

<u>Meeting</u>
Cabinet
<u>Date and time</u>
Tuesday 14th May, 2024
At 7.00 pm
<u>Venue</u>
Hendon Town Hall, The Burroughs, London NW4 4BQ

Dear Councillors,

Please find enclosed additional papers relating to the following items for the above mentioned meeting which were not available at the time of collation of the agenda.

Item No	Title of Report	Pages
14	Amendment to Arts Depot Memorandum and Articles of Association	3 - 36

Salar Rida
 Salar.Rida@Barnet.gov.uk

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AGENDA ITEM 14

	Cabinet
Title	Amendment to Arts Depot Memorandum and Articles of Association
Date of meeting	14 May 2024
Report of	Councillor Ammar Naqvi, Cabinet Member for Culture, Leisure, Arts and Sport
Wards	West Finchley
Status	Public
Key	Non key
Urgent	No
Appendices	Appendix 1 – The Arts Depot Covering Note Appendix 2 – The Arts Depot Trust Articles of Association
Lead Officer	Cath Shaw
Officer Contact Details	Cath Shaw, Deputy Chief Executive, London Borough of Barnet Cath.shaw@barnet.gov.uk
Summary	
<p>As part of its commitment to high quality governance, the Arts Depot Trust commissioned an external review of its Memorandum and Articles of Association. Some amendments are proposed to bring them into line with current best practice and regulations. Under the current terms of the Memorandum of Association, these require the council's approval.</p>	

Recommendations

That Cabinet:

1. Note the review of the Memorandum & Articles of Association for the Arts Depot Trust Limited as set out in Appendix 1.
2. Approve the updates to the Arts Depot Trust's Articles of Association (consolidating the Memorandum and Articles of Association) as set out in Appendix 1 and 2.
3. Delegate authority to the Leader (Cabinet Member for Resources and Effective Council) to provide consent in relation to such matters where consent is mandated in the Memorandum of Association on behalf of the Council in the future.
4. Agree and note that upon expiry of the terms of office of the current Council nominated trustees, the number of trustees nominated by the council will reduce from three to one; and that the revised Memorandum and Articles make provision for the council to nominate two representatives to the Arts Depot board as observers.

1. Reasons for the Recommendations

- 1.1 The Arts Depot Trust's Memorandum of Association states that:

No alteration of this Memorandum of Association (including this present clause) shall be made which shall cause the Trust to cease to be a charity at law and no alteration of the Articles of Association of the Trust shall be made without the written consent of the Barnet Borough Council

- 1.2 The commissioned constitutional and governance review is set out in Appendix 1 and contains suggested recommendations to update the Arts Depot Trust's Memorandum and Articles of Association. The Trust have approached the council to approve a number of changes to their Articles of Association attached at Appendix 2. Some of these changes are to allow the organisation to run its day-to-day business in the 21st Century, in particular using electronic communications and online meetings. In keeping with current best practice, it is proposed that the number of trustees be reduced from 20 to 15, and that given the reduced size of the board the number of trustees to be nominated by the council be reduced from three to one. In addition, the Council will have the right to nominate two observers to the Arts Depot Board.
- 1.3 The council's Scheme of Delegation does not currently make provision for approval of changes to the Articles of Association to be delegated to an individual. It is therefore proposed to delegate to the relevant Cabinet Member authority to grant consent in relation to such matters where consent is mandated in the Memorandum of Association on behalf of the Council in the future.

2. Alternative Options Considered and Not Recommended

- 2.1 Consent could be refused, however this would mean that the Arts Depot Trust's Memorandum and Articles would not reflect current best practice. In particular the Trust has been advised that the large number of trustees might be contrary to the Government and Housing Act 1989 Part V.

3. Post Decision Implementation

- 3.1 If the recommendation is approved, the Trust will be responsible for taking the necessary follow up action.

4. Corporate Priorities, Performance and Other Considerations

- 4.1 Supporting effective governance of the Arts Depot contributes to the aspirations of the Council's Corporate Plan *Our Plan for Barnet 2023-2026*, to celebrate and enhance Barnet's cultural offering.

5. Resource Implications (Finance and Value for Money, Procurement, Staffing, IT and Property)

None in the context of this report.

6. Legal Implications and Constitution References

- 6.1 The Arts Depot Trust's Memorandum of Association contains a provision which prohibits the Trust from making any changes to its Memorandum of Association nor Articles of Association without the consent of the Council. The wording of the provision states that; "*No alteration of this Memorandum of Association (including this present clause) shall be made which shall cause the Trust to cease to be a charity at law and no alteration of the Articles of Association of the Trust shall be made without the written consent of the Barnet Borough Council.*"
- 6.2 Under the Council's Constitution, Part 2D, the Cabinet has the authority to exercise all of the local authority functions which are not the responsibility of any other part of the local authority, whether by law or under this Constitution. There is no reference in the Council's Constitution to such a decision being vested in any other part of the Council.
- 6.3 In accordance with Part 2E - Cabinet Members' (Cabinet Members) appointment and term of office the Cabinet Member for Culture, Leisure, Arts and Sports is responsible for the development and strategic direction of the following:
- Promoting Barnet as a destination, a Borough of Culture and leading on the 'Borough of Fun'.
 - Cultural and Heritage activities in the Borough.
 - Library Services, arts, museums, and tourism.
 - Promotion of participation in physical activity and sports.
 - Events and activities in, and use of parks and open spaces.

- Strategic direction of leisure services.

6.4 The Cabinet therefore has the authority to approve the recommendations.

7. Consultation

Not applicable.

8. Equalities and Diversity

Decision makers should have due regard to the public sector equality duty in making their decisions. The equalities duties are continuing duties they are not duties to secure a particular outcome. The equalities impact will be revisited on each of the proposals as they are developed. Consideration of the duties should precede the decision. It is important that Cabinet has regard to the statutory grounds in the light of all available material such as consultation responses. The statutory grounds of the public sector equality duty are found at section 149 of the Equality Act 2010 and are as follows:

- A public authority must, in the exercise of its functions, have due regard to the need to:
- a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The changes in this report do not impact the council's exercise of its public sector equality duty.

