

Company Number: 07176549  
Charity Number: 1135223

The Companies Act 2006

PRIVATE COMPANY LIMITED BY GUARANTEE

**RISE NORTH EAST**

(the "Company")

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**SPECIAL RESOLUTIONS**

**Passed on 2<sup>nd</sup> November 2021**

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The following resolution was passed by the Members for the time being of the above named Company, at a general meeting of the Company on the above date:

**"SPECIAL RESOLUTION**

1. That the articles of association attached to this resolution and marked 'A' be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company."

  
.....  
(Chair)

Company number: 07176549

Charity number: 1135223

**COMPANIES ACT 2006**

**A COMPANY LIMITED BY GUARANTEE**

**NOT HAVING A SHARE CAPITAL**

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**ARTICLES**

**OF ASSOCIATION OF**

**RISE NORTH EAST**

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**(Incorporated on 3 March 2010 and amended by special resolution on 1 October 2012,  
25 July 2017, 30 October 2019, 29 April 2020 and 2 November 2021)**

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**Companies Act 2006**

Company limited by guarantee and not having a share capital

**ARTICLES OF ASSOCIATION OF****RISE NORTH EAST****1. INTERPRETATION**

In the Articles, unless the context indicates another meaning:

"**Active Partnership**" means an active partnership recognised and funded by the English Sports Council as part of the Active Partnership Network in England;

"**AGM**" means an annual general meeting of the Charity;

"**Annual Trustees' Meeting**" has the meaning given in article 9.1;

"**Articles**" means the Charity's articles of association;

"**Chair**" means the Chair of the Trustees;

"**Charity**" means the company governed by the Articles;

"**Charities Act**" means the Charities Act 2011;

"**Charity Trustee**" has the meaning prescribed by section 177 of the Charities Act;

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

- (a) the day on which the notice is given or deemed to be given; and
- (b) the day of the meeting of other event;

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

"**Companies Acts**" means the Companies Acts (as defined in section 2 of the Companies Act 2006);

"**Companies House**" means the registrar of companies for England and Wales;

"**Conflict of Interest**" includes a conflict of interest and duty and a conflict of duties;

"**Conflicted Trustee**" means any Trustee who has a Conflict of Interest in relation to a matter to be discussed or voted upon at a meeting of the Trustees;

"**Connected Person**" has the meaning given in section 188 of the Charities Act, and includes:

- (a) a child, parent, grandchild, grandparent, brother or sister of a Trustee;
  - (b) the spouse or civil partner of a Trustee or any person listed in (a), (and/or any person living with a Trustee or any person listed in (a) as their husband, wife or civil partner);
  - (c) a person carrying on business in partnership with a Trustee or any person
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- listed in (a) or (b);
- (d) an institution which is controlled:
- (i) by the Trustee or by any person falling within (a), (b) or (c), or
  - (ii) by two or more persons falling within (d)(i) when taken together;
- (e) a body corporate in which:
- (i) the Trustee or any connected person falling within (a) to (c) has a substantial interest, or
  - (ii) two or more persons falling within (e)(i) when taken together, have a substantial interest.

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

"**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 and company;

"**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 Trustee concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty;

"**Independent Trustee**" means a person who:

- has not been actively involved in the Charity's affairs within the last four years prior to their appointment;
- has not been an employee of the organisation within the last four years prior to their appointment;
- is not a Connected Person in relation to any of the Trustees or any senior employees of the Charity; and
- meets the definition of "independent" as set out in the October 2016 Code for Sports Governance;

"**Material Benefit**" means a benefit which may not be financial but has a monetary value;

"**Member**" and "**Membership**" refer to company membership of the Charity;

"**Model Articles**" means the model articles contained in schedule 2 of the Companies (Model Articles) Regulations 2008;

"**Nominee Company**" means a corporate body registered or having an established place of business in England and Wales;

"**Objects**" means the Objects of the Charity as defined in article 4;

"**Secretary**" means the company secretary of the Charity;

"**Special Resolution**" means a resolution of the Members which requires a majority of not less than 75% of the eligible Members in accordance with the Companies Acts for

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it to be passed.

