

**GUIDANCE NOTES
ASSOCIATION – PRIVATE**

**CHARITY ARTICLES OF
BY GUARANTEE ATTACHED.**

- (1) The objects of the charity must be charitable ones, and they must be solely
- (2) The wording in Clause 4 applies only to England & Wales. Additional wording will be required if the charity is also to operate in Scotland and/or Northern Ireland
- (3) Clause 5(1) is required to be included to prevent trading to carry out the charity's objects, or small charities should refer to HMRC guidance and tax advice in relation to *any* proposed trading.
- (4) There is no legal requirement to include any provision requiring an Act of Parliament. These Articles do not include such a provision.
- (5) Clause 42(3) requires the directors to file accounts with the Charity Commission. Note that annual accounts of charities with an annual income of the charity over £25,000, and annual expenditure over £10,000, have to be sent if it is over £10,000.

S

A

M

P

L

E

S

THE 2006

A

A COMPANY LIMITED BY GUARANTEE FOR A CHARITY

M

ARTICLE 10 OF

P

L

E

MODEL ARTICLES FOR CHARITIES LIMITED BY GUARANTEE

PRIVATE COMPANIES

INDEX TO THE ARTICLES

PART 1 - NAME, INTERPRETATION AND STATEMENT OF LIABILITY

1. Name and registered office
2. Defined terms
3. Liability of members
4. Objects
5. Powers

PART 2 - DIRECTORS

DIRECTORS' POWERS AND DELEGATION

6. Directors' general authority
7. Directors may delegate
8. Committees

DECISION-MAKING BY DIRECTORS

9. Directors to take decisions
10. Unanimous decisions
11. Calling a directors' meeting
12. Participation in directors' meetings
13. Quorum for directors' meetings
14. Chairing of directors' meetings
15. Casting vote
16. Declaration of directors' independence
17. Conflicts of interest and disclosure
18. Records of decisions to be taken
19. Directors' discretion to modify or suspend

APPOINTMENT OF DIRECTORS

20. Eligibility to be appointed
21. Methods of appointing directors
22. Termination of director's office
23. Directors' remuneration
24. Directors' expenses

PART 3 - MEMBERS

BECOMING AND CEASING TO BE A MEMBER

25. Register of Members
26. Applications for membership
27. Termination of membership

ORGANISATION OF GENERAL MEETINGS

28. Attendance and speaking
29. Quorum for general meetings
30. Chairing general meetings
31. Notice of general meetings to be given to members
32. Adjournment

speaking by directors and non-

- VOTING AT GENERAL MEETINGS
- 33. Voting: general
- 34. Errors and disputes
- 35. Poll votes
- 36. Content of proxy notices
- 37. Delivery of proxy notices
- 38. Written resolutions
- 39. Amendments to resolutions

- PART 4 - ADMINISTRATIVE
- 39. Means of communication
- 40. Company seals
- 41. No right to inspect accounts
- 42. Accounts, Annual Report

- DIRECTORS' INDEMNITY
- 43. Indemnity

- APPLICATION OF INCOME
- 44. Income and property
- 45. Dissolution

S

A

M

P

L

E

Register of Charities

ETS

PART 1 – NAME, INTERPRETATION

STATEMENT OF LIABILITY

Name and registered office

- 1(1) The company's name in the articles is called the "charity";
- (2) The charity's registered office is in England & Wales.

the articles it is called the

in England & Wales.

Defined terms

2. In the articles, unless the context otherwise requires—

se—

"articles" means the charity's articles;

"bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland having an effect similar to that of bankruptcy;

ings in a jurisdiction other than in effect similar to that of

"chairman" has the meaning given in article 30;

article 30;

"chairman of the meeting" has the meaning given by the articles;

d by the articles;

"charity" means the company;

"Commission" means the Charity Commission for England & Wales;

England & Wales;

"Companies Acts" means the Companies Act 2006, in so far as it applies to companies registered in England and Wales;

efined in section 2 of the Companies Act 2006; charity;

"connected person" means a person connected with the charity as defined in sections 350-352 of the Charities Act 2011 apply for the purposes of these articles;

350-352 of the Charities Act 2011 apply for the purposes of these articles;

- (1) a child, parent, grandparent or other close relative of the director;

er or sister of the director;

- (2) the spouse or civil partner of the director or any person falling within sub-clause (1) above;

any person falling within sub-clause (1) above;

- (3) a person carrying on business in partnership with the director or with any person falling within sub-clause (1) or (2) above;

with the director or with any person falling within sub-clause (1) or (2) above;

- (4) an institution which is controlled by the director or any person falling within sub-clause (1), (2), or (3) above; or
 - (b) by two or more persons acting in concert, when taken together;

lling within sub-clause (1), (2), or (3) above;

clause (a), when taken together;

- (5) a body corporate in which the director or any person falling within sub-clause (1) to (3) above has a substantial interest; or
 - (b) two or more persons acting in concert, when taken together, have a substantial interest;

g within subclauses (1) to (3) above;

use (5)(a) who, when taken together, have a substantial interest;