9. Background Papers

None.

Constitutional & governance review

The Arts Depot Trust Limited

26 April 2021

Chris Knight
Email: cknight@vwv.co.uk
Mob: 07468 698 954
Reference: chk/111102.0003



1 Instructions & summary

- 1.1 We have been instructed to review the Memorandum & Articles of Association and the draft Governance Guide for the Charity. We have agreed that our review would be of a 'medium depth', meaning we will address the main themes but without going into minute detail. There is to be a board meeting shortly at which our review will be considered and of course we would be happy to undertake further work and discussions beyond that.
- 1.2 In summary, our findings are as follows.
 - 1.2.1 The Memorandum & Articles of Association are showing their age somewhat, in that they were last revised about thirteen years ago. Most provisions are adequate but there are many points to consider which, in our view, would bear improvement to make the Charity's life more straightforward. Three points stand out as being most in need of attention: there are no electronic meeting provisions; the conflicts of interest provisions are out-of-date; and there is no power to remove a trustee for detrimental conduct.
 - 1.2.2 As to the Governance Guide, overall this is a very good document. It has some inaccuracies which need to be attended to (which would be straightforward). There are some points to consider adding, as to which see below in this report. The Code of Conduct is in our view rather too brief and has some important omissions. The Committee terms of reference need clarity as to what is delegated. There are some governance areas in need of more specific treatment, including equality, diversity and inclusion, safeguarding, risk management, staff, data management, fundraising, trading, major partnerships, and climate.

2 Memorandum & Articles of Association

- 2.1 We will deal with these two documents together. They were both last revised thirteen years ago and much has changed in that time including the relevant statutory law and best governance practice. Accordingly there are a number of changes we would recommend simply in order to keep the document up to date.
- 2.2 A specific point of updating is that these days all of the provisions which used to be contained within the Memorandum and Articles are now to be found only within the Articles of Association. Therefore when revising these documents, the two should be consolidated.
- 2.3 The statutory references which have become out of date can be corrected when the document is revised.
- 2.4 The full name of the Charity includes the suffix "Limited". If desirable, this could be omitted as part of the review, as not-for-profit companies may do this.
- 2.5 The objects are somewhat outdated when compared with language which might be used today, however, they are adequate. They appear to us to match what the Charity does in practice, which is the most important consideration. Any change would require Charity Commission's written consent, which may well not be given, as the wording does allow for the Charity's activities. We therefore recommend these are not changed. Of course a mission statement and other such expressions can be used alongside the formal objects.
- 2.6 The powers are adequate, although outdated in their wording. We suggest as part of the review that these are updated. This change does not require Commission consent.

- 2.7 The non-profit provisions, found in clause 5 of the Memorandum of Association currently, are in our view adequate. Please note any change to these is likely to require Charity Commission consent. We do note there is no exception listed to allow a trustee to be a beneficiary of the Charity's activities; however, this is not likely to present any difficulty in practice, so we do not recommend this is changed.
- 2.8 The guarantee, to be found in clause 7 of the Memorandum, is higher than usual at £25 rather than the usual £1. However, this is unlikely to have any impact in practice as the guarantee is very rarely called upon. A change to this would require the Charity Commission's written consent.
- 2.9 The alteration clause (clause 9 of the Memorandum) states that no change to the Articles of any kind may be made without the Council's consent. Changes always need the members' consent and, for regulated alterations such as changes to the objects, the Charity Commission's consent. The requirement for Council consent seems overly restrictive, given that the Charity cannot cease to be a charity and the requirement for Charity Commission consent for regulated alterations gives further protection. Whether this should be changed will depend on the nature of the relationship you have with the Council, which we realise is a key stakeholder.
- 2.10 We consider the following matters in relation to membership to be important.
 - 2.10.1 The maximum number of members is given at 20. In practice we understand the members are the same people as the trustees even though this is not a formal requirement of the Articles. Members are appointed by the board.
 - 2.10.2 There are provisions to allow for informal membership, such as friends or associates. Whether this is used in practice we don't know, however the Charity may allow for informal membership whether or not provisions are included in the Articles as to this. Some opportunity for streamlining is therefore available if you would rather omit this from the document. We should note that the existence of informal membership, alongside formal membership, can lead to confusion.
 - 2.10.3 Members can retire by giving notice but only seven days' notice is required, so it would the Charity may well be inconvenienced if one or more members left with only that amount of notice. This needs to be considered alongside the point as to whether members and trustees should be *required* to be the same people rather than being the case as a matter of practice as is currently the case. If members are required by the Articles to be the same as the trustees, then one or two months' notice would be more appropriate for resignation.
- 2.11 The following observations may be made in relation to members' meetings.
 - 2.11.1 These days, an AGM is optional for a company limited by guarantee. As your members are the same people as the trustees, it may be a separate formal AGM is not necessary. However, please see below in relation to trustees' appointments, which at the moment are made at the AGM.
 - 2.11.2 Some of the terminology in this section is outdated, for example, *extraordinary general meeting* is no longer a term used by the Companies Act.
 - 2.11.3 The notice period for AGMs and EGMs is given as 21 days, which is longer than the minimum required by the Companies Act, which is 14 days. Consideration could therefore be given to shortening that period.

- 2.11.4 The quorum for members' meetings is five, which in our view is a sensible number if the maximum total number is 20.
- 2.11.5 The Chair has a casting vote. This facility is no longer available under the Companies Act for members' meetings, although if it is already included in a company's Articles then it may remain. You should therefore consider whether this is in practice ever used.
- 2.11.6 Other provisions in relation to members' meetings are adequate although outdated in some places. Please note one important omission is there is no provision for electronic meetings, which of course these days has become very important.