**"Taxable Trading"** means carrying on a trade or business for the principal purpose of raising funds and not for the purpose of actually carrying out the Objects, the profits of which are subject to corporation tax;

**"Trustee"** means a director of the Charity and **"Trustees"** means the directors;

**"Unconflicted Trustee"** means any Trustee who has no Conflict of Interest in relation to a matter to be discussed or voted upon at a meeting of the Trustees;

**"written"** or **"in writing"** refers to a legible document on paper including a fax message or in electronic format;

**"year"** means calendar year.

1.2 Expressions defined in the Companies Acts have the same meaning in these Articles.

1.3 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.

## 2. NAME

The name of the Charity is Rise North East, or such other name as the Trustees (by simple majority) from time to time decide.

## 3. LIMITED LIABILITY

The liability of Members is limited to £1 (one pound), being the amount that every Member undertakes to contribute to the assets of the Charity in the event of it being wound up while he, she or it is a Member or within one year after he, she or it ceases to be a Member.

## 4. OBJECTS

To promote the health and wellbeing of individuals and communities through increased community participation in sport, active recreation and physical fitness;

to advance and further the education of the public in relation to physical fitness, nutrition, active recreation and lifestyle, including through the provision of courses, training programmes, research and resources;

to provide or assist in providing facilities in the interests of social welfare for recreation, physical education or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity, disability, financial hardship or social circumstances with the aim of improving their life condition;

to advance the education of the public, particularly, but not exclusively those working with children or vulnerable adults, their carers and families, and children, young people and vulnerable adults themselves, in child and vulnerable adults protection;

to advance such other charitable purposes beneficial to the community and consistent with the objects set out above;

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for the benefit of the inhabitants of Northumberland, Tyne and Wear and the surrounding areas.

## 5. POWERS

The Charity has power to do anything which is calculated to further its Objects or is conducive or incidental to doing so, including (but not limited to) the following powers:

- 5.1 to raise funds (but not by means of Taxable Trading);
  - 5.2 to borrow money and give security for loans (but only in accordance with the restrictions imposed by the Charities Act);
  - 5.3 to acquire or hire property of any kind and to maintain it and equip it for use;
  - 5.4 to let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act);
  - 5.5 to make grants or loans of money and to give guarantees;
  - 5.6 to promote or carry out research;
  - 5.7 to provide advice;
  - 5.8 to publish or distribute information;
  - 5.9 to co-operate with other organisations;
  - 5.10 to manage the Activity Partnerships which cover the areas of Northumberland and Tyne and Wear;
  - 5.11 to support the development, quality, range and fairness of opportunity to participate in sport and active recreation in Northumberland and Tyne and Wear;
  - 5.12 to undertake strategic planning, facilitation and coordination within and between local organisations or community sport networks;
  - 5.13 to disseminate and communicate sports and active recreation, healthy lifestyle and nutrition information and opportunities;
  - 5.14 to encourage and support participation in sport and active recreation and the education and development of all people involved in the community sport infrastructure;
  - 5.15 to improve access to sport by working with sports facility providers to reduce factors restricting access and to improve facilities and opportunities that they offer;
  - 5.16 to facilitate, co-ordinate, organise, fund, manage, host and aggregate demand for training programmes, meetings, seminars, workshops, classes, lectures, courses and events;
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- 5.17 to support, administer or set up other charities, including but not limited to making grants or gifts of money, assets or staff time, cancelling any liability owed to the charity and/or providing guarantees and loans, whether or not on commercial terms;
  - 5.18 to set aside funds for special purposes or as reserves against future expenditure;
  - 5.19 to deposit or invest in 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);
  - 5.20 to delegate the management of investments to a Financial Expert, but only on terms that:
    - 5.20.1 the investment policy is set down in writing for the Financial Expert by the Trustees;
    - 5.20.2 every transaction is reported regularly to the Trustees;
    - 5.20.3 the performance of the investments is reviewed regularly with the Trustees;
    - 5.20.4 the Trustees are entitled to cancel the delegation arrangement at any time;
    - 5.20.5 the investment policy and the delegation arrangement are reviewed at least once a year;
    - 5.20.6 all payments due to the Financial Expert are on a scale or at a level which is agreed in advance and are reported regularly to the Trustees on receipt; and
    - 5.20.7 the Financial Expert must not do anything outside the powers of the Trustees;
  - 5.21 to arrange for investments or other property of the Charity to be held in the name of a Nominee Company acting under the control of the Trustees or of a Financial Expert acting under their instructions, and to pay any reasonable fee required;
  - 5.22 to deposit documents and physical assets with any company registered or having a place of business in England and Wales as Custodian, and to pay any reasonable fee required;
  - 5.23 to insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity;
  - 5.24 to pay for Indemnity Insurance for the Trustees (in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011);
  - 5.25 subject to article 11, to employ paid or unpaid agents, staff or advisers;
  - 5.26 to enter into contracts to provide services to or on behalf of other entities;
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- 5.27 to establish or acquire companies and/or other entities to assist, or act as agents for, the Charity;
- 5.28 to acquire, merge with or enter into any partnership or joint venture arrangement with any other entity;
- 5.29 to pay the costs of forming the Charity.

