

**The Companies Acts 2006 - 2011**

**Private Company Limited by Guarantee**

**And Not Having a Share Capital**

## **MEMORANDUM AND ARTICLES**

### **OF ASSOCIATION**

#### **STEPNEY BANK STABLES LTD**

- ❑ **Company Number 03910561**
- ❑ **Registered Charity Number 1084687**
- ❑ **Incorporated on 20<sup>th</sup> January 2000**

**Jim Lowe and Company** (Original company registrar – may now have been dissolved)  
**1 Saville Chambers**  
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**Newcastle upon Tyne**  
**NE1 8DF**  
**Telephone: 0191 261 5545**

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# **MEMORANDUM AND ARTICLES OF ASSOCIATION**

## **OF STEPNEY BANK STABLES LTD**

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**THE COMPANIES ACTS 2006 - 2011**

**PRIVATE COMPANY LIMITED BY GUARANTEE**

**AND NOT HAVING A SHARE CAPITAL**

**MEMORANDUM OF ASSOCIATION OF**

**STEPNEY BANK STABLES LTD**

**COMPANY NAME**

1. The Company's name is "STEPNEY BANK STABLES LTD".

**COUNTRY OF SITUATION**

2. The Company's registered office is situated in England and Wales.

**OBJECTS**

3. The Objects of the charity are:
  - (a) The provision of recreational facilities for the public in the interests of social welfare by the provision of horse riding, equestrian activities, the development of social skills and learning to disadvantaged children, young people and the wider community who are most in need of such facilities by reason of their social and/or economic circumstances
  - (b) To advance the education of children and young people of all ages, abilities and backgrounds by providing opportunities for training to enable them to develop confidence, resilience and skills.

## **POWERS**

4. The charity has the power to do anything which is calculated to achieve and further any of the Objects listed above or is conducive or incidental to doing so. In particular the charity has power to:

- (a) Raise funds by any lawful means, including raising subscriptions from members, obtaining donations and grants from any persons or organisations and the holding of money-raising events. In doing so the charity must comply with any relevant statutory regulations.
- (b) To buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use.
- (c) Open and operate one or more bank accounts.
- (d) Borrow money on such terms and giving such security (if any) as the Directors, hereinafter referred to as the Board of Trustees, think fit; and for these purposes the charity may execute any type of mortgage, charge, debenture or security over the charity's property. The charity must comply as appropriate with sections 124 – 126 of the Charities Act 2011 if it wishes to mortgage land.
- (e) Lend money and give credit to any person, company or organisation on such terms and on such security (if any) as the Board of Trustees think fit.
- (f) Deposit or invest any of the charity's money that is not immediately required, employ a professional fund manager and arrange for such investments or other property of the charity to be held in the name of a nominee, in the same manner and subject to the same conditions as the Trustees of a trust are permitted to do so by the Trustee Act 2000.
- (g) Acquire any land or buildings (whether freehold, leasehold or on licence) and any rights over or connected with any property; construct, maintain, improve, develop and alter any such land, buildings, or equipment.
- (h) Sell, grant leases or licenses over, or otherwise dispose of, mortgage or turn to account, all or any part of the property, land, equipment or assets belonging to the charity. In exercising this power, the charity must comply as appropriate with sections 117 and 122 of the Charities Act 2011.
- (i) Subject to clause 5 of this Memorandum, employ and remunerate such staff as are necessary for carrying out the work of the charity, and contract for services to be provided by any person, or organisation and make reasonable provision for paying pensions, superannuation, sickness, redundancy and other benefits and make

reasonable provision for the welfare of officers and employees and their relatives and dependants.

- (j) Engage solicitors, accountants and other professional advisers to advise and act for the charity and pay the fees and expenses of any such persons in addition to paying the expenses of forming and registering the charity.
- (k) To acquire, merge, join, co-operate with or enter into any partnership or joint venture with any other charity having Objects similar to or compatible with those of the charity.
- (l) Establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects (including by making grants or loans), provided that organisation is not formed or established for the purposes of profit and provided its constitution prohibits the distribution of its income and property to at least as great an extent as is imposed on the charity by this Memorandum.
- (m) Set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves.
- (n) To provide indemnity insurance for the Trustees in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.
- (o) Do all such other things, which are lawful and necessary or expedient for the promotion of the charity's Objects.

**PROVIDED THAT:**

- (i) The charity may not conduct any permanent and substantial trading activities other than those, which are incidental to and supportive of the charity's Objects.
- (ii) The Objects of the charity do not include the regulation of workers and employers or organisations of workers and organisations of employers.
- (iii) If the charity takes or holds any property, which is subject to any trusts, the charity may deal with or invest that property only as is allowed by law, having regard to such trusts.
- (iv) If the charity takes or holds any property which is subject to the jurisdiction of the Charity Commissioners for England and Wales, the charity may not sell, mortgage, charge or lease that property without such authority, approval or consent as is required by law. The Board of Trustees of the charity will be chargeable for any such property as may come into their hands and answerable and accountable for their own acts, receipts, neglects and defaults, and for the due administration of such property, in the same manner and to the same extent as they would have been if no incorporation had been effected. The incorporation of the charity will not diminish or impair any control or authority exercisable by the Chancery Division or

the Charity Commissioners over such Board of Trustees and they shall, as regards any such property, be subject jointly and separately to such control or authority as if the charity were not incorporated.