2.12 We have the following observations to make as regards trustees.

- 2.12.1 The minimum number of trustees is given as four and the maximum 20; three are to be appointed by the Council and 17 by the members. We assume that Council involvement is viable and desired. It is, we understand, a major stakeholder and is landlord of the Centre.
- 2.12.2 The 'alternate directors' provision is contrary to modern best practice for charities and not regarded by the Charity Commission as appropriate. Accordingly this ought to be removed.
- 2.12.3 There is a mention of debentures: we presume this relates to the acquisition of a position of privilege in relation to event bookings. If so, this does not need to be mentioned in the Articles. Any trustee who had such a privilege would need to observe conflict of interest provisions in relation to their role as a trustee of course.
- 2.12.4 Appointment of trustees (save for the council appointees) is undertaken at each AGM with one-third retiring each year, thus giving an effective three year term. Trustees can serve two terms of three years before then having to step off the board for three years. That is an unusually long sabbatical; usually twelve months is deemed appropriate.
- 2.12.5 The appointment of trustees by members is arguably an unnecessary and complex system of appointment given that the members and trustees are the same people. The Articles could simply provide for the board to appoint the 17, and this would also simplify many of these provisions considerably. The three year term of office could be retained if these provisions were revised.
- 2.12.6 As regards termination of office, we recommend including provision for the removal of a trustee who has conducted themselves in a way which is detrimental to the interests of the Charity. If this was included there would be an appropriate procedure set out.

2.13 The following observations may be made in relation to board meetings.

- 2.13.1 The quorum is five, which is a sensible number unless the total number of trustees is low in which case it could represent a high percentage of that total.
- 2.13.2 The Chair has a casting vote and whether or not that is often used in practice in our view it is a useful facility to have.

- 2.13.3 The conflict of interest provisions are not in step with the provisions set out in the Companies Act 2006 and governance best practice. We recommend these are revised.
 - 2.13.4 As with the case of members' meetings, there are no electronic meeting provisions and we recommend that these are included.
- 2.14 The above represents the principal comments we have on the Memorandum and Articles of Association. However, there are a few important miscellaneous points.
- 2.14.1 The office of company secretary is now optional, so this could be reflected in the Articles rather than a statement that there shall be a secretary.
 - 2.14.2 The ownership and use of a company seal is also now optional so again this matter could be reviewed.
 - 2.14.3 Given the Charity's important relationship with the Council, consideration should be given to the need to avoid the Charity becoming a *regulated, controlled* or *influenced* company under the provisions of local government legislation. The Local Government & Housing Act 1989 Part V (and related regulations) provides that where there is a *business relationship* between a local authority and a company and also a certain amount of influence at membership or board level, then that company will be *influenced, regulated or controlled* (all of which are defined terms), which leads to various administrative and accounting consequences.
 - 2.14.4 Without going into too much detail at this stage, those consequences are cumbersome and usually best avoided for both parties. In this situation, as the Council is the landlord of the Charity, there exists a business relationship. Accordingly, the best way to avoid the consequences referred to would be to ensure, in the Charity's Articles of Association, that those who are associated with the Council do not constitute 20% or more at either membership or board level (or that there is a mechanism to adjust voting strength if they do).
 - 2.14.5 We recommend we review with you the extent to which this matter has been considered or ought to be considered and take the matter forward from there.

3 The Governance Guide

- 3.1 Overall, our assessment of this draft document is it is very thorough and helpful and should prove to be an extremely useful framework for trustees and others within the Charity, pulling together the various governance requirements of law, regulation and best practice.
- 3.2 There are a few inaccuracies, which would be straightforward to remedy, and there are a number of points to consider adding, which we will detail below.
- 3.3 At the start of the document is a section entitled *Status of Document*. We recommend adding here that the document has been approved by the board and will be reviewed annually. Annual review should be relatively straightforward most years just to ensure that it is up-to-date; a more thorough review could be undertaken every three years or so.
- 3.4 Trustee status is dealt with on page 6. We recommend here adding that trustees are both company law directors and charity law trustees and that they are subject to similar duties as a result of both statuses.

- 3.5 The point made about liability would benefit from expansion, to include that the company structure protects trustees, as does undertaking the role with due care and diligence, taking appropriate advice when necessary, and that the Charity Commission or a court can relieve a trustee from liability where they have acted honestly and reasonably. This is the counterpoint to the statement given that the indemnity found in the Articles can be removed by the Charity Commission or the courts in the case of trustees who have been deemed to have acted negligently etc.
- 3.6 In the section on regulators, we recommend adding also The Fundraising Regulator, The Information Commissioner and The Health & Safety Executive. We also recommend making mention of key Charity Commission guidance in this section, such as the *Essential Trustee, Trustees & decision making*, and also *The Charity Governance Code* (although this latter is dealt with later in the Guide).
- 3.7 In the section on duties, please note the duty to act in the interests of creditors only arises in insolvency situations; until that point trustees must always act in the best interests of the Charity. Also please note that the duties of charity trustees which are listed are not statutory duties, in that they are not listed in the Charities Act, but they are a matter of general law and regulatory oversight by the Charity Commission. Additionally, the recital of the list of duties contained in the Charity Commission's guidance is not quite accurate but may be made so easily.
- 3.8 The table on page 7, comparing the roles of the trustees and the executive team, is broadly a good reflection of the division of responsibilities but we recommend that those for trustees should include more of a role in considering and creating strategy, risk management, organisational change and the Charity's business model.
- 3.9 In the section regarding meetings of trustees on page 8, we note trustees are to meet four times a year and we query whether that is enough for such a busy charity. Also in this section, the number of trustees is given as a minimum of five although the Articles of Association say a minimum of four; obviously the two documents should harmonise. The note as to the rotation of trustees says that appointment is only at an AGM or an EGM; however, the Articles also allow the board to appoint trustees to casual vacancies.
- 3.10 The section as regards major stakeholders beginning on page 8 gives helpful information but we wonder perhaps whether this section should be included earlier in the document, for example, after "About Arts Depot". We also recommend that some guidance is included here that trustees have a responsibility to oversee the appropriateness, strategic fit, impact, and risk of significant partnerships and collaborations. This has been the subject of specific Charity Commission guidance.
- 3.11 The Code of Conduct included at page 13 is a fair treatment but is very short. Even though it sits within a comprehensive governance guide it should still, in our view, be fuller and include reference to relevant Charity Commission guidance and the Charity Governance Code (which is mentioned later in the guide), confidentiality, working outside of meetings, lines of communication and responsibility, and managing disagreements.
- 3.12 We recommend including a discrete section on policies, explaining their function and then listing all your policies. This could include conflicts of interest (which is included in full later in the document), safeguarding, equality diversity and inclusion, data protection and privacy, risk management, employment, financial, social media, climate, and anything else of central importance for your Charity's work. These policies do not all need to be appended, which would make the whole document very unwieldy, but at least listed and / or cross-referenced