## **6. MEMBERSHIP**

- 6.1 The Charity must maintain a register of Members.
- 6.2 Any person who is appointed as a Trustee will automatically, by virtue of that appointment, become a Member. No person other than a Trustee may be admitted as a Member.
- 6.3 Membership is automatically terminated if the Member concerned:
  - 6.3.1 ceases to be a Trustee;
  - 6.3.2 gives written notice of resignation to the Charity;
  - 6.3.3 dies, or in the case of an organisation ceases to exist; or
  - 6.3.4 is removed from Membership by resolution of the Trustees on the ground that in their reasonable opinion the Member's continued Membership is harmful to the Charity. The Trustees may only pass such a resolution after notifying the Member in writing and considering the matter in the light of any written representations which the Member concerned puts forward within 14 clear days after receiving notice.
- 6.4 Membership is not transferable.
- 6.5 The Trustees may recognise one or more classes of supporters who are not Members (but who may nevertheless be termed 'members') and set out their respective rights and obligations.

## **7. GENERAL MEETINGS**

### **Calling a general meeting**

- 7.1 A general meeting may be called at any time by the Trustees and must be called within 21 days of a written request from at least 5% of the Members in accordance with the Companies Acts to be held on a date not more than 28 days after the date of the notice.
  - 7.2 General meetings are called on at least 14 clear days' written notice specifying the business to be discussed or shorter notice if it is so agreed by a majority in number of the Members having a right to attend and vote at that meeting who hold at least 90% of the total voting rights at that meeting of all the Members.
  - 7.3 The notice of general meeting shall specify the place, the date and the time of the general meeting, state the general nature of the business to be dealt with at the meeting and state with reasonable prominence that a Member is entitled to
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appoint another person as his, her or its proxy to exercise all or any of his, her or its rights to attend and to speak and vote instead of him, her or it. If the meeting is to be an AGM, the notice must say so.

- 7.4 Where it is intended to pass a Special Resolution at a general meeting, the notice must include the text of the resolution and state that it is intended to propose the resolution as a Special Resolution.
- 7.5 Notice must be sent to:
- 7.5.1 the Charity's auditors (if any); and
- 7.5.2 the Members (who are also the Trustees).
- 7.6 The accidental omission to give notice of any general meeting, or to send a form of proxy with a notice where required, or the non-receipt of a notice or form of proxy, shall not invalidate the proceedings at any general meeting.

#### **Attending a general meeting**

- 7.7 Members are entitled to attend general meetings either personally, (in the case of a Member organisation) by an authorised representative, by proxy or by suitable means agreed by the Trustees in which all participants may communicate with all the other participants. Proxy forms must be delivered to the Secretary at least 24 hours before the meeting.

