provide services to or on behalf of other bodies;
- 4.20 to establish subsidiary companies to assist or act as agents for the Company;
- 4.21 to amalgamate with any charitable body with similar objects;
- 4.22 to pay the costs of forming the Company; and
- 4.23 to do anything else within the law which promotes or helps to promote the Objects.

## **5. BENEFITS TO MEMBERS AND DIRECTORS**

- 5.1 The property and funds of the Company must be used only for promoting the Objects and do not belong to the members of the Company but:
  - 5.1.1 members who are not Directors may be employed by or enter into contracts with the Company and receive reasonable payment for goods or services supplied;
  - 5.1.2 members (including Directors) may be paid interest at a reasonable rate on money lent to the Company;
  - 5.1.3 members (including Directors) may be paid a reasonable rent or hiring fee for property let or hired to the Company;
  - 5.1.4 individual members who are not Directors but who are beneficiaries may receive charitable benefits in that capacity.

- 5.2 A Director must not receive any payment of money or other material benefit (whether directly or indirectly) from the Company except:
- 5.2.1 as mentioned in clauses 4.16, 5.1.2, 5.1.3 or 5.3;
  - 5.2.2 reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in running the Company;
  - 5.2.3 an indemnity in respect of any liabilities properly incurred in running the Company (including the costs of a successful defence to criminal proceedings);
  - 5.2.4 payment to any company in which a Director has no more than a 1 per cent shareholding; and
  - 5.2.5 in exceptional cases, other payments or benefits (but only with the written approval of the Commission in advance if the Company is a registered charity).
- 5.3 Any Director (or any firm or company of which a Director is a partner, member, consultant or employee) may enter into a contract with the Company to supply goods or services in return for a payment or other material benefit but only if:
- 5.3.1 the goods or services are actually required by the Company;
  - 5.3.2 the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services and is set in accordance with the procedure in clause 5.4;
  - 5.3.3 no more than one half of the Directors are subject to such a contract in any financial year;
  - 5.3.4 the reason for any award to a Director of a contract is entered into the Directors' minute book.
- 5.4 Whenever a Director has a personal interest in a matter to be discussed at a meeting of the Directors or a sub-committee the Director concerned must:
- 5.4.1 declare an interest at or before discussion begins on the matter;
  - 5.4.2 withdraw from the meeting for that item unless expressly invited to remain in order to provide information;
  - 5.4.3 not be counted in the quorum for that part of the meeting; and
  - 5.4.4 withdraw during the vote and have no vote on the matter.
- 5.5 For the purposes of this clause 5, "Charity" includes:
- 5.5.1 any subsidiary, trading arm or other company controlled by the Company;
  - 5.5.2 any company to which the Company has the right to appoint at least one director.
- 5.6 For the purpose of this clause 5, "Director" includes a Director's child, parent, grandchild, grandparent, brother, sister, spouse or co-habitee.
- 5.7 If the Company is a registered charity, this clause may not be amended without the prior written consent of the Commission.

## **6. LIMITED LIABILITY**

The liability of members is limited.

## **7. GUARANTEE**

Every member promises, if the Company is dissolved while he, she or it remains a member or within 12 months afterwards, to pay up to £1 towards the costs of dissolution and the liabilities incurred by the Company while the contributor was a member.

## **8. DISSOLUTION**

8.1 If the Company is dissolved the assets (if any) remaining after provision has been made for all its liabilities must be applied in one or more of the following ways:

8.1.1 by transfer to one or more other bodies established for exclusively charitable purposes within, the same as or similar to the Objects;

8.1.2 directly for the Objects or charitable purposes within or similar to the Objects;

8.1.3 if the Company is a registered charity, in such other manner consistent with charitable status as the Commission approve in writing in advance.

8.2 A final report and statement of account must be sent to the Commission if the Company is a registered charity.

## **9. MEMBERSHIP**

9.1 The number of members with which the Company proposes to be registered is unlimited and the subscribers to the Memorandum shall be the first members of the Company.

9.2 The Company must maintain a register of members and a register of Directors (Directors) and Company Secretaries (if any).