"director" means a director or trustee of the charity in whatever position of director, by whatever name, as defined by section 177 of the Companies Act 2006;

s any person occupying the position of director, by whatever name, as defined by section 177 of the Companies Act 2006; directors are the charity trustees

"document" includes, unless the context otherwise requires, any document sent or supplied in electronic form;

document sent or supplied in electronic form;

S

A

M

P

L

E

S

“electronic form” has the meaning given in section 68 of the Companies Act 2006;

68 of the Companies Act

“member” has the meaning given in section 112 of the Companies Act 2006;

the Companies Act 2006;

“memorandum” means the memorandum of association;

of association;

“ordinary resolution” has the meaning given in section 282 of the Companies Act 2006;

in 282 of the Companies Act

“participate”, in relation to a company, has the meaning given in article 12;

the meaning given in article 12;

“proxy notice” has the meaning given in section 322 of the Companies Act 2006;

the duties of the secretary of

“secretary” means any person appointed to the duties of the secretary of the charity;

the duties of the secretary of

“special resolution” has the meaning given in section 283 of the Companies Act 2006;

283 of the Companies Act

“subsidiary” has the meaning given in section 1173 of the Companies Act 2006; and

of the Companies Act 2006;

“writing” means the representation of information in a visible form, whether sent or supplied in electronic form or otherwise.

words, symbols or other representation of methods, whether

Unless the context otherwise requires, the words and expressions contained in these articles bear the same meaning as they bear in the Companies Acts.

s or expressions contained in Companies Acts.

Words importing one gender include the other, and the singular includes the plural and vice versa.

, and the singular includes the

Liability of members

3. The liability of each member shall be limited to the amount that each member has agreed to contribute to the assets of the charity in the event of its being wound up, and he ceases to be a member of the charity when he ceases to be liable for the payment of the expenses of winding up and the payment of the debts and liabilities incurred before he ceases to be a member among themselves.

not exceeding £10, being the amount contributed to the assets of the charity by the member or within one year after the date of the charity’s debts and liabilities incurred before the date of the winding up, and the payment of the costs, charges and expenses of the rights of the contributories

Objects

4. The charity’s object[s] (“Objects”) shall be as follows:

objectally restricted to the

.....
.....
.....

E

Powers

5. In addition to any other powers in order to further (but not for any other purpose)
 - (1) to raise funds. In doing so, the charity must not undertake any substantial permanent trading activity in contravention of any regulations;
 - (2) to buy, take on lease or otherwise acquire any property and to maintain and repair it;
 - (3) to sell, lease or otherwise dispose of any part of the property belonging to the charity. Where the charity must comply as to the disposal of any property as to the disposal of any property appropriate with section 124 - 6 of the Charities Act 2011;
 - (4) to make grants, donations and to give or receive guarantees;
 - (5) to borrow money and to mortgage or charge any part of the property belonging to the charity or any part of the property of the charity in order to secure the repayment of the money borrowed.. The charity must comply with sections 124 - 6 of the Charities Act 2011 if it borrows money;
 - (6) to co-operate with other charities and statutory authorities and to exchange information with them;
 - (7) to promote or carry out the objects of the charity and the useful results;
 - (8) to publish and distribute information, including meetings, lectures, and conferences;
 - (9) to carry out the Objects of the charity or agent and whether alone or with others;
 - (10) to establish or support other charities, associations or institutions formed for any of the objects of the charity included in the Objects;
 - (11) to acquire, merge with or enter into a partnership or joint venture or arrangement with another charity or any of the Objects;
 - (12) to set aside income or other assets in accordance with a will or otherwise for the purpose expenditure but only in order to secure the repayment of the money borrowed;
 - (13) to employ and remunerate persons for the work of the charity. The charity may employ a director only to the extent it is permitted to do so by the Charities Act 2011 and provided it complies with the conditions in that Act;
 - (14) to:
 - (a) deposit or invest money or other assets;
 - (b) employ a professional adviser;

S

A

M

P

L

E

(c) arrange for the income of the charity to be held in the name of a nominee;

in the same manner as the trustees of a trust are permitted to do;

(15) to provide indemnity for directors subject to the conditions set out in article 16;

(16) to pay out of the funds of the charity both as to capital and as to income the costs of forming and registering the charity.

PART 2 - DIRECTORS DIRECTORS' POWERS AND DELEGATION

Directors general authority

6. Subject to restrictions imposed by the Companies Acts, the directors may exercise all the powers of the charity.

Directors may delegate

7 (1) The directors may delegate their powers or functions to two or more directors but the delegation must be recorded in the minute book;

(2) The directors may revoke the delegation or part, or alter its terms and conditions.

Committees

8.(1) Committees to which the directors may delegate any of their powers must follow procedures which are based on the articles which govern the powers of the directors;

(2) The directors may make rules which prevail over rules derived from the Companies Acts, provided that they are not inconsistent with them.

DECISION-MAKING BY DIRECTORS

Directors to take decisions

9.(1) The general rule about the way in which the directors must be either a meeting or a decision taken in accordance with article 10.