#### **Quorum**

- 7.8 There must be a quorum present before a general meeting starts to do business. There is a quorum at a general meeting if the number of Members present in person or by proxy is at least three or one third of the Members (rounded up to the nearest whole number), if greater.

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

- 7.9 The Chair or (if the Chair is unable or unwilling to do so) some other Member elected by those Members present presides at a general meeting.
- 7.10 Except where otherwise provided by the Articles or the Companies Acts, every issue at a general meeting is decided by a majority of the votes cast.
- 7.11 Every Member present in person or by proxy has one vote on each issue.
- 7.12 A declaration by the person chairing the meeting that a resolution has been:
- 7.12.1 carried;
- 7.12.2 carried unanimously, or by a particular majority;
- 7.12.3 not carried; or
- 7.12.4 not carried by a particular majority, and

an entry to that effect in the minutes of the general meeting, shall be conclusive evidence of the fact without proof of the number or proportion of

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votes in favour of or against the resolution.

- 7.13 Subject to the Companies Acts, the proceedings at any general meeting or the passing of a written resolution shall not be invalidated by reason of any accidental informality or irregularity (including with regard to the giving of notice) or any want of qualification in any of the persons present or voting.
- 7.14 If any person wishes to object to the qualification of any vote, they must do so at the meeting at which the vote they object to is tendered. A vote which is not disallowed at the meeting will be deemed valid. The person chairing the meeting will be the sole judge of the validity of every vote tendered at the meeting.
- 7.15 Subject to Article 7.16, a Member shall not be counted in the quorum present nor be entitled to exercise any voting rights at a meeting at which his or her attendance would result in 20% or more of the voting rights at that meeting being held by persons Connected with the Council or any other local authority.
- 7.16 Where more than one Member must be disqualified from a meeting by virtue of Article 7.15, the Member(s) to be so disqualified shall be decided by the Trustees potentially subject to such disqualification themselves, and if no agreement can be reached within 10 minutes of the time appointed for the meeting, the chair of the meeting shall decide which Member(s) shall be disqualified in their absolute discretion.

#### **Proxies**

- 7.17 The notice of appointment of a proxy must be received at the registered office of the Charity (or such other address specified by the Charity for that purpose) not less than 24 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the proxy notice proposes to vote. If it arrives late, or does not arrive at all, the proxy will not be allowed to attend and vote at the meeting.

#### **Written resolutions**

- 7.18 A written resolution signed by a majority of those entitled to vote at a general meeting (or, where the Companies Acts require, a greater majority) is as valid as a resolution actually passed at a general meeting. For this purpose, the written resolution may be set out in more than one document and will be treated as passed on the date of the last signature required to reach the relevant majority.

#### **Annual general meetings**

- 7.19 The Charity shall not be required to hold an AGM in any year.
- 7.20 If an AGM is held, the Members may:
- 7.20.1 receive the Charity's accounts for the previous financial year;
  - 7.20.2 receive the Trustees' report on the Charity's activities for the previous financial year;
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7.20.3 appoint auditors for the Charity; and

7.20.4 discuss and determine any issues of policy or deal with any other business put before them by the Trustees.

## **8. THE TRUSTEES**

8.1 The Trustees as Charity Trustees have control of the Charity and its property and funds.

8.2 The Charity must maintain a register of Trustees (which may be called a register of directors).

### **Number of Trustees**

8.3 There shall be between five and twelve Trustees, subject to any higher maximum being agreed by the Members with the prior written consent of the English Sports Council, known as Sport England, (or any successor organisation). In accordance with article 6.2, the Trustees shall become Members by virtue of their appointment as Trustees.

8.4 If the number of Trustees shall fall below five, the remaining Trustees may only act to appoint further Trustees as required.