so as to provide a comprehensive guidance framework for trustees and others. In as much as this document is electronic, then links can be provided.

- 3.13 The role of the Honorary Treasurer, at page 21, should be less onerous for your Charity, given you have an employed Finance Director; additionally it may not always be possible to appoint a trustee with the appropriate experience. Whilst financial understanding is critically important for the board, you may therefore wish to review whether having a formal honorary treasurer is a necessary requirement for your Charity.
 - 3.14 Your committee terms of reference, beginning at page 22, ought to include a clear statement as to what decision making is delegated and what is merely for consideration and recommendation to the board. Without a specific delegation, then the default position is that everything is merely for consideration and no decision making power is given to the committees at all.
 - 3.15 Lastly, we suggest consideration is given as to whether an organogram might be a useful addition to demonstrate the governance framework of the Charity, lines of communication and delegation and so forth. Often people find this an invaluable tool to which to have reference alongside the terms of reference and other provisions of a governance framework.
- 4 We hope this report is of assistance to the board and would be very pleased to discuss matters further and to assist with any redrafting.

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The Arts Depot Trust Limited

Articles of Association

Company Number 03536243

Registered Charity Number 1083893



The Companies Acts 1985 to 2006

Company limited by guarantee and not having a share capital

Articles of Association

of

The Arts Depot Trust Limited

1 Name

1.1 The name of the company is The Arts Depot Trust Limited (**Charity**).

2 Registered office

2.1 The registered office of the Charity is in England and Wales.

3 Objects

3.1 The objects of the Charity (**Objects**) are:

- 3.1.1 To advance and further public education in the arts, including in particular but without prejudice to the generality of the foregoing by providing a centre for the benefit to the public to promote artistic education;
- 3.1.2 To provide or assist in the provision of facilities for recreation and other leisure time occupation in the interest of social welfare for members of the public with the object of improving their condition of life.

4 Powers

4.1 The Charity has the power to do anything within the law which may promote or may help to promote the Objects or any of them including (but without limitation) the power:

- 4.1.1 to hold festivals, seminars, conferences, lectures, tours and courses;
- 4.1.2 to promote or carry out research and to disseminate such research;
- 4.1.3 to provide advice;
- 4.1.4 to publish or distribute information in any form;
- 4.1.5 to co-operate with and to enter into joint ventures, collaborations and partnerships with charitable and non-charitable bodies;
- 4.1.6 to support (including through donations), administer or set up charities and to act as trustee of any charitable funds, endowments or trusts;
- 4.1.7 to affiliate with and where appropriate merge with any charity having similar objects to the Objects;
- 4.1.8 to raise funds;
- 4.1.9 to borrow money, including entering into any derivative arrangement relating to that borrowing provided that the derivative arrangement is an integral part of managing the Charity's debt and not a speculative venture;

- 4.1.10 to give security for loans, grants and other obligations over the assets of the Charity (but only in accordance with the restrictions imposed by the Charities Act 2011);
- 4.1.11 to acquire, rent or hire real or personal property of any kind and to construct, maintain and alter buildings or erections and to insure against any risk or risks to any of the property or assets of the Charity;
- 4.1.12 to sell, let, license, mortgage or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act 2011);
- 4.1.13 to purchase or otherwise acquire plant and machinery including, without limitation, computer hardware and software, furniture, fixtures, fittings and all other effects of every description and to apply for registration of any patents, rights, copyrights, licences and the like;
- 4.1.14 to make grants, awards, prizes or donations;
- 4.1.15 to make loans of money and give credit and to give guarantees or security for the performance of any obligations by any person or company;
- 4.1.16 to set aside funds for special purposes or as reserves against future expenditure, but only in accordance with a written policy on reserves;
- 4.1.17 to deposit or invest funds in any manner (but to invest only after taking such advice as the trustees consider is reasonably necessary from such person as is reasonably believed by the trustee to be qualified to give it by their ability in and practical experience of financial and other relevant matters);
- 4.1.18 to enter into any derivative arrangement in connection with any investment provided that the derivative arrangement is ancillary to the investment (being entered into in order to manage the risk and / or transaction costs associated with the investment) and is not a speculative venture;
- 4.1.19 to delegate the management of investments to any person provided that:
 - (a) the delegate is authorised to carry on investment business under the provisions of the Financial Services and Markets Act 2000;
 - (b) the investment policy is set out in writing by the Trustees;
 - (c) the performance of the investments is reviewed regularly with the Trustees;
 - (d) the investment policy and the delegation arrangements are reviewed at least once a year;
 - (e) all payments due to the delegate are on a scale or at a level which is agreed in advance and are notified promptly to the Trustees on receipt by the delegate; and
 - (f) the delegate must not do anything outside the powers of the Trustees;
- 4.1.20 to arrange for the investments or other property of the Charity to be held in the name of a nominee (being a corporate body registered or having an established place of business in England and Wales) under the control of the Trustees or of any person to whom the management of investments is delegated and to pay any reasonable fee required;