Unanimous decisions

10.(1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to the directors that they share a common view on a matter;

S

A

M

P

L

E

erty of the charity to be held in

conditions as the trustees of a trust are permitted to do;

ors in accordance with, and the Charities Act 2011; and

sts of forming and registering the charity.

any special resolution or the charity's business, and may

or functions to a committee of directors must be recorded in the minute book;

e or part, or alter its terms and conditions.

y of their powers must follow procedures which are based on those provisions of the articles which govern the powers of the directors;

all or any committees, which are not inconsistent with them.

ctors is that any decision of the directors must be either a meeting or a decision taken in accordance with article 10.

ance with this article when all eligible directors indicate to the directors that they share a common view on a matter;

(2) Such a decision may be made in electronic form, but in either case requires the agreement of a majority of the eligible directors signifying their agreement;

(3) References in this article to directors who would have been entitled to vote on the proposal are to directors who would have been entitled to vote on the proposal if it had been proposed as a resolution at a directors' meeting;

(4) A decision may not be made if the eligible directors would not have formed a quorum for the meeting.

Calling a directors' meeting

11(1) Any director may call a meeting of the directors or by authorising the secretary if so authorised, he or she

(2) Notice of any directors' meeting must include

- (a) its proposed date and time;
- (b) where it is to take place;
- (c) if it is anticipated that the meeting will not be in the same place, how it is to be communicated with each other during the meeting.

(3) Notice of a directors' meeting must be in writing;

(4) Notice of a directors' meeting may be given to directors who waive their entitlement to notice of that meeting more than 7 days after the date of the meeting, or of any business to be discussed at the meeting, or of any business to be transacted at the meeting;

(5) The directors shall hold a meeting at least once each year.

Participation in directors' meetings

12(1) Subject to the articles, a director may attend a directors' meeting, whether or not he or she is entitled to vote at that meeting, when

- (a) the meeting has been called in accordance with the articles; and
- (b) they can each communicate with each other during the meeting;

(2) In determining whether a director is entitled to attend a directors' meeting, it is irrelevant where any director is attending the meeting;

(3) If all the directors participating in a directors' meeting decide that the meeting is to be held in a particular place, they may meet at that place wherever any of them is.

Quorum for directors' meetings

13(1) At a directors' meeting a proposal shall not be put to the vote unless a quorum is present and, if a quorum is present, a proposal shall be put to the vote and shall be decided by a majority of the directors present and voting on the proposal.

(2) The quorum for directors' meetings shall be two, but it must not be less than two.

S

A

M

P

L

E

tion in writing or may be in electronic form, but in either case requires the eligible directors signifying their agreement;

to directors who would have been entitled to vote on the proposal if it had been proposed as a resolution at a directors' meeting;

with this article if the eligible directors would not have formed a quorum for the meeting.

giving notice of the meeting to the directors or by authorising the secretary if so authorised, he or she

the meeting will not be in the same place, how it is to be communicated with each other during the meeting.

ch director, but need not be in writing;

n to directors who waive their entitlement to notice of that meeting more than 7 days after the date of the meeting, or of any business to be discussed at the meeting, or of any business to be transacted at the meeting;

each year.

directors' meeting, or part of a meeting, when

e in accordance with the articles; and

y information or opinions they can communicate with each other during the meeting;

g in a directors' meeting, it is irrelevant where any director is attending the meeting;

ot in the same place, they may meet at that place wherever any of them is.

ticipating, no proposal is to be put to the vote unless a quorum is present and, if a quorum is present, a proposal shall be put to the vote and shall be decided by a majority of the directors present and voting on the proposal.

from time to time by a decision of the directors, but it must not be less than two.

(3) If the total number of directors present at a meeting is less than the quorum required, the directors must first—

- (a) to appoint further directors;
- (b) to call a general meeting of the charity to appoint further directors.

Chairing of directors' meetings

- 14(1) The directors may appoint one of their members to chair their meetings;
- (2) The person so appointed shall be known as the chairman;
- (3) The directors may terminate the appointment at any time; and
- (4) If the chairman is not present at a meeting within ten minutes of the time at which it was convened, the directors must appoint one of themselves to chair it.

Casting vote

- 15(1) If the numbers of votes cast by the chairman and any other director chairing the meeting are equal, the chairman or other director shall have a casting vote;
- (2) Article 15(1) does not apply if the chairman or other director is not to be counted for quorum or voting purposes.

Declaration of directors' interests

16. A director must declare to the charity any interest, direct or indirect, which he has in a proposed transaction or arrangement with the charity or in any transaction or arrangement which has not previously been declared to the charity in which it is to act solely in the interest of the charity but not limited to any particular transaction.