## **APPLICATION OF INCOME AND PROPERTY**

5. The charity's income and property shall be applied only for the promotion of its Objects and no part of the income or property may be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise to any member or members of the charity, and no member of the Board of Trustees of the charity may be appointed to any office of the charity paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the charity.

Nothing in this clause shall prevent:

- (a) The payment in good faith of reasonable and proper remuneration to any member, officer or employee of the charity who is not a member of the Board of Trustees of the charity for any services rendered to the charity, or the reimbursement of reasonable and proper out-of-pocket expenses incurred by any such person when acting on behalf of the charity.
- (b) The payment in good faith of interest at a reasonable and proper rate on any money lent to the charity by any member, officer or employee, or by any person, company or organisation with which any member, officer or employee is connected.
- (c) The payment in good faith of reasonable and proper rent for premises demised or let to the charity by any member, officer or employee, or by any person, company or organisation with which any member, officer or employee is connected.
- (d) Any proper payment made in good faith to another company in which a member of the Board of Trustees has an interest, provided he / she does not hold more than 1 per cent. Of the capital of that other company, in which case the member of the Board of Trustees shall not (only by reason of such interest) be bound to account for any share of the profits he / she may receive in respect of such payment.
- (e) The payment of reasonable out of pocket expenses to any member of the Board of Trustees as provided for in Article 48 of the Articles of Association. A member of the Board of Trustees may not receive any other benefit or payment unless it is authorised in accordance with Article 48.
- (f) A Trustee may benefit from trustee indemnity insurance cover purchased at the charity's expense in accordance with, and subject to, the conditions set out in section 189 of the Charities Act 2011 and may receive indemnity from the charity in the circumstances specified in Article 89.

## **LIMITED LIABILITY**

6. The liability of the members is limited.

#### **MEMBERS' GUARANTEE**

7. Every member of the charity undertakes to contribute such amount as may be required (not exceeding £10) to the charity's assets if it should be wound up while he / she or it is a member or within one year after he / she or it ceases to be a member, for payment of the charity's debts and liabilities contracted before he / she or it ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories themselves.

#### **DISTRIBUTION OF ASSETS ON WINDING UP**

8. If, when the charity is wound up or dissolved, there remains any property whatsoever after all the debts and liabilities have been satisfied, or provision has been made for them, in no circumstances shall the net assets of the charity be paid to or distributed among the members of the charity (except to a member that is itself a charity), but shall be given or transferred to some other charitable institution or institutions which have Objects similar to the Objects of the charity, and which prohibit the distribution of income or property to at least as great an extent as is imposed on the charity by clause 5 of this Memorandum.

9. The institution or institutions concerned shall be determined by the members of the charity or the Board of Trustees at or before the time of dissolution, and if no resolution is passed by the members the net assets of the charity shall be applied for charitable purposes as directed by the Court or the Charity Commission.



## **THE COMPANIES ACTS 2006 - 2011**

### **PRIVATE COMPANY LIMITED BY GUARANTEE AND**

### **NOT HAVING A SHARE CAPITAL**

## **ARTICLES OF ASSOCIATION OF**

### **STEPNEY BANK STABLES LTD**

#### **OBJECTS**

1. The charity is established for the Objects set out in the Memorandum of Association.

#### **MEMBERS**

2. (a) The subscribers to the Memorandum are the first members of the charity.  
  
(b) Membership is open to all persons, companies and organisations living or working within the area of benefit and which support the Objects of the charity.  
  
(c) A person who wishes to become a member must deliver to the charity an application form containing such information as the Board of Trustees require.  
  
(d) The Board of Trustees may only refuse an application for membership if, acting reasonably and properly, they consider it to be in the best interests of the charity to refuse the application. The Chairperson of the Board of Trustees must inform the applicant in writing of the reasons for the refusal within 21 days of the decision. Any written representations must be notified in writing to the Board and must be considered by the Board. The decision of the Board is final.  
  
(e) The Trustees must keep a register of names and addresses of members and details of applicants who have been refused membership and grounds for that refusal.  
  
(f) Membership is not transferable to any other person or organisation.

## **CLASSES OF MEMBERS**

3. The charity may have different classes of members if the charity makes Rules to that effect. If Rules are made which create different classes of members, those Rules must set out the rights and obligations of the different classes. Rights and obligations attached to a class of membership may only be varied if:

(a) three-quarters of the members of that class consent in writing to the variation;  
or

(b) a special resolution is passed at a separate General Meeting of the membership of that class agreeing to the variation.

4. The provisions in the Articles about General Meetings shall apply to any meeting relating to the variation of the rights of any class of members.

## **RESIGNATION / TERMINATION OF MEMBERSHIP**

5. Membership is terminated if:

(a) The member at any time resigns from membership of the charity by giving written notice to the charity at its registered office.

(b) The member dies or, if it is an organisation, ceases to exist.

