

**The Companies Acts 1985 & 1989**  
**COMPANY LIMITED BY GUARANTEE**

**Articles of Association of**

**Action 21**

In these articles;

‘The Act’ means the Companies Act 1985 as amended by the Companies Act 1989 and any other amendments from time to time in force.

‘The company’ means the above named [company].

‘Local Authority Associated Person’ means

(a) a member of a local authority

(b) an officer of a local authority

(c) a person who has at any time in the preceding four years been member of a local authority.

(d) any other person so defined in section 69 (5) of the Local Government and Housing Act 1989.

‘The Management Committee’ means all those persons appointed to perform the duties of directors of the company

‘Secretary’ means that any persons appointed to perform the duties of the Secretary of the company

‘Employees’ means anyone holding a contract of employment with the company.

‘The Seal’ means the common seal of the company.

‘The Commissioners’ mean the Charity Commissioners for England and Wales.

‘In writing’ shall be taken to include reference to writing, printing, photocopying and other methods of representing or reproducing words in a visible form.

Words importing the singular number shall be include the plural and vice versa unless a contrary intention appears. Words importing persons shall include bodies corporate and

association if not inconsistent with the context. Unless the context requires otherwise, words or expressions contained in these articles shall bear the same name meaning as in the Act.

## **Members**

The first Members of the company shall be the Subscribers to the Memorandum of Association. The Management Committee may at their discretion admit to Membership organisations and individuals who are supportive of the objects of the company subject to criteria the Management Committee shall from time to time determine; provided always the proportion of local authority associated persons shall not exceed nineteen per cent of the total members having voting rights at General Meetings of the company.

In the event that the Management Committee should refuse any application for Membership, the applicants may appeal at the next General Meeting of the company, the decision of which shall be final.

No person or organisation shall be admitted to Membership of the company unless she/he or it has paid (or has agreed to pay) the appropriate annual subscription for the time being in force.

Each Member which is an organisation shall appoint a representative who shall during the continuance of her/his appointment be entitled to exercise in any General Meeting of the company all such rights and powers as the Member would exercise if it were an individual person. Each Member organisation shall send to the secretary of the company written notification of its choice of representative.

## **Register of Members**

The company shall maintain a Register of Members in which shall be recorded the name and address of every Member, and the date on which she/he/it became a Member and on which she/he/it ceased to be a member. Every Member shall either sign written consent to become a Member or sign the Register of Members on becoming a Member. In the case of a Member which is an organisation, a duly authorised officer shall sign on its behalf. A Member shall notify the Secretary in writing within seven days of a change to her/his/its name and address.

## **Cessation of Membership.**

The rights and privileges of a Member shall not be transferable nor transmissible, and all such rights and privileges shall cease upon the Member ceasing to be such.

A Member shall cease to be a Member if she/he/it:

- (a) resigns in writing to the Secretary; or

- (b) fails to pay the annual subscription within three months of its becoming due; or
- (c) ceases to meet the criteria for Membership as described in article 2; or
- (d) dies, if an individual person; or
- (e) is wound up or goes into liquidation, if a corporate body or association; or
- (f) is expelled by the Management Committee for conduct prejudicial to the company, provided that any Member so expelled shall be entitled to appeal at the next General Meeting of the company, the decision of which shall be final.

### **General Meetings**

The company shall in each calendar year hold a General Meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it. Every Annual General Meeting except the first shall be held not more than fifteen months after the last preceding Annual General Meeting. Provided the first Annual General Meeting shall be held within eighteen months of incorporation, it need not be held in the year of incorporation or in the following year.

The business of an Annual General Meeting shall comprise;

- (a) the consideration of the Report of Accounts presented by the Management Committee;
- (b) the election Board of Trustee members, or the announcement of the result if held before hand;
- (c) the appointment and the fixing of the remuneration of the auditor or auditors;
- (d) such other business as many have been specified in the notices calling the meeting.

All General Meetings other than the Annual General Meeting shall be called Extraordinary General Meetings.

The Management Committee may whenever they think fit convene an Extraordinary General Meetings, and an Extraordinary General Meeting shall be convened on receipt of a requisition signed by at least ten per cent of the Members of the company.

### **Notices**

An Annual General Meeting and any General Meeting which is to consider a Special Resolution to remove the auditor or a member of the Management Committee shall be called by at least twenty-one clear days' notice. Any other General Meeting shall be called by at least fourteen clear days' notice.

Notice of every General Meeting shall be given in writing to every Member of the company and to the auditors and to such persons who are entitled to receive notice, and shall be given personally or sent by post to each Member at the address recorded in the Register of Members and to other persons and their Registered Office.