- 4.1.21 to insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity when required;
- 4.1.22 to take out indemnity insurance to insure the Trustees against the costs of a successful defence to criminal proceedings brought against them as charity trustees or against personal liability incurred in respect of any act or omission which is or is alleged to be in 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;
- 4.1.23 subject to Articles **Error! Reference source not found.** and 14, to employ paid or unpaid agents, staff or advisers;
- 4.1.24 to enter into contracts to provide services to or on behalf of other bodies;
- 4.1.25 to establish, support or acquire subsidiary companies;
- 4.1.26 to pay the costs of forming the Charity;
- 4.1.27 to open and operate bank accounts and banking facilities;
- 4.1.28 to solicit and accept grants, donations, subscriptions, endowments, gifts, legacies and bequests of assets on any terms;
- 4.1.29 to issue appeals, hold public meetings and take such other steps as may be required for the purpose of procuring contributions to the funds of the Charity;
- 4.1.30 to enter into any licence or sponsorship agreement;
- 4.1.31 to enter into any contract or agreement (including any finance lease);
- 4.1.32 to carry on any trade in so far as the trade is;
 - (a) exercised in the course of the actual carrying out of the Objects of the Charity; or
 - (b) ancillary to the carrying out of the Objects; or
 - (c) not taxable trading;
- 4.1.33 to do all such other things permitted by law as are incidental or conducive to the attainment of the Objects.

5 **Limited liability**

- 5.1 The liability of the Members is limited to £25, being the amount each Member undertakes to contribute to the Charity's assets if the Charity shall be wound up while they are a Member, or within one year after they cease to be a Member, for payment of the Charity's debts and liabilities contracted before they cease to be a Member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributors among themselves.

6 **Membership**

- 6.1 The number of Members with which the Charity is registered is unlimited.
- 6.2 The Charity must maintain a register of Members.

- 6.3 The Members of the Charity on the date of adoption of these Articles and the Trustees from time to time shall be the Members of the Charity.
- 6.4 Membership is terminated if the Member concerned:
 - 6.4.1 gives at least one months' written notice of resignation to the Charity;
 - 6.4.2 dies;
 - 6.4.3 makes an arrangement or composition with their creditors; or
 - 6.4.4 ceases to be a Trustee.
- 6.5 Membership of the Charity is not transferable.
- 6.6 The Trustees may admit such persons as they see fit as associate members in accordance with any criteria or rules set out by the Trustees from time to time, provided that associate members shall not be members of the Charity for the purposes of the Act and accordingly such membership shall not bestow upon any associate member the right to attend or vote on any matter at any general meeting of the Charity.

7 General meetings

- 7.1 Members are entitled to attend general meetings either personally or by proxy. General meetings are called on at least 14 clear days' written notice specifying the business to be discussed. 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 shall not invalidate the proceedings at that meeting.
- 7.2 A general meeting may be called at any time by the Trustees and must be called in accordance with the terms of the Act within 21 days of a written request from the Members made in accordance with the provisions of the Act.
- 7.3 The Trustees may call a general meeting to be held at such time and place as they shall determine, but may determine that such meeting shall be held only by electronic means or a combination of a physical and electronic meeting. "**Electronic**" includes any means which uses or is facilitated by electronic or similar communication or information technology.
- 7.4 Where a general meeting is to be held by electronic means the following shall apply to such meeting. These rules shall also apply in respect of any meeting that is held partly by electronic means:
 - 7.4.1 An electronic meeting shall be held as determined by the Trustees, provided that all participants may communicate with all other participants (and may include telephone conference, video conference, live webcast, live interactive streaming or similar communication or information technology).
 - 7.4.2 The notice of the meeting shall state: any location at which a Member may attend the meeting physically in person (or that there is no location at which a Member may attend the meeting physically in person) and the electronic or other means by which the meeting will be held and the means by which a Member may participate.
 - 7.4.3 The meeting need not be held in any particular place and may be held notwithstanding any number of those participating might not be together at the same place. Any reference to a "**place**" at which a general meeting or poll is to be held in these Articles shall include physical, electronic, digital or virtual locations, web addresses, conference call telephone numbers or combination of them.

- 7.4.4 Votes shall be permitted and cast by such electronic means as determined by the Trustees. Any reference to a vote on a "**show of hands**" in these Articles shall include any electronic means of voting and votes cast by that method shall be counted in determining the result of the show of hands.
- 7.4.5 A person shall be present or in attendance at such a meeting if they are in the location notified for the purpose of being present or attending physically in person, or if they are participating electronically in the meeting by the method set out in the notice calling the general meeting. Any reference to being "**present**" (including being present in person or by proxy as the case may be) at, "**attend**" or "**attending personally**" a general meeting in these Articles shall, except where otherwise stated, include those present or attending by electronic means.

7.5 Quorum

- 7.5.1 There is a quorum at a general meeting if three of the Members entitled to attend and vote at that meeting, or one third of the current Members of the Charity, whichever is greater, are present in person or by proxy.
- 7.5.2 If within 15 minutes from the time appointed for the holding of a general meeting a quorum is not present, the meeting will be adjourned to such other day and at such time as the Board may determine. If at such adjourned meeting a quorum is not present within 15 minutes from the time appointed for holding the meeting the Members present in person or by proxy shall be a quorum.

7.6 Chair

- 7.6.1 The Chair or (if the Chair is unable or unwilling to do so) the Co-Chair or (if the Co-Chair is unable or unwilling to do so) some other Trustee elected by those present shall preside as chair at a general meeting. The Chair may, with the consent of a meeting at which a quorum is present, and shall if so directed by the meeting, adjourn any meeting from time to time and from place to place as the Chair shall determine.