(c) Subject to Article 6(c) below, any sum due from the member to the charity is not paid in full within three months of it falling due.

(d) The member is removed by a resolution of the Board of Trustees that it is in the best interest of the charity that his / her / its membership is terminated. A resolution to remove a member may only be passed if:

(i) the member has been given at least 21 days' notice in writing, or in electronic form, of the meeting of the Board of Trustees at which the resolution will be proposed together with the reason for the proposal; and

(ii) the member or, at the option of the member, the member's representative (who need not be a member of the charity) has been allowed to make representations at the meeting.

(iii) The Board of Trustees must keep a list of all members whose membership has been terminated together with the grounds for doing so.

## **SUBSCRIPTIONS**

6. (a) The General Meeting may make Rules for the payment of joining fees and / or subscriptions by members. The Rules may specify the amount of the fees or subscriptions, the method of payment and collection and all other arrangements. The Rules may be altered from time to time by the General Meeting. If there are different classes of members, the Rules may specify that different amounts of fees or subscriptions and different arrangements for their collection apply to different classes.

(b) Every member must pay to the charity any fees or subscriptions which are payable under the Rules.

(c) If a member fails to pay a fee or subscription within three months after it became due he / she is then no longer a member of the charity. On payment of all arrears of fees or subscriptions, which became due, while he / she was a member he / she may (subject to any Rules of the charity) apply to be re-admitted as a member.

## **ANNUAL GENERAL MEETINGS**

7. (a) The Board of Trustees may hold Annual General Meetings. If the Board chooses to do so then the first Annual General Meeting must be held within eighteen months after the date of incorporation of the charity.

(b) If the charity chooses to hold Annual General Meetings they should be convened at not more than fifteen months after the previous Annual General Meeting.

(c) The Board of Trustees may call a General Meeting at any time.

## **BUSINESS OF ANNUAL GENERAL MEETINGS**

8. The usual business of an Annual General Meeting is:

(a) The consideration of the accounts, balance sheets, reports of the Board of Trustees and, if the charity has auditors, the auditors' report;

(b) The election of members of the Board of Trustees in place of those, if any, who are retiring;

(c) Unless the charity is exempt from any legal requirement to have auditors, the appointment of auditors and the fixing of their remuneration (if any); and

(d) Any other business included in the notice calling the meeting.

## **GENERAL MEETINGS**

9. The category of 'Extraordinary General Meetings' has been discontinued under the Companies Act 2006. All meetings other than Annual General Meetings are called now referred to as 'General Meetings'. The Board of Trustees may call General Meetings whenever they think fit.

## **MEMBERS' RIGHT TO REQUISITION MEETINGS**

10. (a) The Board of Trustees must convene a General Meeting if one is requisitioned by members, that is if a meeting is requested in writing, by not less than one-tenth of the voting members at the date of the requisition.
- (b) The requisition must state the purpose of the meeting and must be signed by the members serving the requisition. It must be deposited at the charity's registered office.
- (c) The Board of Trustees must within 21 days after such a requisition being served, give notice of a General Meeting. The date of the meeting must be not more than four weeks after the date of the notice.
- (d) If the Board of Trustees does not call a meeting within 21 days after one has been requisitioned, one-half or more of the members who requisitioned it may themselves call the meeting. A meeting called in this way must be held within three months after the period of 21 days mentioned above has elapsed. Any reasonable expenses incurred by those calling a meeting because the Board of Trustees have failed to do so shall be repaid to them by the charity.

## **NOTICE OF GENERAL MEETINGS**

11. Subject to the provisions for meetings being held on short notice in paragraphs (a) and (b) below:
- (a) Not less than 21 clear days' notice is required to call an Annual General Meeting or a General Meeting which has been called for the passing of a special resolution or a resolution appointing a person as a member of the Board of Trustees;
- (b) Not less than 14 clear days' notice is required to call any other General Meeting.
12. A General or Annual General Meeting may be called on shorter notice if this is agreed in writing by the members who are entitled to attend and vote at the meeting, being a majority who together hold not less than 90 percent of the total voting rights.
13. A notice calling a General or Annual General Meeting must be in writing, or in electronic form, and must specify the date, time and place of the meeting, the general nature of

the business to be transacted. The notice must also contain a statement setting out the right of members to appoint a proxy under section 324 of the Companies Act 2006 and Article 22.

14. If any special or extraordinary resolution is to be proposed, the exact wording of that resolution must be stated in the notice.

15. The notice must be given to all the members who are entitled to attend the meeting and to the members of the Board of Trustees and the auditors. The notice may be given to a member personally or by sending it by post to the member at his / her, or if it is an organisation, its address as shown in the register of members or by delivering it by hand to that address. A notice sent by post is deemed to have been delivered 48 hours after it was posted, unless this is proved not to be the case.

16. Proof that an envelope containing the notice was properly addressed, prepaid and posted is conclusive evidence that the notice was given and a member who attends a meeting is deemed to have received notice of the meeting and of the purposes for which it was called.

17. The accidental omission to give notice of a meeting to any person entitled to receive notice, or the fact that any such person has not received the notice, does not invalidate the proceedings at that meeting.