Notice of all meetings shall be given exclusive of the day on which it is served and shall specify the exact time and place of the meeting. In the case of a General Meeting which is to consider a Special Resolution or a resolution to remove a Management Committee member or the auditor, such resolution be specific in the notice calling that meeting. In the case of all General Meetings, the general nature of the business to be considered shall be specified.

Where notice is sent by post, notice shall be deemed to have been served by properly addressing, prepaying and posting the notice and to have served forty-eight hours after the notice has been posted.

The accidental omission to give notice of a meeting to or non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate proceeding at that meeting.

### **Proceedings at General Meetings**

Only Members present in person (including representatives of Member organisations) shall be entitled to vote. Proxy voting is not permitted.

Only one vote may be cast by or for each Member on any particular resolution.

Decisions at General Meetings shall be made by passing resolutions:

(a) Decisions involving an alteration to the Memorandum or Articles of Association of the company and other decisions so required from time to time by statute shall be made by Special Resolution. A Special Resolution is one passed by a majority of not less than three-fourths of votes cast.

(b) All other decisions shall be made by Ordinary Resolutions requires a simple majority vote of votes cast at a General Meeting.

No business shall be transacted at a General Meeting unless a quorum is present. Unless and until otherwise decided by a General Meeting, fifteen Members shall be a quorum.

If thirty minutes after the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of Members, shall be dissolved. In any other case it shall stand adjourned until such time and place as the Management Committee may decide, and all Members shall be given such notice as is practicable of the time, date and place of such an adjourned meeting. The Members present at a meeting so adjourned shall constitute a quorum for that meeting only.

At every General Meeting the Chairperson of the company shall preside, but if she/he is not present twenty minutes after the time appointed for the commencement of the meeting the Members present shall choose one of their numbers to be Chairperson of that meeting, whose function shall be conduct the business of the meeting in an orderly

manner.

The Chairperson may with the consent of any meeting at which the quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of the original meeting. Otherwise (except in the circumstances described in article 22) it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjournment meeting.

At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless secret ballot is, before or on the declaration of the result of the show of hands, demanded by at least two members present. Unless a secret ballot be demanded, a declaration by the Chairperson that a resolution has on a show of hands been carried or lost and an entry to that effect in the minutes of the proceedings of the company shall be conclusive evidence of the fact without proof of the number or proportions of the votes recorded in favour or against such resolution.

If a secret ballot is duly demanded it shall be taken in such a manner as the Chairperson directs, provided that each Member shall have one vote, and the result of the ballot shall be deemed to be the resolution of the meeting at which the ballot was demanded. The demand for a secret ballot may be withdrawn.

The demand for a secret ballot shall not prevent the continuance of a meeting for the transaction of any other business than the question upon which a ballot has been demanded.

In the case of an equality of votes, whether on a show of hands or on a ballot, the Chairperson of the meeting shall have a second or casting vote.

### **Management Committee**

The company shall have a Management Committee comprising not less than nine and not more than sixteen persons, provided always not more than nineteen per cent of the Management Committee shall be local authority associated persons.

The initial Management Committee of the company from incorporation until the company's first Annual General Meeting shall be appointed by the Subscribers to the Memorandum of Association.

After the company's first Annual General Meeting, the composition of the Management Committee shall be as follows;

- (a) not more than fourteen persons elected by and from the membership;
- (b) not more than three persons who are members, co-opted by the Management Committee between Annual General Meetings.
- (c) not more than three nominees from local authorities.

The Management Committee may at this time co-opt other persons who are members to fill any vacancies occurring within the Management Committee between Annual General Meetings.

At the first and every Annual General Meeting, one-third of the elected members of the Management Committee, or if their number is not a multiple of three then the number nearest to one third, shall retire from office. The members to retire shall be those longest in office since their last election. Regarding members who have been in office for the same length of time, the members to retire shall be selected by lot. A retiring member shall be eligible for re-election provided no person shall serve for more than four years without a break of one year; provided the company may in General Meeting by a simple majority approve a further period of service for a maximum total period of eight years. The term 'year' in this context refers to the period between one Annual General Meeting and the next.

At every Annual General Meeting, all co-opted Management Committee members shall retire from office and shall be eligible for further co-option.

Procedure for the election and co-opted Management Committee members shall be determined from time to time by the Management Committee.

For the avoidance of doubt, members of the Management Committee are directors of the company within the meaning of the Companies Act, and charity trustees within the meaning of charity law.

Under no circumstance shall any of the following serve as Management Committee members.