Conflict of interests and conflicts of duty

- 17(1) If a conflict of interest arises between a director's duty owed to another organisation and his duty to the charity, the charity may authorise such a conflict of interest if—
 - (a) the conflicted director has disclosed the conflict to the charity and there is discussion of the conflict at the meeting;
 - (b) the conflicted director's vote shall not be counted when the charity is voting on the conflict at the meeting;
 - (c) the unconflicted directors have authorised the conflicted director to act in the way proposed.
- 17(2) In this article a conflict of interest arises between a director's duty owed to another organisation and his duty to the charity if the director or a person connected with him is a director or a person connected with another organisation and the director or person is not to be counted for quorum or voting purposes.

is less than the quorum required, the directors must first—

members to appoint further

their meetings;

known as the chairman;

appointment at any time; and

meeting within ten minutes of the time at which it was convened, the directors must appoint one of

sal are equal, the chairman or other director shall have a casting vote;

in the articles, the chairman or other director is not to be counted for quorum or voting purposes.

any interest, direct or indirect, which he has in a proposed transaction or arrangement with the charity or in any transaction or arrangement which has not previously been declared to the charity in which it is to act solely in the interest of the charity but not limited to any particular transaction.

cause of a duty of loyalty arises between a director's duty owed to another organisation and his duty to the charity, the charity may authorise such a conflict of interest if—

part of the meeting at which the conflicted director has disclosed the conflict to the charity and there is discussion of the conflict at the meeting;

any such matter and is not to be counted when the charity is voting on the conflict at the meeting;

the interests of the charity to authorise the conflicted director to act in the way proposed.

cause of a duty of loyalty arises between a director's duty owed to another organisation and his duty to the charity if the director or a person connected with him is a director or a person connected with another organisation and the director or person is not to be counted for quorum or voting purposes.

S

Records of decisions to be

18. The directors must ensure that a record, in writing, for at least 10 years from the date of every unanimous or majority decision taken by the directors.

a record, in writing, for at least 10 years from the date of every unanimous or majority decision taken by the directors.

Directors' discretion to make

19. Subject to the articles, the directors may make any rule which they think fit about how they take decisions and which rules are to be recorded or communicated to directors.

any rule which they think fit about how they take decisions and which rules are to be recorded or communicated to directors.

A

APPOINTMENT OF DIRECTORS

Eligibility to be appointed as a director

20 (1) The minimum number of directors shall be [3] but (unless otherwise determined by ordinary resolution) shall not exceed [3] and shall not be less than 16.

be [3] but (unless otherwise determined by ordinary resolution) shall not exceed [3] and shall not be less than 16.

(2) A director must be a natural person who is at least 16 years of age at the time of appointment.

[3] is suggested here, but note that 16 is the legal minimum age for a director.

(3) No one may be appointed as a director if he or she is disqualified from acting as a director under the provisions of a relevant law.

ld be disqualified from acting as a director under the provisions of a relevant law.

(4) A director may not appoint or nominate anyone to act on his behalf at meetings of the directors.

r anyone to act on his behalf at meetings of the directors.

[(5) No person may be appointed as a director if he or she is a member of the charity.]

is a member of the charity.]

M

Methods of appointing directors

21(1) Any person who is eligible to be appointed as a director under these articles to do so, may be appointed as a director—

, and is permitted by law and these articles (2)-(5), be appointed to be a director—

(a) by ordinary resolution passed by at least two thirds of the directors who respond to the resolution;

nt or subsequently) [passed by at least two thirds of the directors who respond to the resolution]; or

(b) by a decision of the directors.

pointment);

OR

(b) a decision of the directors by an affirmative vote by at least two thirds of the directors.

an affirmative vote by at least two thirds of the directors (pointment);

(2) Subject to article 21(3), a director shall hold office for a period of [3] years from the date of his appointment and shall automatically cease to hold office if he or she is not re-elected by ordinary resolution for a further period of [3] years;

office for a period of [3] years from the date of his appointment and shall automatically cease to hold office if he or she is not re-elected by ordinary resolution for a further period of [3] years;

(3) A director appointed by a resolution shall cease to hold office on the first anniversary of his appointment and may only be re-appointed for the balance of his [3] year period by ordinary resolution;

s shall cease to hold office on the first anniversary of his appointment and may only be re-appointed for the balance of his [3] year period by ordinary resolution;

P

L

E

- (4) No person shall be appointed as a director by ordinary resolution unless recommended by the directors;
- (5) No person shall hold office for a cumulative maximum period exceeding [6] years] [which may be divided into two or more continuous periods];
- (6) The first directors shall be those persons notified to the charity by the memorandum and shall be the first directors.

Termination of director's appointment

22. A person ceases to be a director if:

- (a) he ceases to be a director under section 167 of the Companies Act 2006 or is prohibited by section 168 of that Act;
- (b) he is disqualified from acting as a director under section 178 of the Companies Act 2006 or is prohibited from acting as a director by section 179 of that Act (in either case by virtue of sections 178 and 179 of that Act);
- (c) he becomes incapable of acting as a director by reason of mental disorder, illness or injury of which he is suffering and the court makes an order which wholly or partly prevents him from exercising any powers or rights which that person has as a director;
- (d) notification is received from him that he is resigning from office, and the resignation takes effect in accordance with its terms, but only if at least 14 days before the resignation notification is to take effect he has notified the charity in writing that he is resigning;
- (e) he is absent without the consent of the directors from 3 consecutive meetings of the directors and the directors resolve that he should be removed from office;
- (f) he is removed from office by ordinary resolution of the directors;
- (g) he is removed from office by the court under section 168 of the Companies Act;
- (h) he fails to declare an interest in accordance with article 16 above;
- [(i) he ceases to be mentioned in the memorandum of association.]

