

**Document A**

**Company limited by guarantee no.01859070**

**Incorporated 26 October 1984**

**Registered charity no.292579**

**Companies Acts 1985 to 2006**

**Company limited by guarantee**

## **ARTICLES OF ASSOCIATION**

**of**

**Pathways to Independence Ltd (formerly HOPE (Kent) Limited)**

**Adopted by special resolution passed on 19<sup>th</sup> January 2021**

WEDNESDAY



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1. **NAME**

1.1 The name of the company is Pathways to Independence Limited (formerly HOPE (Kent) Limited), referred to in these articles as the charity.

1.2 The name may be changed by resolution of the **trustees**.

2. **REGISTERED OFFICE**

The registered office is in England.

3. **OBJECTS**

3.1 The Objects of the charity are to provide support and relief, including rehabilitation from the causes and effects of poverty, homelessness, illness and criminal behaviour for persons aged 16 and over in the county of Kent and surrounding area by providing or assisting in the provision of accommodation, education, training for employment, advice and counselling and other supportive facilities for such persons.

3.2 This provision may be amended by **special resolution** but only with the prior written consent of the **Commission**.

4. **POWERS**

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

4.1 to provide advice or information;

4.2 to carry out research;

4.3 to co-operate with other bodies;

4.4 to support, administer or set up other charities;

4.5 to accept gifts and to raise funds (but not by means of **taxable trading**);

4.6 to borrow money;

4.7 to give security for loans or other obligations (but only in accordance with the restrictions imposed by the **Charities Act**);

4.8 to acquire or hire property of any kind;

4.9 to let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act);

4.10 to set aside funds for special purposes or as reserves against future expenditure;

4.11 to deposit or invest its funds in any manner (but to invest only after obtaining such advice from a **financial expert** as the trustees consider necessary and having regard to the suitability of investments and the need for diversification);

- 4.12 to delegate the management of investments to a financial expert, but only on terms that:
- (1) the investment policy is set down **in writing** for the financial expert by the trustees;
  - (2) timely reports of all transactions are provided to the trustees;
  - (3) the performance of the investments is reviewed regularly with the trustees;
  - (4) the trustees are entitled to cancel the delegation arrangement at any time;
  - (5) the investment policy and the delegation arrangement are reviewed at least once a year;
  - (6) all payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the trustees on receipt; and
  - (7) the financial expert must not do anything outside the powers of the charity;
- 4.13 to arrange for investments or other property of the charity to be held in the name of a **nominee company** acting under the direction of the trustees or controlled by a financial expert acting under their instructions, and to pay any reasonable fee required;
- 4.14 to deposit documents and physical assets with any company registered or having a place of business in England or Wales as **custodian**, and to pay any reasonable fee required;
- 4.15 to insure the property of the charity against any foreseeable risk and take out other insurance policies to protect the charity when required;
- 4.16 subject to article 13 to employ paid or unpaid agents, staff or advisers;
- 4.17 to enter into contracts to provide services to or on behalf of other bodies;
- 4.18 to establish or acquire subsidiary companies;
- 4.19 to acquire, merge with or enter into any partnership or joint venture arrangements with any other charity;
- 4.20 to do anything else within the law which promotes or helps to promote the Objects.

## **5. MEMBERSHIP**

- 5.1 The charity must maintain a register of **members** containing name, postal address, date of becoming a member and date of ceasing to be a member.
- 5.2 On the date of adoption of these articles, Social Interest Group (charity registration number 1158402) shall become the sole member of the charity, and any member who has been a member of the charity prior to that date shall automatically cease to be a member. No other person may be admitted to membership of the charity at any time.
- 5.3 The sole member as an organisation has the right to appoint a representative. At any time giving notice in writing to the charity, the member can cancel the appointment of its representative and appoint another instead. The member must confirm the name of its

representative at the charity's request. The representative has the right to attend, vote and speak at general meetings of the charity and any vote given shall be valid unless prior to the vote the charity receives written notice ending the representative's authority.

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## **6. GENERAL MEETINGS AND RESOLUTIONS**

### **Annual general meeting**

6.1 A general meeting must be held once in each calendar year as the **AGM**. No more than 15 months may elapse between one AGM and the next.