8.5 The Trustees shall use reasonable endeavours to ensure that at any time:

8.5.1 At least 25% of the Trustees shall be Independent Trustees; and

8.5.2 The number of Trustees has an appropriate range of diversity to fulfil and discharge the Trustees' responsibilities.

### **Appointment of Trustees**

8.6 Trustees are to be appointed by the Trustees.

8.7 The initial appointment of any Trustee shall follow from an openly advertised recruitment process.

8.8 In exceptional circumstances, such as a need for particular skills and experience among the Trustees, the Trustees may co-opt one Trustee outside of the process in article 8.7 for a term of office not normally longer than a year.

8.9 No one is entitled to act as a Trustee whether on appointment or on any reappointment until he or she has expressly acknowledged, in whatever way the Trustees decide, his or her acceptance of the office of Trustee (and Member).

8.10 The appointment of a Trustee must not cause the number of Trustees to exceed any number fixed as the maximum number of Trustees.

### **Terms of office and retirement**

8.11 Trustees shall be appointed for an initial term of four years. A Trustee who has served their term must retire at the next AGM or Annual Trustees' Meeting

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(whichever is the earlier) following the expiry of their term of office.

- 8.12 A retiring Trustee may be reappointed for one further term of four years.
- 8.13 In exceptional circumstances, such as where there is a requirement for continuity of particular skills and experience among the Trustees, the Trustees may, at their sole discretion, permit the Chair of the Charity to hold office for a further four year term.
- 8.14 Notwithstanding article 8.12, the Trustees may, in circumstances which they consider to be exceptional, permit up to one or more of the Trustees to serve one additional year at the end of their maximum term of office, provided that any such further reappointment may only take effect with the consent of at least 75% of the other Trustees.
- 8.15 After serving his or her maximum term of office, a Trustee must stand down for at least four years before becoming eligible for appointment again.

#### **Retirement and removal of Trustees**

- 8.16 A Trustee's term of office automatically terminates if he or she:
- 8.16.1 retires at the end of his or her term of office in accordance with articles 8.11 and 8.12;
  - 8.16.2 resigns by written notice to the Trustees (but only if at least three Trustees will remain in office);
  - 8.16.3 dies;
  - 8.16.4 is disqualified under the Charities Act from acting as a Charity Trustee or is prohibited by law from being a director of a company, or is disqualified from being a charity trustee under the Charities and Trustee Investment (Scotland) Act 2005 or Charities Act (Northern Ireland) 2008;
  - 8.16.5 is, in the reasonable opinion of the other Trustees, at any time incapable, whether mentally or physically, of managing his or her own affairs;
  - 8.16.6 is absent from all meetings of the Trustees within a six month period and is asked by a majority of the other Trustees to resign;
  - 8.16.7 ceases to be a Member (but such a person may be reinstated by resolution passed by all the other Trustees on resuming Membership of the Charity;
  - 8.16.8 is removed by resolution of the Members present and voting at a general meeting (but only if at least three Trustees will remain in office) after the meeting has invited the views of the Trustee concerned and considered the matter in the light of any such views.

### **9. TRUSTEES' PROCEEDINGS**

- 9.1 The Trustees must hold at least one meeting each year. The Trustees shall
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designate one meeting of Trustees each year as the "**Annual Trustees' Meeting**". At an Annual Trustees' Meeting the Trustees may:

- 9.1.1 appoint Trustees;
- 9.1.2 accept the retirement of those Trustees who wish to retire or who are retiring in accordance with article 8.11 and 8.12; and/or
- 9.1.3 conduct any other business they see fit.

#### **Calling Trustees' meetings**

- 9.2 A Trustee may at any time, and the Secretary (if any) must at the request of a Trustee, summon a meeting of the Trustees.
- 9.3 Notice of a meeting of the Trustees may be given to a Trustee personally or by word of mouth or sent in writing to him or her at his or her last known postal or email address or any other postal or email address given by him or her to the Charity for this purpose.
- 9.4 Except where there are matters demanding urgent consideration, each Trustee must be given reasonable notice of each meeting of the Trustees.