Directors' remuneration

23(1) No director or connected person shall receive any remuneration unless it is authorised by this article.

- (2) No director or connected person shall receive any remuneration which is preferential to those received by other directors or employees of the charity;
 - (a) buy goods or services from the charity;
 - (b) sell goods or services to the charity;
 - (c) be employed by or receive any remuneration from the charity;
 - (d) receive any other financial benefit from the charity;

unless the payment is permitted by the court or by the Commission

of this article or authorised by the Commission

In this article, a “financial benefit” means a benefit in money or has a monetary value

direct or indirect, which is either a financial benefit or a benefit in kind

Scope and powers permitting persons' benefits

Persons' benefits

(3) (a) A director or connected person acting in the capacity of a beneficiary of the charity if the directors do not benefit from the charity

benefit from the charity in the exercise of the powers conferred on the directors that a majority of the directors do not benefit from the charity

(b) A director or connected person acting in the capacity of a beneficiary of the charity if the directors do not benefit from the charity

benefit from the charity in the exercise of the powers conferred on the directors that a majority of the directors do not benefit from the charity

(c) Subject to sub-clause (3)(d), a director or connected person may provide the charity with services provided to the charity

benefit from the charity in the exercise of the powers conferred on the directors that a majority of the directors do not benefit from the charity

(d) A director or connected person may provide the charity with services provided to the charity at a reasonable rate as determined by the Bank of England base rate

interest on money lent to the charity must not be more than the Bank of England base rate;

(e) A director or connected person may provide the charity with services provided to the charity on terms that are no less favourable than the other terms of the lease and proper. The director or connected person must with the charity concerned must with the charity concerned must with the charity concerned

rent for premises let by the charity must not exceed the amount of the rent and the other terms of the lease and proper. The director or connected person must with the charity concerned must with the charity concerned must with the charity concerned

(f) A director or connected person may provide the charity with fundraising activities provided to the charity public;

in the normal trading and business terms as members of the public;

(g) A director may benefit from the charity's expense and may receive an indemnity from the charity

insurance cover purchased at the charity's expense and may receive an indemnity from the charity as specified in article 43(1).

Payment for supply of goods

(4) The charity and its directors must ensure that the authority provided by sub-clause (3)(c) of this article is satisfied;

the authority provided by sub-clause (3)(c) of this article is satisfied;

(a) The amount or maximum price for the goods is set out in an agreement in writing between the charity and the director or connected person (as the case may be); and the director or connected person under which the supplier provides the goods to the charity;

the amount or maximum price for the goods is set out in an agreement in writing between the charity and the director or connected person (as the case may be); and the director or connected person under which the supplier provides the goods to the charity;

(b) The amount or maximum price for the goods does not exceed what is reasonable in the circumstances of the question;

the amount or maximum price for the goods does not exceed what is reasonable in the circumstances of the question;

(c) The other directors are to contract with the supplier or connected person. In reaching a decision, the directors must balance the advantages of contracting with the connected person against the disadvantages of doing so.

(d) The supplier is absent from a meeting at which there is discussion of the proposal or arrangement with him with regard to the supply of goods or services.

(e) The supplier does not attend the meeting and is not to be counted as present at the meeting;

(f) The reason for their conduct is recorded in the minute book.;

(g) A majority of the directors must consent in receipt of remuneration or payments authorised by the directors.

- (5) In sub-clauses (3) and (4) "company" shall include any company in which the charity:
- (i) holds more than 10% of the shares;
 - (ii) controls more than 10% of the shares; or
 - (iii) has the right to appoint or remove directors to the board of the company;

(6) In this article 23, "connected person" shall include any person within the definition in article 2.

Directors' expenses

24. A director is entitled to reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred by him in the discharge of his responsibilities on behalf of the charity and in the performance of his duties. Those expenses incurred in connection with the attendance at meetings of directors or committees of directors.

PART 3 - MEMBERS BENEFITING FROM THE CHARITY

Register of members

25. The directors must keep a register of the names and addresses of members.

Applications for membership

26(1) No person or organisation shall become a member of the charity unless—

- (a) that person has completed an application for membership in a form approved by the directors;
- (b) the directors have approved the application.

(2) The first members shall be those who have subscribed to the memorandum;

S

A

M

P

L

E

the best interests of the charity and the interests of the charity who is not a director or officer. The directors must balance the interests of the charity against the interests of the connected person against the interests of the charity.

meeting at which there is discussion of the proposal or arrangement with him with regard to the supply of goods or services.

and is not to be counted as present at the meeting;

the directors in the minute book.;

not in receipt of remuneration or payments authorised by the directors.

"company" shall include any company in which the charity:

holds more than 10% of the shares;

controls more than 10% of the shares; or

any person within the definition in article 2.

from the property of the charity (including hotel and travel costs) actually incurred by him in the discharge of his responsibilities on behalf of the charity and in the performance of his duties. Those expenses incurred in connection with the attendance at meetings of directors or committees of directors.