6.2 At the AGM members must:

- (a) receive the accounts of the charity for the previous **financial year**;
- (b) receive a written report on the charity's activities;
- (c) be informed of the retirement of those trustees who wish to retire or who are retiring by rotation;
- (d) elect trustees to fill the vacancies arising;
- (e) appoint an independent examiner or auditors for the charity.

### **Extraordinary general meetings**

6.3 Other general meetings may be called by the trustees at any time and must be called within 21 days of a written request from one or more trustees, or at least 5% of the membership.

### **Notice**

6.4 General meetings are called on at least **14 clear days'** written notice indicating the business to be discussed and the terms of any proposed special resolution.

### **Meetings held by electronic means**

6.5 A general meeting may be held either in person or by suitable **electronic means** agreed by the members in which all participants may communicate with all the other participants.

### **Proxies**

6.6 Members are entitled to attend general meetings in person or by proxy.

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

- (a) states the name and postal 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 manner as the trustees may determine; and
  - (d) is delivered to the charity in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- 6.8 The trustees may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 6.9 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.
- 6.10 Unless a proxy notice indicates otherwise, it must be treated as:
- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - (b) 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.
- 6.11 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the charity by or on behalf of that person.
- 6.12 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.
- 6.13 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.
- 6.14 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.

#### **Quorum**

- 6.15 A quorum for a general meeting is one member present in person or by proxy or by its authorised representative.

#### **Proceedings at general meetings**

- 6.16 General meetings are chaired by the person who has been appointed to chair meetings of the trustees.
- 6.17 If there is no such person or he or she is not present within 15 minutes of the time appointed for the meeting, a trustee nominated by the trustees shall chair the meeting.
- 6.18 Except where otherwise provided by the articles or the Companies Act, every issue is decided by **ordinary resolution**.

- 6.19 Every member present in person or by proxy has one vote on each issue.
- 6.20 In the case of an equality of votes, the person chairing the meeting is entitled to a second or casting vote.
- 6.21 Members may from time to time discuss and determine any issues of policy or deal with any other business put before them by the trustees.

#### **Written resolutions**

- 6.22 Except where otherwise provided by the articles or the **Companies Act**, a **resolution in writing** (whether an ordinary or a special resolution) is as valid as an equivalent resolution passed at a general meeting. For this purpose the resolution in writing may be set out in more than one document.

#### **Validity of resolutions**

- 6.23 A technical defect in the appointment of a member of which the members are unaware at the time does not invalidate a decision taken at a general meeting or a written resolution.

### **7. LIMITED LIABILITY**

The liability of members is limited.

### **8. GUARANTEE**

Every member promises, if the charity is dissolved while he or she remains a member or within one year after he or she ceases to be a member, to pay up to £1 towards:

- 8.1 payment of those debts and liabilities of the charity incurred before he or she ceased to be a member;
- 8.2 payment of the costs, charges and expenses of winding up; and
- 8.3 the adjustment of rights of contributors among themselves.

### **9. BOARD OF TRUSTEES**

- 9.1 The trustees as **charity trustees** have control of the charity and its property and funds.
- 9.2 Trustees shall be appointed at any time by Social Interest Group as the sole member, whether in writing or in a meeting.
- 9.3 There shall be at least three and not more than 6 trustees who are aged 18 or over, all of whom must support the Objects.
- 9.4 A trustee shall serve for a term of three years from the date of their appointment before retiring. A retiring trustee may be re-appointed for further terms of three years. A trustee's period of service prior to the date of the adoption of these articles shall count when calculating a trustee's period of service.
- 9.5 For the avoidance of doubt the initial trustees from the date of adoption of these articles will be Karl Marlowe, Lindsey Wishart, Rami Bibi, Dylan Kerr and Stuart Jenkin.

9.6 A trustee may not act as a trustee unless he or she has signed a written declaration of willingness to act as a charity trustee of the charity.

9.6 A trustee's term of office as such automatically terminates if he or she:

- (a) is convicted upon indictment of an offence unless and until quashed on appeal, unless the other trustees by unanimous decision consider the offence to be so minor as not to warrant termination of trusteeship;
- (b) ceases to be a company director by virtue of any provision in the Companies Act or is prohibited by law from being a director;
- (c) is disqualified under the Charities Act from acting as a charity trustee;
- (d) is incapable, whether mentally or physically, of managing his/her own affairs;
- (e) is absent without permission from three meetings of the trustees between one AGM and the next;
- (f) resigns by written notice to the trustees (but only if at least two trustees will remain in office); or
- (g) is removed by the trustees for having undertaken activities which are contrary to the interests of the charity and/or are seen as detrimental to achieving the objects of the charity, but this may be done only after the trustee is given an opportunity to make representations to the other trustees;
- (h) is removed by the members at a general meeting, under the Companies Act.