#### **QUORUM AT GENERAL MEETINGS**

18. No business may be transacted at any General Meeting unless a quorum is present. The quorum is one-quarter of those persons who are entitled to attend and vote or one tenth of the total membership at the time, whichever is the greater. A member, corporate representative or proxy who is not entitled to vote on the business to be transacted does not count as part of the quorum while that business is being transacted.

19. The persons who are entitled to attend and vote are:

(a) any member who has voting rights; and

(b) any representative of a corporate member which has voting rights.

20. If a quorum is not present within half an hour after the time set for the start of the meeting, or if during a meeting a quorum ceases to be present, the meeting must be adjourned to such reasonable time and place as the Board of Trustees decide.

21. The Board of Trustees must reconvene the meeting and must give at least seven clear days' notice of the reconvened meeting stating the date, time and place of the meeting. If no quorum exists within 15 minutes of the time specified for the start of the reconvened meeting the members present in person or by proxy at that time shall constitute the quorum of the meeting.

## **CHAIRING THE MEETING**

22. General Meetings shall be chaired by the person who has been appointed to chair the Board of Trustees. If the charity does not have a Chairperson, or the Chairperson is absent, the Deputy Chairperson, if present, will take the meeting. If the Deputy Chairperson is not present then members of the Board of Trustees present may appoint one of their number to chair the meeting. If no member of the Board of Trustees is present within fifteen minutes after the time for the start of the meeting, or if no member of the Board of Trustees is willing to act, the members present shall elect one of their number to chair the meeting.

## **ADJOURNMENT**

23. A General Meeting may be adjourned by an ordinary resolution. No business may be transacted at a reconvened meeting except business, which might properly have been transacted at the original meeting. If a meeting is adjourned for seven days or more, at least seven days' notice of the adjourned meeting must be given. Otherwise no notice of an adjourned meeting need be given. Notice of an adjourned meeting must be given in the same manner and contain the same information as the notice of any other General Meeting.

## **VOTING**

24. A resolution put to the vote of meeting shall be decided on a show of hands unless a poll is duly demanded.

25. A poll may be demanded by:

- (a) the Chairperson, or by any two voting members, in person or by proxy, and having the right to vote at the meeting; or by a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting. The demand for a poll must be made no later than the declaration of the result of the vote on a show of hands.
- (b) If a poll is demanded, it must be taken in accordance with any Rules made by the charity in accordance with these Articles or, if there are no Rules, which apply, in such manner as the Chairperson directs.
- (c) The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded.
- (d) The result of the vote must be recorded in the minutes but the number or proportion of votes need not.
- (e) The person who is chairing the meeting may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll.

- (f) A demand for a poll may be withdrawn, before the poll is taken, but only with the consent of the person who is chairing the meeting. If it is withdrawn the demand shall not invalidate the result of a show of hands declared before the demand was made.

26. A poll demanded on the election of a Chairperson or on a question of adjournment must be taken immediately. A poll demanded on any other question must be taken either straight away or at such time and place as the Chairperson directs, provided this is not more than 30 days after the poll is demanded.

27. No notice need be given of a poll not taken straight away if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven days' notice must be given specifying the time and place at which the poll is to be taken.

### **PROXY NOTICES**

28. Proxies may only validly be appointed by a notice in writing (a 'proxy notice') which:

- (a) States the name and address of the member appointing the proxy.
- (b) Identifies the person appointed to be that member's proxy and the General Meeting in relation to which that person is appointed.
- (c) Is signed by or on behalf of the member appointing the proxy, or is authenticated in such a manner as the Board of Trustees may determine.
- (d) Is delivered to the charity in accordance with the Articles and any instructions contained in the notice of the General Meeting to which they relate.
- (e) The charity may require proxy notices to be delivered in a particular form and may specify different forms for different purposes.
- (f) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

29. Unless a proxy notice indicates otherwise, it must be treated as allowing the person appointed under it discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and appointing that person as a proxy in relation to any adjournment of the General Meeting to which it relates as well as the meeting itself.

### **Delivery of Proxy Notices**

30. (a) A person entitled to attend, speak or vote (either on a show of hands or on a poll) at a General Meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the charity by or on behalf of that person.

(b) An appointment under a proxy notice may be revoked by delivering to the charity a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

(c) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

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

## **WRITTEN RESOLUTIONS**

31. A resolution in writing agreed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the members who would have been entitled to vote on the resolution is as valid and effective as if it had been passed at a General Meeting provided that:

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

32. Such a written resolution may comprise several copies to which one or more members have signified their agreement. In the case of an organisation, its authorised representative may signify its agreement. The member organisation must give written notice to the charity of the name of its representative.

## **VOTING RIGHTS**

33. If different classes of members are established, the voting rights of each class of members must be set out in the Rules.

34. Subject to Article 33 above every member, whether an individual or an organisation, shall have one vote. Any objection to the qualification of any voter must be raised at the meeting at which the vote is tendered and the decision of the person chairing the meeting is final.

## **BOARD OF TRUSTEES**

35. A Trustee must be a person aged 16 years or older and no one may be appointed if he / she would be disqualified from acting under the provisions of Article 47.