MEMBERS BENEFITING FROM THE CHARITY

addresses of members.

member of the charity unless—

membership in a form approved by the directors;

subscribe to the memorandum;

Termination of membership

27(1) A member may withdraw from the charity by giving 7 days' notice to the charity in writing (if there are less than two members);

(2) Membership is not transferred;

(3) A person's membership terminates if the person dies or ceases to exist;

(4) A person's membership may be terminated by resolution of the directors on the ground that in their reasonable opinion the member's continued membership is harmful to the charity (but only if the member in writing and considering the matter in the light of any representations which the member concerned has put forward within 14 clear days of the date of the resolution).

ORGANISATION OF GENERAL MEETINGS

Attendance and speaking at general meetings

28(1) A person is able to exercise the right to attend a general meeting when that person is in a position to communicate with the person attending the meeting, during the meeting, any information which that person has on the business of the meeting;

(2) A person is able to exercise the right to attend a general meeting when—

(a) that person is able to communicate with the person attending the meeting; and

(b) that person's vote carries the same weight as the votes of all the other persons attending the meeting;

(3) The directors may make such arrangements as they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it;

(4) In determining attendance at a general meeting, it is immaterial whether any two or more members attend the meeting as each other;

(5) Two or more persons who attend a general meeting as each other attend a general meeting if their circumstances are such that if they have (or were to have) the same rights to speak and vote at the meeting as they or would be) able to exercise those rights.

Quorum for general meetings

29. No business other than the business of the charity may be transacted at a general meeting unless a quorum is present. A quorum shall be determined by the directors. A quorum shall be a majority of the membership, present in person or by proxy, at the meeting.

Chairing general meetings

30(1) If the directors have authority to do so, they may appoint a chairman of the meeting. If the chairman is unwilling to chair the meeting or is not available, the directors may appoint another person to chair the meeting.

(2) If the directors have not appointed a chairman of the meeting or if the chairman is unwilling to chair the meeting or is not available, the directors may appoint another person to chair the meeting. If the chairman is unwilling to chair the meeting or is not available, the directors may appoint another person to chair the meeting.

S

A

M

P

L

E

the charity by giving 7 days' notice to the charity in writing (if there are less than two members);

person dies or ceases to exist;

resolution of the directors on the ground that in their reasonable opinion the member's continued membership is harmful to the charity (but only if the member in writing and considering the matter in the light of any representations which the member concerned has put forward within 14 clear days of the date of the resolution).

at a general meeting when that person is in a position to communicate with the person attending the meeting, during the meeting, any information which that person has on the business of the meeting;

general meeting when—

(a) that person is able to communicate with the person attending the meeting; and

(b) that person's vote carries the same weight as the votes of all the other persons attending the meeting;

as they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it;

it is immaterial whether any two or more members attend the meeting as each other;

place as each other attend a general meeting if their circumstances are such that if they have (or were to have) the same rights to speak and vote at the meeting as they or would be) able to exercise those rights.

chairman of the meeting is to chair the meeting. If the chairman is unwilling to chair the meeting or is not available, the directors may appoint another person to chair the meeting.

the chairman shall chair general meetings if present and willing to do so.

if the chairman is unwilling to chair the meeting or is not available, the directors may appoint another person to chair the meeting. If the chairman is unwilling to chair the meeting or is not available, the directors may appoint another person to chair the meeting.

S

(a) the directors present;

(b) (if no directors are present)

must appoint a director to chair the meeting; the appointment of the chairman of the meeting must be the first business of the meeting;

(3) The person chairing a meeting under this article is referred to as "the chairman of the meeting"

Notice of general meeting of non-members

31.(1) At least fourteen days notice of any general meeting called to pass a special resolution must be given;

(2) Directors may attend and speak at general meetings in their capacity as directors or whether or not they are members;

(3) The chairman of the meeting may invite any persons who are not members of the charity to attend and speak at the meeting.

Adjournment

32(1) If the persons attending a general meeting at which the meeting was due to take place do not constitute a quorum, the meeting must adjourn if a quorum ceases to be present during the meeting;

(2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if—

(a) the meeting consents to the adjournment;

(b) it appears to the chairman that an adjournment is necessary to protect the safety of persons or property or to ensure that the business of the meeting is conducted in an orderly manner;

(3) The chairman of the meeting may adjourn a general meeting if directed to do so by the meeting;

(4) When adjourning a general meeting, the chairman of the meeting must—

(a) either specify the date and time at which the meeting is to continue at a date and time fixed by the directors; and

(b) have regard to any directions relating to the time and place of any adjournment which have been given by the meeting;

(5) If the continuation of an adjourned general meeting takes place more than 14 days after it was adjourned, the chairman must give 7 clear days' notice of it (that is, excluding the day of the adjournment and the day on which the notice is given)—

(a) to the same persons as were entitled to attend the charity's general meetings if notice is required to be given; and

(b) containing the same information as the notice is required to contain;

(6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

A

M

P

L

E

speaking by directors and non-members

any general meeting but if the meeting is called to pass a special resolution, at least twenty one days notice must be given;

meetings in their capacity as directors or whether or not they are members;

persons who are not members of the charity to attend and speak at the meeting.