9.3 Membership of the Company is open to any individual or organisation interested in promoting the Objects who:

9.3.1 (being an organisation), has objects and activities approved by the Company and operates predominantly in or for the benefit of in inhabitants of the area of benefit;

9.3.2 applies to the Company in the form required by the Directors;

9.3.3 is approved by the Directors; and

9.3.4 signs the Register of members or consents in writing to become a member either personally or in the case of a member organisation through an authorised representative.

9.4 The Directors may only refuse an application for membership if doing so would, in their reasonable and proper opinion, be in the best interests of the Company.

- 9.5 The Directors may establish different classes of membership and prescribe their respective rights and obligations and set the amounts of any subscriptions. The rights and obligations of members must be set out in the register of members and can only be altered by the Company voting by special resolution in General Meeting under Article 10.13.
- 9.6 Membership is terminated if the member concerned:
- 9.6.1 gives written notice of resignation to the Company;
  - 9.6.2 dies or in the case of an organisation ceases to exist;
  - 9.6.3 is removed from membership by resolution of the Directors on the ground that in their reasonable opinion the member's continued membership is harmful to the Company (but only after notifying the member in writing and considering the matter in the light of any written representations which the member concerned puts forward within 14 clear days after receiving notice); and
  - 9.6.4 ceases to comply with the conditions of membership.
- 9.7 Membership of the Company is personal and not transferable.
- 9.8 [Public Meetings]
- 9.8.1 Members will be invited to a minimum of 2 public meetings per year, where local issues will be discussed and recorded;
  - 9.8.2 The above will include at each meeting a specific discussion on the organisation, its aims and objectives, and how well it is structured to meet these;
  - 9.8.3 These will be consolidated and reviewed at the next available meeting of the board of directors; and
  - 9.8.4 The results of the board of directors' discussions will be shared with members at the following public members meeting, if not before.

## **10. GENERAL MEETINGS**

- 10.1 Members are entitled to attend General Meetings either personally or (in the case of a member organisation) by an authorised representative. Subject to Article 10.13, every General Meeting must be called by at least 14 clear days' notice specifying the time date and place of the General Meeting, the general nature of the business to be transacted, if it is the Annual General Meeting then state that this such and if a special resolution is proposed, the fact that the proposed resolution is a special resolution and the wording of the same
- 10.2 A General Meeting may be called by shorter notice if this is agreed by a majority in number of the Company Members who may attend and vote and who together hold 90% or more of the total voting rights of all Company Members at the General Meeting
- 10.3 There is a quorum at a General Meeting if the number of members or authorised representatives personally present is at least 10% or five members whichever is larger and includes at least one director. No business can be transacted unless a quorum is present and, if a meeting begins or becomes inquorate, then it must be adjourned and re-convened. The Chairperson, with the

consent of the members present, can adjourn either an inquorate meeting or a quorate meeting with unfinished business for up to 30 days. If a quorum is not present within 15 minutes of the start of the reconvened meeting, then the members present at time will constitute the quorum. Resolutions passed at an adjourned General Meeting are to be treated as having been passed on the date on which they were actually passed

- 10.4 A member may be part of the quorum at a General Meeting if he can hear, comment and vote on the proceedings through telephone, video conferencing or other communications equipment
- 10.5 The Chairperson presides at a General Meeting. If within 15 minutes of the start of the meeting, the Chairperson is unable or unwilling to preside, then the Vice-Chairperson or (if the Vice-Chairperson is also unable or unwilling), some other Director elected by those present, presides at a General Meeting. If only one Director is present and willing to act, s/he must preside at the meeting.
- 10.6 Except where otherwise provided by the Act, every issue is decided by a simple majority of the votes (ordinary resolution) cast on a show of hands. The Directors may make Standing Orders under Article 14.1.5 to allow members to vote by proxy or to exercise postal votes. The Standing Order permitting a proxy or postal vote must set out the proxy or postal vote form to be used. The Chairperson or any two members or any member having 10% of the voting rights may ask for a count of votes (poll) and the provisions of the Act will then apply. A demand for a poll may be withdrawn before the same is taken. If the demand for a poll is withdrawn the result of the show of hands will stand
- 10.7 Except for the Chairperson of the meeting who has a second or casting vote, every member present in person or through an authorised representative has one vote on a show of hands or a ballot on each issue. Any member wishing to challenge the qualification of any other member to vote must do so at the meeting at which the vote is taken. The Chairperson's decision on the matter is final.
- 10.8 A written resolution approved by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of eligible Company Members (provided that those company members will constitute a quorum at a General Meeting) is valid as if it had been passed at that General Meeting provided that a copy of the proposed resolution has been sent to every eligible Company Member, a simple majority (or in the case of the special resolution a majority of not less than 75%) of Company Members have signified their agreement to the resolution, and such agreement is contained in an authenticated document that has been received at the registered office within a period of 28 days beginning with the circulation date of the resolution. A written resolution in accordance with this Article may consist of several documents in similar form each approved by one or more company members. In the case of a Company Member that is an organisation, its authorised representative may signify its agreement
- 10.9 The Company shall hold an Annual General Meeting (AGM) in every year which all members are entitled to attend.
- 10.10 At an AGM the members shall:
  - 10.10.1 receive the accounts of the Company for the previous financial year;
  - 10.10.2 receive the Directors' report on the Company's activities since the previous AGM;
  - 10.10.3 accept the retirement of those Directors who wish to retire;
  - 10.10.4 elect persons to be Directors to fill the vacancies arising;