9.7 A technical defect in the appointment of a trustee of which the trustees are unaware at the time does not invalidate decisions taken at a meeting.

## 10. PROCEEDINGS OF THE TRUSTEES

10.1 The trustees must hold at least three meetings each year.

10.2 Any trustee may call a meeting of the trustees, and the secretary (if any) must call a meeting of the trustees if requested to do so by a trustee.

10.3 A quorum at a meeting of the trustees is two trustees or one-third (or the number nearest one-third) of the trustees, whichever is greater. A **conflicted trustee** who has not been authorised to vote on an item of business under the provisions in article 13.7 is not counted towards the quorum for that business.

10.4 A meeting of the trustees may be held either in person or by suitable **electronic means** agreed by the trustees in which all participants may communicate with all the other participants, but at least one meeting in each year must be held in person.

10.5 The **chairperson** or (if the chairperson is unable or unwilling to do so) some other trustee chosen by the trustees present presides at each meeting of the trustees.

10.6 Any issue may be determined by a simple majority of the votes cast at a meeting.



10.7 Every trustee has one vote on each issue but, in case of equality of votes, the chairperson of the meeting has a second or casting vote.

10.8 A **resolution in writing** agreed by a majority of the trustees (other than any **conflicted trustee** who has not been authorised to vote under the provisions in article 13.7) is as valid as a resolution passed at a meeting. For this purpose the resolution may be contained in more than one document.

10.9 A procedural defect of which the trustees are unaware at the time does not invalidate decisions taken at a meeting.

## 11. TRUSTEES' POWERS

The trustees have the following powers in the administration of the charity in their capacity as Trustees:

11.1 To appoint and remove any person (who may be a trustee) to act as **secretary** in accordance with the Companies Act.

11.2 To appoint a chairperson, a treasurer and other honorary officers from among their number.

11.3 To delegate any of their functions to committees consisting of two or more individuals appointed by them or co-opted by the committee, and to set the quorum for each committee. At least half the members of every committee must be trustees and all proceedings of committees must be reported promptly to the trustees.

11.4 To make rules consistent with the articles and the Companies Act to govern proceedings at general meetings, meetings of the trustees and committees, and to govern the administration of the charity and the use of its seal (if any).

11.5 To establish procedures to assist the resolution of disputes or differences within the charity.

11.6 To exercise any powers of the charity which are not reserved to the members.

## 12. PATRONS

The trustees may confer on any individual, with his or her consent, the honorary title of patron of the charity, and shall determine the privileges, if any, of patrons.

## 13. BENEFITS AND CONFLICTS OF INTEREST

13.1 Subject to the provisions below, the property and funds of the charity must be used only for promoting the Objects and do not belong to the members.

13.2 Members who are not trustees or **connected persons** may be employed by or enter into contracts with the charity and receive reasonable payment for goods or services supplied.

13.3 Subject to compliance with article 13.5 members, trustees and connected persons:

(a) may be paid interest at a reasonable rate on money lent to the charity;

(b) may be paid a reasonable rent or hiring fee for property let or hired to the charity;  
and