within half an hour of the time at which the meeting was due to take place, the meeting must adjourn if a quorum ceases to be present during the meeting;

general meeting at which a quorum is present if—

(a) the meeting consents to the adjournment;

(b) it appears to the chairman that an adjournment is necessary to protect the safety of persons or property or to ensure that the business of the meeting is conducted in an orderly manner;

(3) The chairman of the meeting may adjourn a general meeting if directed to do so by the meeting;

(4) When adjourning a general meeting, the chairman of the meeting must—

(a) either specify the date and time at which the meeting is to continue at a date and time fixed by the directors; and

(b) have regard to any directions relating to the time and place of any adjournment which have been given by the meeting;

(5) If the continuation of an adjourned general meeting takes place more than 14 days after it was adjourned, the chairman must give 7 clear days' notice of it (that is, excluding the day of the adjournment and the day on which the notice is given)—

(a) to the same persons as were entitled to attend the charity's general meetings if notice is required to be given; and

(b) containing the same information as the notice is required to contain;

(6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

VOTING AT GENERAL MEETINGS

Voting: general

33. A resolution put to the vote shall be decided on a show of hands unless a poll is demanded. Each member shall have one vote.

Errors and disputes

34 (1) No objection may be taken to the result of a vote taken at a general meeting except at a meeting at which the vote is objected to is tendered, and

(2) Any such objection must be decided by the chairman of the meeting whose decision is final.

Poll votes

35(1) A poll on a resolution may be demanded

- (a) in advance of the general meeting;
- (b) at a general meeting, immediately after the chairman has declared;

(2) A poll may be demanded by

- (a) the chairman of the meeting;
- (b) the directors;
- (c) two or more persons entitled to vote on the resolution;
- (d) a person or persons representing not less than one tenth of the total voting rights of all the members entitled to vote on the resolution;

(3) A demand for a poll may be withdrawn

- (a) the poll has not yet been taken;
- (b) the chairman of the meeting directs.

(4) Polls must be taken immediately unless the chairman of the meeting directs.

Content of proxy notices

36(1) Proxies may only validly be used if the notice in writing (a "proxy notice") which—

- (a) states the name and address of the person appointing the proxy;
- (b) identifies the person appointing the proxy and the general meeting in relation to which the proxy is to be used;
- (c) is signed by or on behalf of the person appointing the proxy, or is authenticated in such manner as to satisfy the charity trustees;
- (d) is delivered to the charity in accordance with the articles contained in the notice of the meeting.

(2) The charity may require a proxy notice to be delivered in a particular form, and

must be decided on a show of hands unless a poll is demanded in accordance with the articles. Each

on of any person voting at a general meeting at which the vote is objected to is tendered, and

airman of the meeting whose decision is final.

to be put to the vote; or

hands on that resolution or immediately after the chairman has declared on that resolution is

n the resolution; or

n one tenth of the total voting rights of all the members entitled to vote on the resolution;

ithdrawal;

anner as the chairman of the meeting directs.

ice in writing (a "proxy notice") which—

inting the proxy;

's proxy and the general meeting in relation to which the proxy is to be used;

g the proxy, or is authenticated in such manner as to satisfy the charity trustees;

articles and any instructions contained in the notice of the meeting with they relate;

vered in a particular form, and

(3) Proxy notices may specify that the proxy is to abstain from

(4) Unless a proxy notice indicates

(a) allowing the person appointed to vote on any ancillary

(b) appointing that person to attend the general meeting to vote

Delivery of proxy notices

37(1) A person who is entitled to vote (either on a show of hands or on a poll) at a general meeting or any adjournment of it, even if the notice has been delivered to the charity by or on behalf of that person

(2) An appointment under a proxy notice given on behalf of the charity a notice in writing giving the person by whom or on whose behalf the proxy notice was given

(3) A notice revoking a proxy notice takes effect if it is delivered before the start of the meeting or adjournment to which it relates;

(4) If a proxy notice is not executed, it must be accompanied by written evidence of the person who executed it to execute it on the appointor's behalf

Written resolutions

38(1) A resolution in writing proposed by a majority of not less than 75% of members shall be effective provided that

(a) a copy of the proposed resolution

(b) a simple majority (or more than 75%) of members

(c) it is contained in an instrument which has been received at the registered office with the date;

(2) A resolution in writing may be signed by one or more members who have signified their agreement

(3) In the case of a member who is not a natural person, it may signify its agreement

PART 4 - ADMINISTRATION

Means of communication

39(1) Subject to the articles, notices may be sent or supplied by or to the charity under the provisions of the Companies Act 2006

S

A

M

P

L

E

ated under them is to vote (or abstain) on any resolutions;

be treated as—

proxy discretion as to how to vote on any resolutions put to the meeting; and

to any adjournment of the meeting or any adjournment of the meeting itself.