#### **Quorum**

- 9.5 A quorum at a meeting of the Trustees is three or one third of the Trustees (rounded up to the nearest whole number), if greater.

#### **Attendance and voting at Trustees' meetings**

- 9.6 A meeting of the Trustees may be held either in person or by suitable electronic means (including but not limited to telephone calls with or without video conferencing facilities) agreed by the Trustees in which all participants may communicate with all the other participants simultaneously.
  - 9.7 The Chair or (if the Chair is unable or unwilling to do so) some other Trustee chosen by the Trustees present presides at each meeting.
  - 9.8 Any issue may be determined by a simple majority of the votes cast at a meeting, but a resolution in writing agreed by all the Trustees, or all the members of a committee, (other than any Conflicted Trustee, or conflicted committee member, who has not been authorised to vote) is as valid as a resolution passed at a trustees' meeting, or a meeting of a committee (as appropriate). For this purpose, the resolution may be contained in more than one document.
  - 9.9 Except for the person chairing the meeting (whether or not they are the Chair of the Charity), who has a casting vote, every Trustee has one vote on each issue.
  - 9.10 Subject to the Articles, the Trustees may regulate their meetings as they see fit.
  - 9.11 Subject to Article 9.12, a Trustee shall not be counted in the quorum present nor be entitled to exercise any voting rights at a meeting at which his or her
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attendance would result in 20% or more of the voting rights at that meeting being held by persons connected with any local authority.

- 9.12 Where more than one Trustee must be disqualified from a meeting by virtue of Article 9.11, the Trustee(s) to be so disqualified shall be decided by the Trustees potentially subject to such disqualification themselves, and if no agreement can be reached within 10 minutes of the time appointed for the meeting, the chair of the meeting shall decide which Trustee(s) shall be disqualified in their absolute discretion.

#### **Procedural defects**

- 9.13 A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

- 9.14 Subject to article 9.15, all decisions of the Trustees or a committee of the Trustees shall be valid notwithstanding the participation in any decision of a Trustee:

9.14.1 whose appointment is subject to a technical defect of which the Trustees are unaware at the time the decision is made;

9.14.2 who was disqualified from holding office;

9.14.3 who had previously retired or who had been obliged by the Articles to vacate office;

9.14.4 who 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 and that Trustee being counted in the quorum, the decision was made by a majority of Trustees at a quorate meeting.

- 9.15 Article 9.14 does not permit a Trustee or Connected Person to keep any benefit that may be conferred on him, her or it by a resolution of the Trustees or a committee of the Trustees if, but for article 9.14, the resolution would have been void.

## **10. TRUSTEES' POWERS**

The Trustees have the following powers in the administration of the Charity:

- 10.1 to appoint (and remove) the Chair of the Charity;
- 10.2 to appoint (and remove) any person, who may, or may not, be a Member and a Trustee, to act as Secretary in accordance with the Companies Acts;
- 10.3 to appoint (and remove) a Vice-Chair, Treasurer, Senior Independent Trustee and other honorary officers from among their number;
- 10.4 to confer on any individual (with his or her consent) the honorary title of patron, president or vice-president of the Charity;
- 10.5 to delegate any of their functions to committees consisting of two or more individuals appointed by them. At least one member of every committee must
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be a Trustee and all proceedings of committees must be reported promptly to the Trustees in accordance with any rules made in accordance with article 10.7;

#### 10.5.1

10.5.1.1 such committees are to include an audit committee;

10.5.1.2 a nominations and remuneration committee;

10.5.1.3 an equality, diversity and inclusion committee; and

10.5.1.4 such other committees as the Trustees may from time to time establish;

10.6 to make standing orders consistent with the Articles and the Companies Acts to govern proceedings at general meetings and to prescribe a form of proxy;

10.7 to make rules consistent with the Articles and the Companies Acts to govern their proceedings and proceedings of committees;

10.8 to make regulations consistent with the Articles and the Companies Acts to govern the administration of the Charity and the use of its seal (if any);

10.9 to establish procedures to assist the resolution of disputes or differences within the Charity;

10.10 to exercise any powers of the Charity which are not reserved to the Members.