36. The minimum number for the Board of Trustees must be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

## **APPOINTMENT AND RETIREMENT OF TRUSTEES**

37. The first Trustees shall be those persons notified to Companies House as the first Trustees of the charity. A Trustee may not appoint an alternate Trustee or anyone to act on his / her behalf at meetings of the Board of Trustees.

38. At the first Annual General Meeting all of the Trustees must retire from office unless by the close of the meeting the members have failed to elect sufficient Trustees to hold a quorate meeting of the Trustees. At subsequent Annual General Meetings Trustees must retire by rotation in multiples of three commencing with those who have been longest in office. If more than three Trustees became or were appointed Trustees on the same day then those who must retire shall be determined by lot (unless otherwise agreed among themselves). If there is only one Trustee in office at the time of the Annual General Meeting, he / she must retire.

39. If a Trustee is required to retire at an Annual General Meeting by a provision in the Articles, the retirement shall take effect upon the conclusion of the meeting.

40. A member of the Board of Trustees who retires at an Annual General Meeting may be reappointed if he / she is willing to act. If he / she is not reappointed, he / she remains in office until the end of the meeting. If the charity does not fill any vacancy made by a person retiring in accordance with this Article, the person retiring, if willing to act, is deemed to have been reappointed unless the meeting resolves not to fill the vacancy or a resolution for the reappointment of the member of the Board of Trustees is put to the meeting and lost.

41. Subject to Article 43 below, the charity may by ordinary resolution appoint a person who is willing to act to be a member of the Board of Trustees either to fill a vacancy or as an additional member of the Board of Trustees.

42. The charity may determine the rotation in which any additional Trustees are to retire in accordance with the Board of Trustees Terms of Reference which comply with the charities Articles of Association.

43. No person may be appointed or reappointed a member of the Board of Trustees at any General Meeting unless:

(a) he / she is recommended for re-election by the Board of Trustees; or

(b) not less than fourteen nor more than 35 clear days before the date of the meeting the charity is given a notice that:

(i) is signed by a member entitled to vote at the meeting;

- (ii) states the member's intention to propose the appointment of a person as Trustee;
- (iii) contains the details that if the person were to be appointed the charity would have to file at Companies House; and
- (iv) is signed by the person who is to be proposed to show his / her willingness to be appointed.

44. Not less than seven nor more than 28 clear days before the date of the meeting notice must be given, to all who are entitled to receive notice of the meeting, containing details of every person who is recommended by the Board of Trustees or nominated in accordance with the above provisions for appointment as a member of the Board of Trustees at the meeting, other than a Trustee who is to retire by rotation.

#### **CO-OPTION BY THE BOARD OF TRUSTEES**

45. The Board of Trustees may appoint a person who is willing to act to be a member of the Board of Trustees, either to fill a vacancy or as an additional member of the Board of Trustees, provided that the appointment does not cause the number of members of the Board of Trustees to exceed the maximum number of Board of Trustees. A member of the Board of Trustees so appointed may hold office only until the next Annual General Meeting. If not reappointed at that Annual General Meeting, he / she ceases to be a member of the Board of Trustees at the end of the meeting.

#### **DISQUALIFICATION AND REMOVAL OF TRUSTEES**

##### **Removal**

46. The charity may by ordinary resolution remove any member of the Board of Trustees before the expiration of his / her period of office. Grounds for removal must be recorded in the minutes.

47. A person ceases to be a member of the Board of Trustees if:

- (a) he / she ceases to be a member of the Board of Trustees by virtue of any provision of the Companies Act or becomes prohibited by law from being a director of a company;
- (b) he / she is disqualified from acting as a Trustee by virtue of sections 178 and 179 of the Charities Act 2011 (or any statutory re-enactment or modification of those provisions);
- (c) he / she becomes bankrupt or makes any arrangement or composition with her/his creditors generally;
- (d) he / she resigns by notice to the charity;

- (e) he / she has been absent without the permission of the Trustees from meetings of the Board of Trustees for more than six consecutive months and the Board of Trustees resolve that his / her office be vacated; or
- (f) in the written opinion, given to the charity, of a registered medical practitioner treating that person, he / she has become physically or mentally incapable of acting as a Trustee and may remain so for more than three months.

## **REMUNERATION OF TRUSTEES**

48. Trustees must not receive any remuneration unless, at the discretion of the Board of Trustees, it is approved as appropriate reimbursement for reasonable out of pocket expenses properly incurred by them in connection with their attendance at meetings of the Board of Trustees, General meetings of the charity or otherwise in connection with the necessary discharge of their duties.

## **POWERS OF THE BOARD OF TRUSTEES**

49. The business of the charity shall be managed by the Board of Trustees who may exercise all the powers of the charity, subject only to the provisions of the Companies Act, the Memorandum and Articles, to any Rules or Terms of Reference made in accordance with these Articles and to any directions given by special resolution of the General Meeting.

50. No alteration of the Memorandum or Articles, or any special resolution and no Rule or direction, shall invalidate any prior act of the Board of Trustees which would have been valid if that alteration or Rule had not been made or that direction had not been given.