- 10.10.5 appoint auditors or independent examiners for the Company;
  - 10.10.6 may confer on any individual (with his or her consent) the honorary title of Patron, President or Vice-President; and
  - 10.10.7 discuss and determine any issues of policy or deal with any other business put before them.
- 10.11 Nominations of persons seeking election as directors must be received by the Secretary at least 7 days before each General Meeting
- 10.12 A General Meeting may be called at any time by the directors and must be called within 28 days on a written request from at least 10% of members. The accidental omission to give notice of a General Meeting to, or the non receipt of notice of a General Meeting by, any person entitled to receive notice will not invalidate the proceedings at that General Meeting. -
- 10.13 Any amendment to the Company's Articles must be passed by a special resolution (i.e. on not less than 75% majority vote) at a general meeting held at not less than 21 days' notice. Notice of the resolution, once passed, must be sent to the Commission (if the Company is a registered charity) and to Companies House within 14 days, together with a copy of the amended memorandum and articles. No amendment to the memorandum or articles may operate to invalidate any previous action of the Directors. If the Company is a registered charity, No amendment may be made to clauses 3, 5 or 8 of the Articles or to this Article 10.13 without the prior consent in writing of the Commission.

## **11. THE DIRECTORS**

- 11.1 The Directors shall as far as reasonably practicable, reflect the ethnic, cultural, social and economic diversity of the area of benefit.
- 11.2 The Directors when complete consist of not fewer than five nor more than sixteen persons ideally being:
- 11.2.1 one representative from a member organisation (being a community group) in each of the five boroughs in the area of benefit who is elected at each AGM;
  - 11.2.2 up to one other individual member or representative of a different member organisation (being a community group) from each of the five boroughs in the area of benefit who is elected at each AGM;
  - 11.2.3 up to three individual members elected at each AGM;
  - 11.2.4 up to three representatives of member organisations other than community groups, such as community businesses, and who are elected at each AGM;
  - 11.2.5 individuals (who need not be members of the Company) co-opted under Article 11.7.

In the instances where community group representative members are not filling each of the 2 positions earmarked for each of the 5 boroughs in accordance with Article 11.2.1 and 11.2.2, additional directors may be appointed from the boroughs already represented if required.