- (c) may receive charitable benefits on the same terms as any other **beneficiaries**.
- 13.4 A trustee must not receive any payment of money or other material benefit (whether directly or indirectly) from the charity except:
- (a) as mentioned in articles 13.3 or 13.5;
  - (b) reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in running the charity;
  - (c) the benefit of **indemnity insurance** as permitted by the Charities Act;
  - (d) an indemnity in respect of any liabilities properly incurred in running the charity (including the costs of a successful defence to criminal proceedings);
  - (e) in exceptional cases, other payments or benefits (but only with the written consent of the Commission in advance and where required by the Companies Act the approval or affirmation of the members).
- 13.5 No trustee or connected person may be employed by the Charity or be paid for serving as a trustee of the charity except in accordance with article 13.4(e). But any trustee or connected person may enter into a written contract with the charity, as permitted by the Charities Act, to supply goods or services in return for a payment or other material benefit but only if:
- (a) the goods or services are actually required by the charity, and the trustees decide that it is in the best interests of the charity to enter into such a contract;
  - (b) the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services and is set in accordance with the procedure in article 13.7; and
  - (c) no more than half of the trustees are subject to such a contract in any financial year.
- 13.6 Subject to article 13.7 any trustee who becomes a **conflicted trustee** in relation to any matter in which he or she or a connected person may receive any payment or material benefit from the charity, or in which he or she has or may have a conflict of loyalty or conflict of duty, must:
- (a) declare the nature and extent of his or her interest before discussion begins on the matter;
  - (b) withdraw from the meeting for that item after providing any information requested by the trustees;
  - (c) not be counted in the quorum for that part of the meeting; and
  - (d) be absent during the vote and have no vote on the matter.
- 13.7 When any trustee is a conflicted trustee, the trustees who are not conflicted trustees, if they form a quorum without counting the conflicted trustee and are satisfied that it is in the best interests of the charity to do so, may by resolution passed in the absence of the conflicted

trustee authorise the conflicted trustee, notwithstanding any conflict of interest or duty which has arisen or may arise for the conflicted trustee, to:

- (a) continue to participate in discussions leading to the making of a decision, but not to vote; or
- (b) continue to participate in discussions leading to the making of a decision, and to vote; or
- (c) disclose to a third party information confidential to the charity; or
- (d) take any other action not otherwise authorised which does not involve the receipt by the conflicted trustee or a connected person of any payment or material benefit from the charity; or
- (e) refrain from taking any step required to remove the conflict.

13.8 This provision may be amended by special resolution but, where the result would be to permit any material benefit to a trustee or connected person, only with the prior written consent of the Commission.

#### 14. **RECORDS AND ACCOUNTS**

14.1 The trustees must comply with the requirements of the Companies Act and the Charities Act as to keeping records, the audit or independent examination of accounts and the preparation and transmission to the Registrar of Companies and the Commission of information required by law including annual returns, annual reports, and annual statements of account.

14.2 The trustees must also keep records of all proceedings at general meetings and meetings of the trustees; all written resolutions and resolutions in writing; all reports of committees; and all professional advice obtained.

14.3 Minutes of meetings of trustees and committees must include the names of the trustees or (as the case may be) committee members present at the meeting; the decisions made at the meeting, and where appropriate the reasons for the decisions.

14.4 Accounting records relating to the charity must be made available for inspection by any trustee at anytime during normal office hours, and may be made available for inspection by members who are not trustees if the trustees so decide.

14.5 A copy of the charity's **constitution** and latest available statement of account must be supplied on request to any trustee. Copies of the latest accounts must also be supplied in accordance with the Charities Act to any other person who makes a written request and pays the charity's reasonable costs.

#### 15. **COMMUNICATIONS**

15.1 Notices and other documents to be served on members or trustees under the articles or the Companies Act may be served by hand, by post, by suitable electronic means, or on the Charity's website. If sent electronically or published on the charity's website, the provisions of the Companies Act must be followed.

15.2 The only address at which a member is entitled to receive notices sent by post is an address in the U.K. shown in the register of members.

15.3 Any notice given in accordance with these articles is to be treated for all purposes as having been received:

- (a) 48 hours after being sent by electronic means to the relevant address;
- (b) immediately after being posted on the charity's website or, if later, when the recipient receives or is deemed to have received notice of the fact that it is available on the website;
- (c) 24 hours after being delivered by hand to the relevant address;
- (d) two clear days after being sent by first class post to that address;
- (e) three clear days after being sent by second class or overseas post to that address;
- (f) immediately on being handed to the recipient personally; or, if earlier,
- (g) as soon as the recipient acknowledges actual receipt.

15.4 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice does not invalidate the proceedings at the meeting.

15.5 A technical defect in service of which the trustees are unaware at the time does not invalidate decisions taken at a meeting.

## **16. INDEMNITY**

16.1 The charity may indemnify a relevant trustee against any liability incurred by him or her in that capacity, to the extent permitted by sections 232-234 of the Companies Act 2006.

16.2 In this article a 'relevant trustee' means any trustee or former trustee of the charity.

## **17. DISSOLUTION**

17.1 The members of the charity may at any time before, and in expectation of, its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the charity be applied or transferred in any of the following ways:

- (a) directly for the Objects; or
- (b) by transfer to any charity or charities for purposes similar to the Objects; or
- (c) to any charity or charities for use for particular purposes that fall within the Objects.