51. Any meeting of the Board of Trustees at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the Trustees.

52. In the exercise of their powers and in the management of the business and affairs of the charity generally the members of the Board of Trustees must always be mindful of the fact that they are charity trustees within the definition of section 177 of the Charities Act 2011 as the persons having the general control and management of the administration of a charity. They must act in the way he / she considers, in good faith, would be most likely to achieve the Objects of the charity as set out in section 172 of the Companies Act 2006.

## **MEETINGS OF THE BOARD OF TRUSTEES**

53. Subject to the provisions of the Articles and any Rules or Terms of Reference, the Board of Trustees may regulate their meetings and procedures as they think fit, subject to the provisions of the Articles.

### **Calling Meetings**

54. Any member of the Board of Trustees may call a meeting of the Board of Trustees. The Secretary must call a meeting, if so requested by any member of the Board of Trustees.

### **Voting**

55. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the Chairperson shall have a second or casting vote.

### **Quorum**

56. No decision may be made at a meeting of the Board of Trustees unless a quorum is present. 'Present' includes being present by suitable electronic means agreed by the Trustees. The quorum is three or the number nearest to one-third of the total number of Trustees, whichever is the greater, or such larger number as may be decided from time to time by the Trustees.

57. If at any time the number of members of the Board of Trustees is less than the minimum number, the continuing members of the Board of Trustees may continue to act, but if the number of members of the Board of Trustees is less than the number fixed as the quorum, the continuing members of the Board of Trustees (even if there is only one) may act for the purpose of filling vacancies or of calling a General Meeting, but for no other purpose.

### **Chairperson**

58. The Trustees shall appoint a Trustee to chair their meetings and may at any time revoke such an appointment.

59. The Chairperson presides at every meeting of Board of Trustees at which he / she is present. If he / she is not present within ten minutes after the time for the start of the meeting, the Deputy Chairperson if present will take the meeting. If the Deputy Chairperson is not present then members of the Board of Trustees present may appoint one of their number to chair the meeting.

60. The Chair of the Board of Trustees shall have no functions or powers except those conferred by the Articles or delegated to him / her by the Trustees.

### **VALIDITY OF BOARD OF TRUSTEES ACTS**

61. Subject to Article 62, all acts carried out by a meeting of the Board of Trustees, or of a committee of the Board, shall be valid notwithstanding that a Trustee who participated in a vote at that meeting:

(i) was disqualified from holding office;

(ii) had previously retired or had vacated office, or was obliged to vacate office;

or

- (iii) was not entitled to vote on the matter, whether by reason of a conflict of interest or otherwise

if without the vote of that Trustee the decision would have been made by a majority of the Trustees at a meeting which would have been quorate.

62. Article 61 does not, however, permit a Trustee or a connected person to keep any benefit that may be conferred upon him or her by a resolution of the Trustees or of a committee of Trustees if, but for Article 61, the resolution would have been void, or if the Trustee has not complied with Article 64.

## **WRITTEN RESOLUTIONS**

63. A resolution in writing, or in electronic form, agreed by all the members of the Board of Trustees entitled to receive notice of a meeting of the Board of Trustees is as valid and effectual as if it had been passed at a meeting duly convened and held and may consist of several identical documents each signed by one or more members of the Board of Trustees.

## **CONFLICTS OF INTEREST**

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

65. A member of the Board of Trustees may not vote at a meeting of the Board of Trustees or of a committee of the Board of Trustees on any resolution concerning a matter in which he / she has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the charity, and if he / she does vote his / her vote must not be counted.

66. For the purposes of this Article, an interest of a person who is, for any purpose of the Companies Act connected with a member of the Board of Trustees shall be treated as an interest of the member of the Board of Trustees.

67. A member of the Board of Trustees must not be counted in the quorum present at a meeting in relation to a resolution on which he /she is not entitled to vote.

68. If a question arises at a meeting of the Board of Trustees or of a committee of the Board of Trustees as to the right of a member of the Board of Trustees to vote, the Chairperson's decision is final.

## **DELEGATION OF POWERS**

69. The Board of Trustees may delegate to a committee of any two or more of its members the transaction of any business or the performance of any act required to be transacted or performed in the execution of the trusts of the Charity and which is within the professional or business competence of any of its members acting on their behalf under this provision and must ensure that all their acts and proceedings are fully and promptly reported to them.

70. The Board of Trustees may impose conditions when delegating including the conditions that the relevant powers are to be exercised exclusively by the committee to whom they delegate and no expenditure may be incurred on behalf of the charity except in accordance with a budget previously agreed by the Board of Trustees. All acts and proceedings of any committees must be fully and promptly reported to the full Board of Trustees.

71. The Board of Trustees may revoke or alter a delegation.

## **APPOINTMENT OF OFFICERS**

72. At the first meeting of the Board of Trustees held after the first Annual General Meeting the Board of Trustees shall appoint from among their number a Chairperson, a Secretary and a Treasurer and such other officers as they think fit. Officers may serve for a term of up to three years but may be reappointed by the Board of Trustees at the end of that term if they are willing to continue to serve in that office and still remain a Trustee.