## 11. BENEFITS TO MEMBERS AND TRUSTEES

11.1 The property and funds of the Charity must be used only for promoting the Objects and do not belong to the Members or the Trustees, but:

11.1.1 Members (being Trustees) and Connected Persons may be paid interest at a reasonable rate on money lent to the Charity;

11.1.2 Members (being Trustees) and Connected Persons may be paid a reasonable rent or hiring fee for property or equipment let or hired to the Charity;

11.1.3 Members (being Trustees) and Connected Persons who are also beneficiaries may receive charitable benefits in that capacity; and

11.1.4 Members (being Trustees) and Connected Persons may take part in the normal trading and fundraising activities of the Charity on the same terms as members of the public.

11.2 A Trustee or Connected Person must not receive any payment of money or other Material Benefit (whether directly or indirectly) from the Charity except:

11.2.1 as permitted by articles 5.24 (Indemnity Insurance), 11.1.1 (interest), 11.1.2 (rent), 11.1.3 (charitable benefits), 11.1.4 (trading and fundraising activities), or 11.3 (contractual payments);

- 11.2.2 reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs and costs relating to the care of dependants whilst on Charity business) actually incurred in the administration of the Charity;
  - 11.2.3 an indemnity in respect of any liabilities properly incurred in running the Charity (including the costs of a successful defence to criminal proceedings);
  - 11.2.4 payment to any company in which a Trustee or Connected Person has no more than a 1 per cent shareholding; and
  - 11.2.5 in exceptional cases, other payments or benefits (but only with the written approval of the Commission, or written confirmation from the Commission that no such approval is required, in advance).
- 11.3 A Trustee or a Connected Person may enter into a contract with the Charity to supply goods or services in return for a payment or other Material Benefit if:
- 11.3.1 the Trustees are satisfied that:
    - (a) the goods and/or services are actually required by the Charity;
    - (b) the nature and level of the benefit is no more than reasonable in relation to the value of the goods and/or services and is set at a meeting of the Trustees in accordance with the procedure in article 12.2;
    - (c) it would be in the interests of the Charity to enter into the contract;
  - 11.3.2 no more than half of the Trustees are interested in such a contract in any financial year.
- 11.4 A Trustee or Connected Person may not be an employee of the Charity (except in accordance with article 11.2.5).
- 11.5 Whenever a Trustee has a personal interest in a matter falling within articles 11.1, 11.2 or 11.3 which is to be discussed at a meeting of the Trustees or a committee, he or she must comply with the procedure in article 12.2.
- 11.6 Where this article applies, a Trustee must:
- 11.6.1 declare an interest before the meeting or at the meeting before discussion begins on the matter;
  - 11.6.2 be absent from the meeting for that item unless expressly invited to remain in order to provide information;
  - 11.6.3 not be counted in the quorum for that part of the meeting; and
  - 11.6.4 have no vote on the matter and be absent during the vote if so requested by the other Trustees.
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## 12. CONFLICTS OF INTEREST

- 12.1 Trustees must avoid Conflicts of Interest and wherever a Conflict of Interest arises in a matter to be discussed at a meeting of the Trustees or a committee, a Conflicted Trustee must comply with the procedure set out in article 12.2.
- 12.2 Where this article applies, a Trustee must:
- 12.2.1 declare an interest before the meeting or at the meeting before discussion begins on the matter;
  - 12.2.2 be absent from the meeting for that item unless expressly invited to remain in order to provide information;
  - 12.2.3 not be counted in the quorum for that part of the meeting; and
  - 12.2.4 have no vote on the matter and be absent during the vote if so requested by the other Trustees.
- 12.3 Subject to article 11, if a Conflict of Interest matter is proposed to the Trustees, the Unconflicted Trustees may agree to:
- 12.3.1 authorise that matter; or
  - 12.3.2 authorise a Conflicted Trustee to act in their ordinary capacity as a Trustee and carry out all their duties and powers as a Trustee in relation to that matter.
- 12.4 Where the Unconflicted Trustees consider an authorisation to act notwithstanding a Conflict of Interest, the Conflicted Trustee must comply with the procedure set out in article 12.2.