7.7 Voting

- 7.7.1 A resolution put to the vote of a meeting will be decided on a show of hands unless before or upon the declaration of the result of the show of hands a poll is demanded. The accidental omission to count any vote on a show of hands shall not invalidate the result of the proceedings.
- 7.7.2 A poll may be demanded by:
- (a) the Chair;
 - (b) at least five Members entitled to vote on the resolution present in person or by proxy; or
 - (c) a Member or Members representing at least ten percent of the total voting rights of all of the Members entitled to vote on the resolution present in person or by proxy.
- 7.7.3 Unless a poll is duly demanded a declaration by the Chair that a resolution has been carried unanimously or by a particular majority or lost or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.

- 7.7.4 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the Chair and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 7.7.5 A poll shall be taken as the Chair directs and may include a poll by electronic means. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 7.7.6 A poll demanded on the election of a Chair or on a question of adjournment will be taken forthwith. A poll demanded on any other question will be taken either forthwith or at such time and place as the Chair directs not being more than 30 days after the poll is demanded. The demand for a poll will not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting will continue as if the demand had never been made.
- 7.7.7 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 7.7.8 On a show of hands or a poll every Member present in person or by proxy shall have one vote.
- 7.7.9 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid. Any such objection must be referred to the Chair of the meeting whose decision is final.

7.8 Proxy notices

- 7.8.1 Proxies may only validly be appointed by a notice in writing (**a proxy notice**) which:
- (a) states the name and address of the Member appointing the proxy;
 - (b) identifies the person appointed to be that Member's proxy and the general meeting (which includes an electronic 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 directors may determine; and
 - (d) is delivered to the Charity in accordance with these Articles and any instructions contained in the notice of the general meeting to which they relate.
- 7.8.2 The Charity may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 7.8.3 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.
- 7.8.4 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) by appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates, as well as to the meeting itself.
- 7.8.5 A person who is entitled to speak, attend 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.
- 7.8.6 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.
- 7.8.7 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.
- 7.8.8 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.

7.9 Written resolutions

- 7.9.1 A written resolution passed in accordance with the Act is as valid as a resolution actually passed at a general meeting (and for this purpose the written resolution may be set out in more than one document). A written resolution passed under this Article will lapse if not passed before the end of six calendar months beginning with the circulation date (as defined in section 290 of the Companies Act 2006).

8 Trustees

- 8.1 The Trustees are the charity trustees of the Charity and have control of the Charity and its property and funds.
- 8.2 The Board shall be composed of a minimum of four Trustees and maximum of fifteen Trustees. The Council shall have the right to nominate one Trustee to the Board. On appointment as a Trustee, a Trustee shall automatically become a Member of the Charity.
- 8.3 From the adoption of these Articles, the existing Trustees shall continue to hold office on their existing terms as set out in the schedule to these Articles.
- 8.4 The Chief Executive shall be a Trustee ex-officio.
- 8.5 Subject to Article 8.4, Trustees shall be appointed to the Board by resolution of the Trustees. The Trustees may from time to time at their discretion determine any criteria for appointment as a Trustee.
- 8.6 Every Trustee shall sign a written consent to become a Trustee and a Member.
- 8.7 Subject to Article **Error! Reference source not found.**, the term of office for Trustees shall be three years. A Trustee shall be eligible for re-election by the Trustees for one further term of three years.
- 8.8 After a Trustee has served two consecutive terms in office, they shall be eligible for re-election only after a year has elapsed since they retired as Trustee, unless the Board considers it would be in the best interests of the Charity for a Trustee to be eligible for re-election on their retirement for such number of further terms as the Trustees shall resolve.
- 8.9 Every Trustee will hold office until they vacate office in accordance with Article 8.7.

- 8.10 A Trustee's term of office automatically terminates if:
- 8.10.1 they are disqualified under the Charities Act 2011 from acting as a charity trustee;
 - 8.10.2 a registered medical practitioner who is treating that person gives a written opinion to the Trustees stating that that person has become physically or mentally incapable of acting as a Trustee and may remain so for more than three months;
 - 8.10.3 they are absent from two consecutive meetings of the Board without the consent of the Trustees and the Trustees resolve that their office is vacated;
 - 8.10.4 they are removed as a Trustee by the Members pursuant to the Act;
 - 8.10.5 they resign by giving at least one months' written notice to the Trustees (but only if at least three Trustees will remain in office);
 - 8.10.6 they become bankrupt, has an interim receiving order made against them, makes any arrangement or compounds with their creditors generally or applies to the court for an interim order in respect of a voluntary arrangement;
 - 8.10.7 they are convicted of an offence and the Trustees shall resolve that it is undesirable in the interests of the Charity that they remain a Trustee of the Charity;
 - 8.10.8 ceases to be a Member of the Charity;
 - 8.10.9 in the case of the Chief Executive, ceases to hold office as the CEO of the Charity
 - 8.10.10 in the case of the Council-nominated Trustee, are removed as a Trustee by a resolution of the Council; or
 - 8.10.11 is removed by a resolution of a majority of the other Trustees then in office where a Trustee has conducted themselves in a manner which is considered by the other Trustees to be detrimental to the Charity, provided that in advance of such any decision the Trustee is permitted to make written representations, which are considered by the other Trustees prior to making a decision to remove a Trustee pursuant to this Article 8.10.11.
- 8.11 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 of the Board.

9 **Proceedings of the Board**

- 9.1 The Trustees must hold at least four meetings of the Board each year. Any Trustee may call a meeting of the Board by giving notice of the meeting to the Trustees or by authorising the Secretary (if any) to give such notice provided that:
- 9.1.1 such notice must indicate the proposed date, time and location of the meeting and, if it is anticipated that Trustees participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting;
 - 9.1.2 such notice must be given to each Trustee and any Observers, but need not be in writing; and
 - 9.1.3 such notice need not be given to Trustees who waive their entitlement to notice of that meeting by giving notice to that effect to the Charity not more than seven days after the date on which the meeting is held (and where such notice is given after the

meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it).