- (a) employees of the company;
- (b) persons aged under eighteen years;
- (c) persons who are bankrupt or who are otherwise disqualified by law from serving as company directors.
- (d) persons who have an unspent conviction involving dishonesty or who are otherwise disqualified by law from serving as charity trustees

Management Committee members may be paid all reasonable out-of-pocket expenses incurred by them in attending and retuning from meetings of the Management Committee or General Meetings of the company or in connection with the business of the company, but otherwise - subject to Memorandum 6 - shall receive no remuneration.

A Management Committee member shall cease to be such immediately if she/he

- (a) resigns her/his office in writing to the company; or
- (b) ceases to be a Member of the company, or is the representative of an organisation which ceases to be a Member, or is the representative of Member Organisation which replaces her/him as its representative; or
- (c) fails to attend three consecutive meetings of the Management Committee without good reason, and the Management Committee decide that by virtue of such absence she/he shall cease to hold office; or

- (d) in the opinion of a majority of the Management Committee, fails to declare her/his interest in any contract as referred to in article 47; or
- (e) becomes bankrupt or, in the opinion of the Management Committee, incapable on medical or psychological grounds of carrying out the duties of a Management Committee members; or
- (f) is removed from office by resolution of the company in General Meeting in accordance with section 303 of the Act; or
- (g) is disqualified by law from serving as a director of a company or as a trustee of a charity.

### **Honorary Officers**

The company shall have a Chairperson, Vice-Chairperson, Honorary Secretary and Treasurer, elected by and from the Management Committee following the Annual General Meeting. Officers shall serve until the end of the next Annual General Meeting, and shall be eligible for re-election. In the event of a casual vacancy occurring in any post, the Management Committee may appoint one of their number to fill such vacancy until the next Annual General Meeting.

### **Powers and Duties of the Management Committee**

The business of the company shall be managed by the Management Committee who may pay all expenses of the formation of the company as they think fit and may exercise all such power of the company as may be exercised and done by the company and as are not by statute or by these articles required to be exercised or done by the company in General Meetings, including the power to set annual subscription.

No regulations made by the company in General Meeting shall invalidate any prior act of the Management Committee which would have been valid had that regulation not been made.

All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for moneys paid to the company shall be signed, drawn, accepted, endorsed, or otherwise executed in such manner as the Management Committee shall from time to time direct, provided that all instruments of expenditure above a certain limit specified by the Management Committee must be signed by at least two Management Committee members.

Without prejudice to its general powers, the Management committee may exercise all the powers of the company to borrow money and to mortgage or charge its undertakers and property or any part of them and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the company, subject to such consents as may be required by law.

### **Proceedings of the Management Committee**

Members of the Management Committee may meet together for the despatch of business and may adjourn and otherwise regulate their meetings as they think fit.

Questions arising at any meeting shall be decided by a majority of votes, each member of the Management Committee having one vote. In the case of an equality vote, the Chairperson of the meeting shall have a second or casting vote.

A Management Committee member shall declare an interest in and shall speak or vote in respect of any matter in which she/he has a personal material or financial interest or any matter arising from it and shall withdraw from a meeting at which such an issue is being discussed.

An honorary officer may and the Secretary on the requisition of two or more Management Committee members shall summon a meeting of the Management Committee by giving reasonable notice to all its members. It shall not be necessary to give notice of a meeting of the Management Committee to any of its members for the time being absent from the United Kingdom.

The quorum necessary for the transaction of the business of the Management Committee shall be five members of the Management Committee.

The Management Committee may act regardless of any vacancy in their body but, if and so long as their number is less than the minimum prescribed in articles 29, the Management Committee may act for the purposes of increasing their number, or of summoning a General Meeting of the company, but for no other purpose.

At every meeting of the Management Committee the Chairperson of the company shall preside, but if she/he is not present at the time the appointed for the commencement of the meeting the Management Committee members present shall choose one of their number to be Chairperson of the meeting, whose function shall be to conduct the business if the meeting in an orderly manner.

The Management Committee shall cause accurate records to be made, in books provided for that purpose, of;

- (a) the name, details and date of appointment of all persons appointed to office
- (b) the name of the Management Committee members, officers, Members, representatives and other persons present at all the General, Management Committee and Sub-Committee meetings of the company.
- (c) minutes of all proceedings and resolutions at all General, Management Committee and Sub-Committee meeting of the company.
- (d) all applications of the Seal to any document.

All such records and minutes shall be open to inspection during normal working hours by any member of the Management Committee and by any person authorised by the company in General Meetings. Minutes of General Meetings shall be available for inspection by any Member of the company during normal working hours.