- 11.3 The subscribers to the Memorandum are the first Directors of the Company. They serve until the first AGM of the Company, when they must retire but may be elected or co-opted.
- 11.4 Every Director must sign a declaration of willingness to act as a charity Director of the Company before he or she is eligible to vote at any meeting of the Directors.
- 11.5 At each AGM, the one-third of the Directors who have been longest in office must retire by rotation (or the number nearest to one-third), but, subject to Article 11.6, may offer themselves for re-election or further co-option. As between Directors with the same length of service, they may agree between themselves who shall retire, but if they cannot agree, the matter will be decided by lot.
- 11.6 A Director's term of office terminates if he or she:
- 11.6.1 dies;
  - 11.6.2 is disqualified from acting as a charity trustee under the Charities Act 2011 or ceases to be a director under the Act or is prohibited by law from being a director;
  - 11.6.3 is or becomes, in the reasonable opinion of the board incapable whether mentally or physically of managing his or her own affairs;
  - 11.6.4 is absent without good cause from three consecutive meetings of the Directors held no more frequently than once per month and the board resolves (by a 75% majority of the directors present and voting at a properly convened Board Meeting) that he should cease to be a director;
  - 11.6.5 if being an individual appointed in accordance with Articles 11.2.3 ceases to be a Company Member,
  - 11.6.6 if a Director appointed in accordance with Articles 11.2.1, 11.2.2 or 11.2.4 they cease to be involved in the organisation which they represent or the organisation ceases to be a Company member;
  - 11.6.7 resigns by written notice to the Directors (but only if at least two Directors will remain in office);
  - 11.6.8 is removed under Article 11.11;
  - 11.6.9 fails to declare a payment or benefit as required by Article 5.4 of the Articles of Association;
  - 11.6.10 ceases to have a required qualification as previously agreed by the members;
  - 11.6.11 if he is to retire at an AGM and is not reappointed;
  - 11.6.12 is in the opinion of the Board guilty of conduct detrimental to the interests of the Company and the Board resolves (by a 75% majority of Directors present and voting at a properly convened Board Meeting) that he should be removed, provided that the Directors concerned has first been given an opportunity to put his case and justify why he should not be removed.
- 11.7 The Directors may at any time co-opt any individual duly qualified to be appointed as a Director to fill a vacancy in their number or as an additional Director, but a co-opted Director holds office only until the next AGM and the total number of co-optees at any one time shall not be more than one-

half the elected Directors. In selecting persons to be appointed as co-optees, the Directors shall take into account the benefits of appointing a person who through residence, occupation, employment or otherwise has special knowledge of the area of benefit or who is otherwise able by virtue of his or her personal or professional qualifications to make a contribution to the pursuit of the objects or the management of the Company.

- 11.8 The Directors may invite any person (such as an officer or member of a local authority or other public body) to attend their meetings as a non-voting advisor or observer in accordance with the provisions of Article 15.
- 11.9 The Company may increase or reduce the maximum number of Directors by passing an ordinary resolution, provided that the number is not reduced to below three. If the total number of Directors falls below the quorum, then the remaining Director(s) can continue to act, but only in order to appoint more Directors or call a General Meeting of the Company.
- 11.10 A technical defect in the appointment of a Director of which the Directors are unaware at the time does not invalidate decisions taken at a meeting.
- 11.11 The Company's members voting in a General Meeting, can remove any Director by an ordinary resolution with special notice given according to the Act, after the Meeting has invited the views of the Director concerned and considered the matter in the light of any such views. The members can replace a Director once s/he is removed.

## **12. CONFLICTS OF INTEREST AND BOARD MEMBER CONDUCT**

### **12.1 Declaration of interests**

- 12.1.1 If a Director is in any way, directly or indirectly, interested in a proposed transaction or arrangement with the Company, he must declare the nature and extent of that interest to the other Directors.
- 12.1.2 In accordance with the Act, the declaration may be made at a Board Meeting or by written notice. If a declaration of interest proves to be or becomes inaccurate or incomplete a further declaration must be made. Any required declaration of interest must be made before the Company enters into the transaction or arrangement.
- 12.1.3 A declaration is not required in relation to an interest of which the Director is not aware or where the Director is not aware of the transaction or arrangement in question. For this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware.
- 12.1.4 A Director need not declare an interest:-
- 12.1.4.1 if it cannot reasonably be regarded as likely to give rise to a conflict of interests; or
  - 12.1.4.2 if, and to the extent that, the other Directors are already aware of it (and for this purpose the other Directors are treated as being aware of anything of which they ought reasonably to be aware).

### **12.2 Authorisation of direct conflicts of interest**

A Director may enter into a transaction or arrangement with the Company only if and to the extent that such an arrangement is authorised by Article 5.

#### 12.3 Authorisation of indirect conflicts of interest:

12.3.1 Where, for whatever reason, a Director has any form of indirect interest in relation to a transaction or arrangement with the Company (which shall include a conflict of duty) and the transaction or arrangement is not authorised by virtue of any other provision in the Articles then it may be authorised by those Directors not having a conflict provided that:-

12.3.1.1 the Director with the conflict (and any other interested Director) is not counted when considering whether or not there is a valid quorum for that part of the meeting and does not vote in relation to the matter giving rise to the conflict; and

12.3.1.2 the Directors who do not have a conflict in relation to the matter in question consider it is in the best interests of the Company to authorise the transaction.