17.2 Subject to such resolution of the members of the charity, the trustees may at any time before and in expectation of its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision has been made for them, shall on or before dissolution of the charity be applied or transferred:

- (a) directly for the Objects; or
- (b) by transfer to any charity or charities for purposes similar to the Objects; or
- (c) to any charity or charities for use for particular purposes that fall within the Objects.

17.3 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). If no resolution in accordance with article 17.1 is passed by the members or the trustees the net assets of the charity shall be applied for charitable purposes as directed by the Court or the Commission.

17.4 A final report and statement of account must be sent to the Commission.

17.5 This provision may be amended by special resolution but only with the prior written consent of the Commission.

## 18. INTERPRETATION

18.1 The articles are to be interpreted without reference to the model articles under the Companies Act, which do not apply to the charity.

18.2 In the articles, unless the context indicates another meaning:

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

**AGM** means an annual general meeting of the charity;

The **articles** mean the charity's articles of association and **article** refers to a particular article;

**Beneficiaries** means the beneficiaries of the charity as defined in article 3;

**Chairperson** means the chairperson of the trustees;

The **charity** means the company governed by the articles;

The **Charities Act** means the Charities Acts 1992 to 2006;

**Charity trustee** has the meaning prescribed by the Charities Act;

**Clear day** does not include the day on which notice is given or deemed to be given or the day of the meeting or other event;

The **Commission** means the Charity Commission for England and Wales or any body which replaces it;

The **Companies Act** means the Companies Acts 1985 to 2006;

**Conflicted trustee** means a trustee in respect of whom a conflict of interest arises or may reasonably arise because the conflicted trustee or a **connected person** is receiving or stands to receive a benefit (other than payment of a premium for indemnity insurance)

from the charity, or has some separate interest or duty in a matter to be decided, or in relation to information which is confidential to the charity;

**Connected person** means, in relation to a trustee, a person with whom the trustee shares a common interest such that he/she may reasonably be regarded as benefiting directly or indirectly from any material benefit received by that person, being either a member of the trustee's family or household or a person or body who is a business associate of the trustee, and (for the avoidance of doubt) does not include a company with which the trustee's only connection is an interest consisting of no more than 1% of the voting rights;

**Constitution** means the articles and any special resolutions relating to them;

**Custodian** means a person or body who undertakes safe custody of assets or of documents or records relating to them;

**Electronic means** refers to communications addressed to specified individuals by telephone, fax or email or, in relation to meetings, by telephone conference call or video conference; or other electronic forms of communication;

**Financial expert** means an individual, company or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000;

**Financial year** means the charity's financial year;

**Firm** includes a limited liability partnership;

**Indemnity insurance** means insurance against personal liability incurred by any trustee for an act or omission which is or is alleged to be a breach of trust or breach of duty, unless the act or omission amounts to a criminal offence or the trustee concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty;

**Material benefit** means a benefit, direct or indirect, which may not be financial but has a monetary value;

**Member and membership** refer to company membership of the charity;

**Month** means calendar month;

**Nominee company** means a corporate body registered or having an established place of business in England and Wales which holds title to property for another;

**Ordinary resolution** means a resolution agreed by a simple majority of the members present and voting at a general meeting or in the case of a written resolution by members who together hold a simple majority of the voting power;

The **Objects** means the objects of the charity as defined in article 3;

**Resolution in writing** means a written resolution of the trustees;

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

**Secretary** means a company secretary, or any person appointed to perform the duties of the secretary of the charity;

**Special resolution** means a resolution of which at least 14 days' notice has been given, agreed by a 75% majority of the members present and voting at a general meeting or in the case of a written resolution by members who together hold 75% of the voting power;

**Taxable trading** means carrying on a trade or business in such manner or on such a scale that some or all of the profits are subject to corporation tax;

**Trustee** means a director of the charity and **trustees** means the directors;

**Written or in writing** refers to a legible document on paper or a document sent by electronic means which is capable of being printed out on paper;

**Written resolution** refers to an ordinary or a special resolution which is in writing;

**Year** means calendar year.

18.3 Expressions not otherwise defined which are defined in the Companies Act have the same meaning.

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