- 9.2 The quorum necessary at a meeting of the Board shall be determined by the Board and unless and until otherwise determined shall be three, or one third of the total number of Trustees then in office, whichever is greater. If the total number of Trustees for the time being is less than the minimum number required by Article 8.2 or the quorum required, the Trustees must not take any decision other than a decision to:
- 9.2.1 call a general meeting to appoint further Trustees;
 - 9.2.2 appoint an administrator, administrative or other receiver or a licensed insolvency practitioner in any other role relating to the Charity recognised by the relevant insolvency, company, property or charity legislation as from time to time in force;
- provided always that in all other respects, the provisions of these Articles in relation to the calling of meetings of the Board shall be complied with.
- 9.3 A meeting of the Board may be held either in person or by suitable electronic means agreed by the Trustees in which all Trustees participating in the meeting may communicate with all the other participants. If all the Trustees participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
- 9.4 The Chair or (if the Chair is unable or unwilling to do so) the Co-Chair or (if the Co-Chair is unable or unwilling to do so) some other Trustee chosen by the Trustees present will preside as chair at each meeting.
- 9.5 Subject to Article 9.7.1, every decision of the Trustees shall be by a simple majority of the votes cast at a meeting.
- 9.6 Every Trustee has one vote on each issue except for the chair of the meeting, who in the event of an equality of votes has a second or casting vote (unless the chair of the meeting is in accordance with these Articles not to be counted as participating in the decision-making process for quorum or voting purposes).

9.7 Decisions without a meeting

- 9.7.1 The Trustees may take a decision by agreement of at least 75% of the Trustees without holding a Trustees' meeting by indicating to each other by any means, including without limitation by electronic means, that they share a common view on a matter. Such decisions may, but need not, take the form of a resolution in writing, copies of which have been signed by each Trustee in agreement or to which each Trustee has otherwise indicated agreement in writing. A decision made in accordance with this Article 9.7.1 shall be as valid and effectual as if it has been passed at a meeting duly convened and held, provided the following conditions are complied with:
- (a) approval from at least 75% of the Trustee must be received by the Chair, or if the Chair is unable or unwilling to do so, some other Trustee nominated in advance by the Trustees for that purpose (**Recipient**);
 - (b) following receipt of the response from the Trustees, the Recipient shall communicate to all of the Trustees by any means whether the resolution has been formally approved by the Trustees in accordance with this Article 9.7.1;

- (c) the date of the decision shall be the date of the communication from the Recipient confirming formal approval; and
 - (d) the Recipient prepares a minute of the decision and circulates it to the Trustees and the Secretary.
- 9.8 A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

10 Observers

- 10.1 The Council shall have the right to appoint a maximum of two Observers who shall have the right to receive notice of and attend any meeting of the Board provided that:
- 10.1.1 the Observer shall not be entitled to attend and observe parts of a meeting where information (other than information which relates specifically to budgeting and spending) will be disclosed which would, or would be likely to, prejudice the commercial interests of the Charity (**Commercially Sensitive Information**). For the avoidance of doubt, any dispute regarding what constitutes Commercially Sensitive Information shall be resolved in accordance with Article 10.2;
 - 10.1.2 the Observer shall have no right to participate in any such meeting, nor to count in the quorum or on any vote by the Board;
 - 10.1.3 the Observer shall be entitled to receive all notices and other information which the Trustees are entitled to receive in accordance with their rights as company directors under company law, as charity trustees under charity law and under these Articles
- 10.2 In the event that a dispute arises out of or in connection with the role of the Observer as set out in this Article 10, including (but not limited to) any dispute arising as a result of the Observer being excluded from part of a meeting under Article 10.1.1, the Charity and the Council shall attempt in good faith to resolve it. If any such dispute cannot be resolved by negotiation within 30 days, it will be subject to mediation in accordance with the Centre for Dispute Resolution ("CEDR") Model Mediation Procedure (the "**Model Procedure**"). To initiate mediation, one party must give notice in writing to the other party requesting mediation pursuant to the Model Procedure. A copy of the request shall also be sent to CEDR. The mediation shall be before a single mediator jointly agreed upon by the Charity and the Council.

11 Powers of Trustees

- 11.1 The Trustees have the following powers in the administration of the Charity:
- 11.1.1 at their absolute discretion, to appoint (and remove) any person or corporate entity (who may also be a Trustee) to act as Secretary to the Charity in accordance with the Act;
 - 11.1.2 to appoint (and remove) a Chair and Co-chair from among their number;
 - 11.1.3 to appoint a treasurer, secretary, patron, president, vice-president and other honorary offices;
 - 11.1.4 to make standing orders consistent with these Articles and the Act to govern proceedings at general meetings;
 - 11.1.5 to make rules consistent with these Articles and the Act to govern proceedings at meetings of the Board and of committees;

- 11.1.6 to make regulations consistent with these Articles and the Act to govern the administration of the Charity; and
- 11.1.7 to exercise any powers of the Charity which are not reserved to a general meeting.

11.2 The Board of Trustees may by a simple majority resolution change the name of the Charity.

12 **Delegation**

- 12.1 Subject to these Articles, the Board may delegate any of the powers conferred on it by these Articles to such person, by such means, to such an extent, in relation to such matters and on such terms of reference as the Trustees think fit and, if the Board so specifies, any such delegation may authorise future delegation of the Trustees' powers by any person to whom they are delegated.
- 12.2 The Board may also delegate to any committee consisting of two or more individuals appointed by the Board any of its functions (including any powers or discretions) for such time and on such terms of reference as it thinks fit (including any requirement that a resolution of the committee shall not be effective unless a majority of those present when it is passed are Trustees or it is ratified by the Board) provided that:
 - 12.2.1 all proceedings of every committee must be reported promptly to the Trustees; and
 - 12.2.2 every committee must act in accordance with the terms of reference on which any function is delegated to it (but, subject to that, the proceedings of the committee will be governed by such of these Articles as regulate the proceedings of the Board so far as they are capable of applying).