ote (either on a show of hands or on a poll) at a general meeting or any adjournment of it, even if the notice has been delivered to the charity by or on behalf of that person

revoked by delivering to the charity a notice in writing giving the person by whom or on whose behalf the proxy notice was given

s effect if it is delivered before the start of the meeting or adjournment to which it relates;

ppointing the proxy, it must be accompanied by written evidence of the person who executed it to execute it on the appointor's behalf

ity (or in the case of a special resolution, by a majority of not less than 75% of the members who would be entitled to vote on the resolution proposed at a general meeting)

sent to every eligible member;

resolution a majority of not less than 75% of members in agreement to the resolution; and

which has been received at the registered office with the date; beginning with the circulation

es to which one or more members have signified their agreement

s authorised representative

S

d by or to the charity under the provisions of the Companies Act 2006

provides for documents or provision of that Act to be sent or supplied to a director in connection with the business of the charity;

(2) Subject to the articles, any notices or documents to be sent or supplied to a director in connection with the business of the charity may also be sent or supplied by the means by which such notices or documents are normally sent or supplied to the directors of a company.

(3) A director may agree with the charity in a particular way that any notices or documents to be sent or supplied to that director in a particular way shall have been received within a specified time of their being sent or supplied, and that time shall not be less than 48 hours.

Company seals

40 (1) Any common seal made by the charity shall be made by the authority of the directors.

(2) The directors may decide what form any common seal is to be used;

(3) Unless otherwise decided by the directors, any common seal of the charity has a common seal and so be signed by at least one authorised person in the presence of the person who attests the signature;

(4) For the purposes of this section, an authorised person is—

- (a) any director of the charity;
- (b) the secretary (if any); or
- (c) any person authorised by the directors for the purpose of signing documents to which the common seal is to be affixed.

No right to inspect accounts

41. Except as provided by any resolution of the charity, no member has a right to inspect or require the production of any of the charity's accounts, books, vouchers, receipts, or other records.

Accounts, Annual Report and Annual General Meeting

42(1) The directors must prepare accounts for the charity in accordance with the Companies Acts. They must also view and follow accounts prepared in accordance with the Accounting Standards Board or its predecessor's applicable Statements of Recommended Practice.

(2) The directors must keep proper records in accordance with the Companies Acts;

(3) The directors must comply with the provisions of the Charities Act 2011 with regard to the:

- (a) transmission of a copy of the accounts to the Commission;
- (b) preparation of an annual report and transmission of a copy of it to the Commission;
- (c) preparation of an annual report and transmission to the Commission;

authorised or required by any provision of that Act to be sent or supplied to a director in connection with the business of the charity;

any notices or documents to be sent or supplied to a director in connection with the business of the charity may also be sent or supplied by the means by which such notices or documents are normally sent or supplied to the directors of a company.

A director may agree with the charity in a particular way that any notices or documents to be sent or supplied to that director in a particular way shall have been received within a specified time of their being sent or supplied, and that time shall not be less than 48 hours.

Any common seal made by the charity shall be made by the authority of the directors.

The directors may decide what form any common seal is to be used;

Unless otherwise decided by the directors, any common seal of the charity has a common seal and so be signed by at least one authorised person in the presence of the person who attests the signature;

For the purposes of this section, an authorised person is—

any person authorised by the directors for the purpose of signing documents to which the common seal is to be affixed.

Except as provided by any resolution of the charity, no member has a right to inspect or require the production of any of the charity's accounts, books, vouchers, receipts, or other records.

Accounts, Annual Report and Annual General Meeting

The directors must prepare accounts for the charity in accordance with the Companies Acts. They must also view and follow accounts prepared in accordance with the Accounting Standards Board or its predecessor's applicable Statements of Recommended Practice.

The directors must keep proper records in accordance with the Companies Acts;

The directors must comply with the provisions of the Charities Act 2011 with regard to the:

transmission of a copy of the accounts to the Commission;

preparation of an annual report and transmission of a copy of it to the Commission;

preparation of an annual report and transmission to the Commission;

- (4) The directors must not be liable in respect of any changes to the charity's entry on the register of charities.

DIRECTORS' INDEMNITY

Indemnity

43(1) The charity [may][shall] indemnify any director against any liability incurred by him in that capacity which is not indemnified by sections 232 to 234 of the Companies Act 2006;

- (2) In this article a "relevant liability" means a liability incurred by a director or former director of the charity.

APPLICATION OF INCOME AND ASSETS

Income and property

44. (1) all income and property of the charity shall be applied solely towards the promotion of the Objects of the charity.
- (2) in no circumstances shall any of the assets or income of the charity belong to the members of the charity.
- (3) a member may not receive any benefit or payment from the charity save in the capacity of an officer of the charity and save for reasonable expenses properly incurred and supplied to the charity.

Dissolution

- 45(1) If the charity is dissolved or ceases to exist after provision has been made for the assets of the charity, the assets shall be transferred in one or more of the following ways:
- (1) by transfer to one or more persons for charitable purposes or similar to, the Objects of the charity;
 - (2) directly for the Objects of the charity;
 - (3) in such other manner as the Charity Commission may direct.
- (2) In no circumstances shall any of the assets or income of the charity be paid or distributed to any member of the charity.
- (3) A final report and statement of accounts shall be sent to the Commission.