The Management Committee may delegate any of their powers to Sub-Committees consisting of such members of their body and/or the company as they think fit. Any Sub-Committees so formed shall in the exercise of the power so delegated conform to any regulations imposed on it by the Management Committee, which regulations

shall always include provision for the regular and prompt reports to the Management Committee.

All acts done by any meeting of the members of the Management Committee or by any person acting as a member of the Management Committee shall, even if it be afterwards discovered that there was some defect in the appointment of any such Management Committee member or person acting as such, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Management member.

A resolution in writing, signed by all the Management Committee members for the time being entitled to vote, shall be valid and effective as if it had been passed at the meeting of the Management Committee, and may consist of several documents in the same form, each signed by one or more Management Committee members.

The Management Committee may at their discretion invite other persons to attend its meetings, with or without speaking rights, and without voting rights.

### **Secretary**

The Management Committee shall appoint a Secretary of the company upon such conditions as they think fit and any Secretary so appointed may be removed by them. No remuneration may be paid to a secretary who is also a member of the Management Committee

A provision of the Act or these articles requiring or authorising a thing to be done by or to a Management Committee member and the Secretary shall not be satisfied by its being done by or to the same persons acting in both capacities.

### **The Seal**

If the company has a Seal, it shall only be used by the authority of the Management Committee and every instrument to which the Seal shall be applied shall be signed by a Management Committee member and shall be countersigned by the Secretary or by a second Management Committee member. Every such application of the Seal shall be minuted.

### **Accounts**

The Management Committee shall cause proper accounts to be kept in accordance with the law for the time being in force with respect to;

- (a) all sums of money receive and expended by the company and the matters in which the receipt and expenditure takes place;
- (b) all sales and purchases of goods by the company;
- (c) the assets and liabilities of the company

Proper accounts shall be deemed to be kept if they give a true and fair record of the state of the company's affairs and explain its transactions.

The accounts shall be kept at the registered office of the company or, subject to section 222 of the Act, at such other place or places as the Management Committee thinks fit, and shall always be open to the inspection of all members and officers and by other persons authorised by the company in General Meetings

The Management Committee shall from time to time, in accordance with sections 227 and 241 of the Act, causes to be prepared and to be laid before the company in General Meeting such income and expenditure accounts, balance sheets, and any report referred to in those sections.

A copy of every balance sheet (including every document required by law to be annexed to it) which is laid before the company in General Meeting, together with a copy of the auditor's report and Board of Trustee's report, shall not less than twenty-one days before the date of the meeting, subject nevertheless to the provision of section 240(4) of the Act, be sent to every Member of and every holder of debentures of the company, provided that this regulation shall not require a copy of those documents to be sent to any person of whose address the company is not aware or to more than one of the joint holders of any debentures. The auditor's report shall be open to inspection and shall be read before the meeting.

The Management Committee shall comply with their obligations under the Charities Act 1993 (or any statutory re-enactment or modification of that Act) with the regard to the transmission of the statement of account of the company to the Commissioners

### **Audit**

In accordance with the law for the time being in force the company may - if it is eligible to do so - apply the small company audit exemption. Otherwise once at least in every year the accounts of the company shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by one or more properly qualified auditor or auditors.

Auditors shall be appointed and their duties regulated in accordance with sections 237 and 384 of the Act, and nothing shall authorise a Management Committee member or her/his firm to act as auditors.

### **Annual Reports**

The Management Committee shall comply with their obligations under the Charities Act 1993 (or any statutory re-enactment or modification of that Act) with regard to the preparation of an annual report and its transmission to the Commissioner.

### **Indemnity**

Subject to the provisions of the Act, every Management Committee member or other officer or auditor of the company shall be indemnified out of the assets of the company against any liability incurred by her/him in that capacity in defending any proceedings, whether civil or criminal, in which judgement is given in her/his favour or in which she/he is acquitted or in connection with any application in which relief is granted to her/him by the court from liability for negligence, default, breach of duty

or breach of trust in relation to the affairs of the company.

### **Regulations**

The company in General Meeting or the Management Committee may from time to time make, adopt and amend such regulations in the form of bye-laws, standing orders, secondary rules or otherwise as they may think fit for management, conduct and regulation of the affairs of the company and the proceedings and powers of the Management Committee and Sub-Committees, provided that such regulations are not inconsistent with the Memorandum and Articles, and do not amount to an addition or alteration such as could only legally be made by an alteration to the Memorandum or Articles of Association. All members of the company and the Management Committee shall be bound by such regulations whether or not they have received a copy of them.

### **Dissolution**

Clause 9 of the Memorandum of Association relating to the winding up and dissolution of the Company shall have effect as if its provisions were repeated in these articles.