12.3.2 The Directors who do not have a conflict in relation to the matter in question may, in their absolute discretion, determine that the Director with the conflict and/or any other interested Director should absent himself from the part of the meeting at which there is discussion concerning the transaction or arrangement giving rise to the conflict.

#### 12.4 Complaints about conduct:

12.4.1 If the Chair receives a written complaint identifying the complainant and alleging conduct by a Director that in his reasonable opinion is detrimental to the interests of the Company and suggests that there is a prima facie case for the complaint to be investigated in accordance with the provisions of this Article he may suspend the Director concerned.

12.4.2 Conduct detrimental to the interests of the Company includes (but is not limited to):

12.4.2.1 any breach of a Director's duties or responsibilities or other obligations imposed on him in accordance with the Articles or otherwise; and

12.4.2.2 conviction of any offence which has or is likely to bring the Company into disrepute.

12.4.3 Where the Chair is absent or unable or unwilling to act in relation to the complaint or the complaint is about the Chair then the Vice Chair may exercise the power to suspend the Chair or a Director under Article 12.4.1 in the same circumstances as the Chair.

12.4.4 The Director whose conduct is complained of must immediately be notified in writing either by the Secretary (if any) or by the Chair or the Vice Chair of the complaint and of any suspension which if exercised under Article 12.4.1 or Article 12.4.3 will be effective from the date of the notice. During the period of any suspension the Director must not:

12.4.4.1 participate in a Board Meeting;

12.4.4.2 authorise or incur expenditure on behalf of the Company;

12.4.4.3 make use of any property belonging to or in use by the Company in his capacity as a Director;

12.4.4.4 hold himself out as a Director of the Company; or

12.4.4.5 seek to commit the Company to any obligation.

12.4.5 On receipt of a complaint under Article 12.4.1 the Chair or the Vice Chair must immediately refer the matter for a fair process of investigation, which may be carried out by a panel established for the purpose, an independent person or persons, or such other body as the Chair or Vice Chair acting reasonably shall appoint, including under such procedure for dealing with complaints as the Board may from time to time approve.

### **13. PROCEEDINGS OF DIRECTORS**

13.1 The Directors must hold at least 2 meetings each year, but otherwise can arrange and hold their meetings as they see fit. A quorum at a meeting of the Directors is one-third of the Directors with a minimum of 2.

13.2 At a Directors meeting which remains inquorate for 15 minutes after its started time or one which becomes inquorate for more than 15 minutes, the Directors present may act only to adjourn it to such other time and place as they decide, to call a General Meeting, or to appoint Directors in accordance with Article 11. If at the adjourned Directors meeting there are again insufficient Directors present within 15 minutes from the time of the adjourned Directors meeting to constitute a quorum then those Directors who are present shall constitute a quorum for the purposes of allowing any business of the adjourned meeting to be conducted

13.3 Any Director may request a Directors' meeting and the Secretary must call a meeting if a Director requests it.

13.4 A meeting of the Directors may be held either in person or by suitable electronic means agreed by the Directors in which all participants may communicate with all the other participants.

13.5 The Chairperson presides at each meeting of the Directors. If within 15 minutes of the start of the meeting, the Chairperson is unable or unwilling to preside, then the Vice-Chairperson or (if the Vice-Chairperson is also unable or unwilling), another Director elected by those present, presides at the meeting.

13.6 Subject to Article 13.9 every issue may be determined by a simple majority of the votes cast at a meeting

13.7 Except for the Chairperson of the meeting, who has a second or casting vote, every Director has one vote on each issue.

13.8 A procedural defect of which the Directors are unaware at the time does not invalidate decisions taken at a meeting. A defect in the appointment or qualification of a Director, of which the Directors are unaware at the time, does not invalidate any decision taken at a meeting provided the decision would still have been taken by a quorate majority of the Directors without counting that Director's vote.