## **APPOINTMENT OF MANAGERS, EMPLOYEES AND AGENTS**

73. The Board of Trustees may appoint managers and other employees and decide on their powers, duties and terms of service, provided that no member of the Board of Trustees may be appointed to any office of the charity paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the charity.

74. The Board of Trustees may appoint any person to be the agent of the charity for any purpose and subject to any conditions imposed by them. The delegation may be in writing or by power of attorney. The delegation may permit the agent to delegate all or any of her / his powers.

## **BENEFITS AND PAYMENTS TO TRUSTEES AND CONNECTED PERSONS**

75. At the discretion of the Board of Trustees only, Trustees may be paid all reasonable out of pocket expenses properly incurred by them in connection with their attendance at Board meetings, or committees of the Board of Trustees, General Meetings of the charity or otherwise in connection with the discharge of their duties.

76. Subject to clause 75 above, no member of the Board of Trustees or person connected to that member may:

- (a) Buy any goods or services from the charity on terms preferential to those applicable to members of the public.
- (b) Sell goods, services, or other interest in land to the charity.
- (c) Be employed by or receive any remuneration from the charity.
- (d) Receive any other financial benefit from the charity.

77. A financial benefit means a benefit, direct or indirect which is either money or has a monetary value.

#### **Scope and Powers permitting Trustees' or Connected Persons' Benefits**

78. (a) A Trustee or connected person may receive a benefit from the charity in the capacity of a beneficiary of the charity provided that the majority of the Trustees do not benefit in this way and the benefit is in the interests of the charity.

(b) A Trustee or connected person may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the charity where that is permitted in accordance with, and subject to the conditions in, sections 185 and 186 of the Charities Act 2011.

(c) Subject to Article 79 a Trustee or connected person may provide the charity with goods that are not supplied in connection with services provided to the charity by the Trustee or connected person.

(d) A Trustee or connected person may receive interest on money lent to the charity at a reasonable and proper rate which must be not more than the Bank of England bank rate (also known as the base rate).

(e) A Trustee or connected person may receive rent for premises let by the Trustee or connected person to the charity. The amount of the rent and the other terms of the lease must be reasonable and proper. The Trustee concerned must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.

(f) A Trustee or connected person may take part in the normal trading and fundraising activities of the charity on the same terms as members of the public.

### **Payment for supply of goods only – controls**

79. The charity and its Trustees may only rely upon the authority provided by Article 78 (c) if each of the following conditions is satisfied:

(a) The amount or maximum amount of the payment for the goods is set out in an agreement in writing between the charity or its Trustees (as the case may be) and the

Trustee or connected person supplying the goods ('the supplier') under which the supplier is to supply the goods in question to or on behalf of the charity.

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

(c) The other Trustees are satisfied that it is in the best interests of the charity to contract with the supplier rather than with someone who is not a Trustee or connected person. In reaching that decision the Trustees must balance the advantage of contracting with a Trustee or connected person against the disadvantages of doing so.

(d) The supplier is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with him / her or it with regard to the supply of goods to the charity.

(e) The supplier does not vote on any such matter and is not to be counted when calculating whether a quorum of Trustees is present at the meeting.

(f) The reason for their decision is recorded by the minutes of the Trustees meeting.

(g) A majority of the Trustees then in office are not in receipt of remuneration or payments authorised by Article 76.

### **AUDITORS**

80. The Board of Trustees must ensure that the charity complies with the requirements of the Companies Act and any other statutory provision, which applies, to the charity with regard to the appointment of auditors and all provisions relating to the auditors' functions in relation to the charity.

### **MINUTES**

81. The Board of Trustees must ensure that minutes are made:

(a) of all appointments of members of the Board of Trustees and Officers; and



(b) of all proceedings at Annual and General Meetings of the charity and meetings of the Board of Trustees. This must include:

- (i) the names of the members / Trustees present;
- (ii) the decisions made at the meetings; and
- (iii) where appropriate, the reasons for the decisions.

## **THE CHARITY SEAL**

82. The Board of Trustees may decide from time to time whether the charity shall have a seal. If the charity has a seal it must only be used only with the authority of the Board of Trustees. The Board of Trustees may determine who is to sign any document issued under seal. Unless the Board of Trustees decide otherwise a document issued under seal must be signed by a member of the Board of Trustees and by the secretary or by any two members of the Board of Trustees.

## **ACCOUNTS**

83. The charity must keep such accounting records as are required by the Companies Act and any other statutory provisions which affect the charity. The accounts must be prepared to show a true and fair view and follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practice. No member has any right to inspect any accounting records or other book or document of the charity except as conferred by statute or authorised by the Board of Trustees or by ordinary resolution of the General Meeting.

## **ANNUAL REPORT AND RETURN AND REGISTER OF CHARITIES**

84. The Trustees must comply with the requirements of the Charities Act 2011 with regard to the:

(a) transmission of a copy of the statements of accounts to the Commission;

(b) preparation of an Annual Report and the transmission of a copy to the Commission;  
and

(c) preparation of an Annual Return and the transmission of a copy to the Commission.

85. The Trustees must notify the Commission promptly of any changes to the charity's entry on the Central Register of Charities.