## 13. RECORDS AND ACCOUNTS

- 13.1 The Trustees must comply with the requirements of the Companies Act and of the Charities Act as to keeping financial records, the audit of accounts and the preparation and transmission to the Companies House and the Commission of:
- 13.1.1 annual returns;
  - 13.1.2 annual reports; and
  - 13.1.3 audited annual statements of account.
- 13.2 The Trustees must keep proper records of:
- 13.2.1 all proceedings at general meetings, annual general meetings (if applicable) and all written resolutions of the Members;
  - 13.2.2 all proceedings at meetings of the Trustees and all written resolutions of the Trustees;
  - 13.2.3 all reports of committees; and
  - 13.2.4 all professional advice obtained.
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- 13.3 Accounting records relating to the Charity must be made available for inspection by any Trustee at any time during normal office hours.
- 13.4 A copy of the Charity's latest available statement of account must be supplied on request to any Trustee (who is also a Member).

#### **14. INDEMNITY**

- 14.1 The Charity may indemnify any relevant Trustee against any liability incurred by him or her or it in that capacity, to the extent permitted by sections 232 to 234 of the Companies Act 2006.
- 14.2 In this Article a "relevant Trustee" means any Trustee or former Trustee of the Charity.

#### **15. NOTICES**

- 15.1 Notices under the Articles may be delivered by hand, or sent by post or by suitable electronic means.
- 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:
- 15.3.1 24 hours after being sent by electronic means or delivered by hand to the relevant address;
  - 15.3.2 two clear days after being sent by first class post to that address;
  - 15.3.3 three clear days after being sent by second class or overseas post to that address;
  - 15.3.4 on being handed to the Member personally; or, if earlier,
  - 15.3.5 as soon as the Member acknowledges actual receipt.
- 15.4 A technical defect in the giving of notice of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

#### **16. AMENDMENTS**

- 16.1 Subject to obtaining any necessary consent from the Charity Commission, the Members may amend the Articles by Special Resolution.
- 16.2 The Secretary (if any) or the Trustees must send the amended Articles and the signed Special Resolution or a signed print of the Special Resolution which adopted the Articles to Companies House and a copy of the amended Articles to the Charity Commission (whether or not Charity Commission consent is required to the amendments).
- 16.3 When amending the objects, the Secretary (if any) or the Trustees must file any relevant forms at Companies House at the same time as filing the Special Resolution and amended Articles.
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**17. DISSOLUTION**

- 17.1 The Member(s) may at any time before, and in expectation of, the Charity's 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:
- 17.1.1 directly for the Objects;
  - 17.1.2 by transfer to any charity or charities for purposes similar to the Objects;
  - 17.1.3 to any charity or charities for use for particular purposes that fall within the Objects; or
  - 17.1.4 in such other manner consistent with charitable status as the Commission approve in writing in advance.
- 17.2 Subject to any such resolution of the Member(s), the Trustees may at any time before and in expectation of the Charity's dissolution resolve that any net assets of the Charity after all its debts and liabilities have been paid, or provision made for them, shall on or before dissolution of the Charity be applied or transferred:
- 17.2.1 directly for the Objects;
  - 17.2.2 by transfer to any charity or charities for purposes similar to the Objects;
  - 17.2.3 to any charity or charities for use for particular purposes that fall within the Objects; or
  - 17.2.4 in such other manner consistent with charitable status as the Commission approve in writing in advance.
- 17.3 In no circumstances shall the net assets of the Charity be paid to or distributed among the Members.

**18. MODEL ARTICLES**

The Model Articles are excluded and do not apply to the Charity.

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