13.9 A written resolution approved by a simple majority of all of the Directors entitled to receive notice of a Board Meeting (provided they would constitute a quorum at a Board Meeting) is as valid as if it had been passed at a Board Meeting, save that a resolution to be passed pursuant to Article 11.6.12 may not be passed by way of written resolution. A resolution under this Article 13.9 may consist of several documents in similar form each approved by one or more of the Directors

## **14. POWERS OF DIRECTORS**

- 14.1 Subject to the Act and these Articles, the business of the Company is to be managed by the Directors who exercise all powers of the Company. The Directors have the following specific powers in the administration of the Company:
- 14.1.1 decide whether to appoint (and remove) any person (who may but need not be a Director) to act as Secretary to the Company in accordance with the Act and to remunerate that person if s/he is not a Director or if s/he is a Director, under the provisions of Clauses 5.2 and 5.3 of the Articles;
  - 14.1.2 to appoint from amongst themselves the honorary officers of the Company (Chairperson, Vice-Chairperson, Secretary (if s/he is to be a Director) and treasurer; provided that no Director may be elected as Chairperson for more than three consecutive years but may be re-elected after one year out of office. A retiring Chairperson may continue to serve as a director if re-elected under Article 11.2. Any honorary officer of the Company may resign as such without necessarily resigning as a Director at the same time;
  - 14.1.3 to appoint working parties (consisting wholly or in part of Directors) to consider and make recommendations (but not take decisions);
  - 14.1.4 to delegate any of their functions to sub-committees consisting of three or more individuals appointed by them (but at least one member of every sub-committee must be a Director and all proceedings of sub-committees must be reported promptly to the Directors);
  - 14.1.5 to make Standing Orders consistent with these Articles and the Act, to govern proceedings at general meetings and the powers of sub-committees;
  - 14.1.6 to make Rules consistent with these Articles and the Act to govern proceedings at their meetings and at meetings of sub-committees;
  - 14.1.7 to make Regulations consistent with these Articles and the Act to govern the membership and administration of the Company, the use of its premises, and the use of its seal (if any);
  - 14.1.8 to establish procedures to assist the resolution of disputes within the Company; and
  - 14.1.9 to exercise any powers of the Company which are not reserved to a General Meeting.
- 14.2 The Directors must take all steps they deem necessary to bring all standing orders, rules or regulations to the notice of the Company's members.

## **15. OBSERVERS**

- 15.1 Subject to Article 15.4, the Board may allow individuals who are not Directors to attend Board Meetings as Observers on whatever terms the Board decides.
- 15.2 Observers may not vote but may take part in discussions with the prior consent of the Chair.

- 15.3 The Board may exclude Observers from any part of a Board Meeting where the Board considers the business is private.
- 15.4 The Board must exclude an Observer from any Board Meeting at which a possible personal benefit to him is being considered.

## **16. RECORDS & ACCOUNTS**

- 16.1 The Directors must comply with the requirements of the Act and of the Charities Act 2011:
  - 16.1.1 annual reports;
  - 16.1.2 confirmation statement to the Registrar of Companies;
  - 16.1.3 annual returns to the Charity Commission; and
  - 16.1.4 annual statements of account.
- 16.2 The Directors must keep proper records of:
  - 16.2.1 all proceedings at General Meetings, Directors' meetings and sub-committee meetings, including details of those present, any decisions made and (where appropriate) the reasons for those decisions;
  - 16.2.2 all reports of committees; and
  - 16.2.3 all professional advice obtained.
- 16.3 Accounting records relating to the Company must be made available for inspection by any Director at any reasonable time during normal office hours and may be made available for inspection by members who are not Directors if the Directors so decide.
- 16.4 A copy of the Company's latest available statement of account must be:
  - 16.4.1 supplied on request to any Director or member, or to any other individual who makes a written request and pays the Company's reasonable costs, within two months; and
  - 16.4.2 sent to each member at least 21 days before an AGM, together with a copy of the Auditor's Report and the Directors' Annual Report.
- 16.5 If the Act requires something to be done by both a Director and the Company Secretary, then the same person acting in both capacities cannot do this.
- 16.6 The Directors may each year carry out a social audit through an independent assessor, in addition to the financial audit. The purposes of the social audit are to:
  - 16.6.1 identify the social costs and benefits of the Company's work;
  - 16.6.2 enable non-financial assessments of the Company's performance to be made;
  - 16.6.3 assess the Company's internal democracy and decision-making;

- 16.6.4 assess its effects on beneficiaries, users and partners, the wages, health and safety, training, development and job satisfaction of its employees and volunteers, and its compliance in general with the principles of good human resource management.