## **NOTICES**

86. Any notice required by these Articles to be given to or by any person (other than a notice calling a meeting of the Board of Trustees) must be in writing or in suitable electronic format.

87. The charity may give any notice to a member either;

(a) personally;

(b) by sending it by post in a prepaid envelope addressed to the member at his / her address;

(c) by leaving it at the address of the member;

(d) by giving it in electronic form to the member's postal address, fax number, email address or a telephone number for receiving text messages; or

(e) by placing the notice on a website and providing the person with a notification in writing or in electronic form of the notice on the website. The notification must state that it concerns a notice of a General Meeting and must specify the place, date and time of the meeting.

88. A member who does not register an address with the charity or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the charity.

89. A member present in person at any meeting of the charity shall be deemed to have received notice of the meeting and the purposes for which it was called.

90. Proof that an envelope containing a notice was properly addressed, prepaid and posted or that an electronic form of notice was given shall be conclusive evidence that the notice was given. In accordance with section 1147 of the Companies Act 2006 notice shall be deemed to be given 48 hours after the envelope containing it was posted or, in the case of an electronic communication, 48 hours after it was sent.

## **INDEMNITY**

91. Subject to the provisions of section 232 to 234 of the Companies Act 2006, a relevant Trustee, officer and auditor of the charity shall be indemnified out of the assets of the charity against any liability incurred by him / her in defending any proceedings (civil or criminal) in which judgment is given in his / her favour or in which he / she is acquitted or in connection with any application in which relief is granted to him / her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the charity. This provision applies without prejudice to any other indemnity to which a member of the Board of Trustees may be entitled.

92. In this Article 'relevant Trustee' means any Trustee or former Trustee of the charity acting on behalf of the charity.

## **RULES**

93. (a) The Trustees may from time to time make Rules, as they deem necessary or expedient for the proper conduct and management of the charity.

(b) Without prejudice to the generality of the above, the Rules may prescribe different classes of membership, including the establishment of patrons, and the rights, privileges and obligations of such classes, and may include Rules for the conduct of members, entrance fees, the use of the charity's assets and facilities, the procedures at General Meetings and meetings of the members of the Board of Trustees, and the admission, suspension, expulsion and general regulation of members.

(c) The charity in General Meeting has the power to alter, add to or repeal the Rules.

(d) The Trustees must adopt such means as they think sufficient to bring the Rules to the notice of members of the charity.

(e) The Rules shall be binding on all members of the charity. No Rule shall be inconsistent with, shall affect or repeal anything contained in the Memorandum or Articles of the charity or any provision of law.

## **DISPUTES**

94. If a dispute arises between members of the charity about the validity or propriety of anything done by members of the charity under these Articles, and the dispute cannot be resolved by agreement, the parties to the dispute must first try in good faith to settle the dispute by mediation before resorting to litigation.

## **INTERPRETATION**

95. In these Articles:

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

"The Memorandum" means the charity's Memorandum of Association.

"The Articles" means the charity's Articles of Association.

"The Companies Act" means the Companies Acts (as defined in section 2 of the Companies Act 2006) in so far as they apply to the charity, including any statutory amendment or re-enactment of it when in force.

"The Commission" means the Charity Commission for England and Wales.

"The charity" means the Company intended to be regulated by the Articles.

"The Director(s)" or "Trustees" mean the directors of the charity. Directors are the charity Trustees as defined by section 177 of the Charities Act 2011.

"The area of benefit" is the City of Newcastle upon Tyne, Tyneside and adjacent local authority areas.

"The Articles" means these Articles of Association of the charity.

"document" includes, unless otherwise stated, any document sent or supplied in electronic form.

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

"Clear days" in relation to the period of a notice means that period excluding the day when the notice is given (or deemed to be given) and the day for which it is to take effect.

"Executed" includes any mode of execution.

"Office" means the registered office of the charity.

"Rules" means any Rules made by the General Meeting in accordance with these Articles.

"The seal" means the common seal of the charity.

"Secretary" means the secretary of the charity or any other person appointed to perform the duties of the secretary of the charity, including a joint, assistant or deputy secretary.

"The United Kingdom" means Great Britain and Northern Ireland.

"connected person" referred to in Articles 62 and 75 – 79 means:

- (i) a child, parent, grandchild, grandparent, brother or sister of the Trustee;
- (ii) the spouse or civil partner of the Trustee or of any person falling within sub-clause (i) above;
- (iii) a person carrying on business in partnership with the Trustee or with any person falling within sub-clause (i) or (ii) above;
- (iv) an institution which is controlled:

- (a) by the Trustee or any connected person falling within sub-clause (i), (ii), or (iii) above; or
  - (b) by two or more persons falling within sub-clause (iv)(a), when taken together;
- (v) a body corporate in which:
  - (a) the Trustee or any connected person falling within sub-clauses (i) to (iii) has a substantial interest; or
  - (b) two or more persons falling within sub-clause (v)(a) who, when taken together, have a substantial interest.
  - (c) Sections 350 – 352 of the Charities Act 2011 apply for the persons of interpreting the terms used in this Article.

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

Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Companies Act but excluding any statutory modification thereof not in force when these regulations became binding on the charity.

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