## **17. NOTICES**

- 17.1 Except for notices calling Board Meetings (which may be in writing but do not have to be), notices under these Articles may be sent by hand, or by post or by suitable electronic means or (where applicable to members generally) may be published in any suitable journal or newspaper or any newsletter distributed by the Company.
- 17.2 The only address at which a member is entitled to receive notices is the address shown in the register of members.
- 17.3 Any notice given in accordance with these Articles is to be treated for all purposes as having been received:
- 17.3.1 24 hours after being sent by electronic means or delivered by hand to the relevant address;
  - 17.3.2 two clear days after being sent by first class post to that address;
  - 17.3.3 three clear days after being sent by second class or overseas post to that address;
  - 17.3.4 on the date of publication of a newspaper containing the notice;
  - 17.3.5 on being handed to the member (or, in the case of a member organisation, its authorised representative) personally or, if earlier;
  - 17.3.6 as soon as the member acknowledges actual receipt.
- 17.4 A notice of a General Meeting must state the date, time and place of the meeting, the business to be transacted and whether it is an AGM.
- 17.5 A technical defect in the giving of notice of which the Directors are unaware at the time does not invalidate decisions taken at a meeting

## **18. INDEMNITY**

- 18.1 Unless the provisions and operation of this Article are avoided by any provision of the Act, every Director and every Officer, employee or volunteer of the Company shall be indemnified by the Company out of its funds against all costs, losses, charges, expenses and liabilities sustained or incurred by her/him:
- 18.1.1 in defending any proceedings (whether civil or criminal) in respect of any negligence, default, breach of duty or of trust of which s/he may be guilty in relation to the Company and in which judgment is given in her/his favour or in which s/he is acquitted or in respect of which relief is granted to her or him by the Court under the provisions of the Act; or
  - 18.1.2 in respect of any contract entered into or act or deed done by her/him by virtue of her/his instructions or authority from the Directors or in any way in the discharge of her/his duties.

## 19. INTERPRETATION

### 19.1 In these Articles:

“the Act”	means the Companies Acts (as defined in section 2 of the Companies Act 2006) insofar as they apply to the Company and any statutory modification or re-enactment thereof for the time being enforce;
“AGM”	means an Annual General Meeting of the Company Members held each year to transact the business set out at Article 10.10;
“these Articles”	means these articles of association of the Company;
“authorised representative”	means an individual who is authorised by a member organisation to act on its behalf at meetings of the Company and whose name is given by the member organisation in writing to the Company. Any such notice of the appointment (or removal) of an authorised representative constitutes conclusive evidence of that person’s appointment (or removal);
“a Board Meeting”	means a meeting of the Board of Directors of the Company;
“Chairperson”	means the Chairperson of the Directors;
“the Company”	means the company governed by these Articles;
“clear day”	in relation to a period of notice, means the 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 Commissioners for England and Wales;
“Companies House”	means the office of the Registrar of Companies;
“Director”	means any Director of the Company who is appointed under Article 11;
“financial expert”	means an individual, company or firm who is an authorised person or an exempted person within the meaning of the Financial Services Act 1986;
“General Meeting”	means a meeting of Company members;
“material benefit”	means a benefit which may not be financial but has a monetary value;
“member” and “membership”	means a member for the time being of the Company who is appointed under Article 9;
“month”	means calendar month;
“the Objects”	means the Objects of the Company as defined in clause 3 of the Articles;

“Observers”	means those persons (other than Directors) present under Article 15 at a Board Meeting;
“Secretary”	means the Company Secretary of the Company (if any);
“written” or “in writing”	refers to a legible document on paper including a fax or email message;
“year”	means calendar year.

19.2 Expressions defined in the Act have the same meaning.

19.3 References to an Act of Parliament are to the Act as amended or re-enacted from time to time and to any subordinate legislation made under it.

19.4 References to the singular include the plural and vice-versa and to the masculine include the feminine and neuter and vice-versa.

19.5 For the avoidance of doubt the system of law governing the Memorandum and the Articles is the law of England and Wales.

19.6 None of the Model Articles in the Company’s (Model Articles) Regulations 2008 apply to the Company.

Signed Oliver Leeming Chair