12.3 The Board may at any time revoke any delegation in whole or part or alter its terms.

13 **Advisory board**

- 13.1 The Board may establish an advisory board comprising individuals who, in the opinion of the Board, have relevant experience in dealing with issues affecting the Charity. An advisory board shall have none of the rights or powers exercisable by a committee of the Board other than a power to advise the Board on any matters which have been referred to it by the Board. The members of an advisory board shall not, unless they are also Trustees, have the duties and responsibilities of company directors or charity trustees. Subject to any terms and conditions expressly imposed by the Board, the proceedings of any advisory boards shall be governed by such of these Articles as regulate the proceedings of the Board so far as they are capable of applying.

14 **Benefits to Trustees**

- 14.1 The income and property of the Charity must only be applied to promote the Objects and no part of that income or property may be paid, transferred or applied by way of Benefit to any Trustee (either in their capacity as a Member or as a director and charity trustee of the Charity) except:
 - 14.1.1 reasonable and proper premiums in respect of indemnity insurance provided in accordance with these Articles;
 - 14.1.2 reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) properly incurred in the management and administration of the Charity;
 - 14.1.3 an indemnity in accordance with these Articles;

- 14.1.4 payment to any company in which a Trustee has no more than a 2% shareholding; and
- 14.1.5 other payments or benefits permitted by charity law or with the prior consent of the Commission;

provided that the Trustees must comply with the provisions of Articles 15, 16 and 17 (declaration of Interests and authorisation of Conflicts of Interest) in relation to any Benefit provided by the Charity to any Trustee pursuant to this Article.

- 14.2 The income and property of the Charity must only be applied to promote the Objects and no part of that income or property may be paid, transferred or applied by way of Benefit to any Trustee except:
 - 14.2.1 all reasonable and proper professional or other charges to any Trustee who is a solicitor, accountant or otherwise engaged in a profession for work done by their firm in connection with the discharge of the Objects, when instructed by the other Trustees so to act in that capacity on behalf of the Charity;
 - 14.2.2 interest on money lent to the Charity at a rate per annum not exceeding 2% above base lending rates at which deposits in sterling of an equivalent amount of any loan are, at the date of such loan available in the London interbank market for a period of 12 months to the Charity's bankers;
 - 14.2.3 a reasonable rent or hiring fee for property let or hired to the Charity;
 - 14.2.4 any Benefit provided to a Trustee in their capacity as a beneficiary of the Charity;
 - 14.2.5 reasonable and proper remuneration to any Chief Executive of the Charity in respect of their employment notwithstanding that he or she may be a Trustee of the Charity provided that the procedure described in Articles 15 to 17 are followed in relation to any decisions regarding the remuneration authorised by this Article 14.2.5; and
 - 14.2.6 in respect of the provision of goods or services in accordance with Article 14.3;
- provided that the Trustees must comply with the provisions of Articles 15, 16 and 17 (declaration of Interests and authorisation of Conflicts of Interest) in relation to any Benefit provided by the Charity to any Trustee pursuant to this Article.
- 14.3 Any Trustee may enter into a written contract with the Charity to supply goods or services to the Charity in return for a Benefit but only if:
 - 14.3.1 the goods or services are actually required by the Charity;
 - 14.3.2 the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services supplied;
 - 14.3.3 the Trustee has declared their Interest in accordance with Article 15 and the Trustees have complied with the procedure in Article 17.3;
 - 14.3.4 the total number of Trustees who are subject to or affected by such a contract in any financial year constitute a minority of the Trustees in office at the time (and this provision will apply to a Trustee if this Article 14.3 applies to a person who is Connected to that Trustee); and
 - 14.3.5 the services supplied are not services supplied by the Trustee in their capacity as a Trustee; and

14.3.6 subject to Article 14.2.5, the services supplied are not services supplied by the Trustee under a contract of employment;

provided that the Trustees must comply with the provisions of Articles 15, 16 and 17 (declaration of Interests and authorisation of Conflicts of Interest) in relation to any Benefit provided by the Charity to any Trustee pursuant to this Article.

- 14.4 A Trustee or Member shall not receive a Benefit from any Subsidiary Company except in accordance with Article **Error! Reference source not found.** for a Member or Articles 14.1 and 14.2 for a Trustee (all of which apply as if references to the Charity were references to the Subsidiary Company and references to the Articles were to the articles of association of the Subsidiary Company).
- 14.5 In this Article, references to a Member or Trustee include references to any person who is Connected to that Member or Trustee.
- 14.6 Any amendment to this Article 14 which constitutes a regulated amendment for the purposes of section 198 of the Charities Act 2011 may not be amended without the prior written consent of the Commission.

15 Declaration of Interests

- 15.1 Every Trustee has a duty to declare to the Trustees the nature and extent of any Interest which they (or any Connected Person) have in any proposed or existing transaction or arrangement with the Charity or any situation or matter in relation to the Charity that is, or possibly may be, a Conflict of Interest.
- 15.2 In the case of any proposed transaction or arrangement with the Charity in which a Trustee (or any Connected Person) is Interested, they must declare the nature and extent of the Interest to the Trustees before the Charity enters into the transaction or arrangement.
- 15.3 In the case of any existing transaction or arrangement that has been entered into by the Charity or any situation or matter in relation to the Charity in which a Trustee (or any Connected Person) is Interested, they must declare the nature and extent of the Interest to the Trustees as soon as is reasonably practicable.
- 15.4 Any declaration must be made in accordance with the provisions of the Act:
 - 15.4.1 at a meeting of the Board; or
 - 15.4.2 by notice in writing to the Trustees; or
 - 15.4.3 by general notice to the Trustees.
- 15.5 A Trustee is not required to declare an Interest:
 - 15.5.1 where the Trustee is not aware of the Interest (but the Trustee is treated as being aware of matters of which he ought reasonably to be aware); or
 - 15.5.2 where the Trustee is not aware of the transaction or arrangement or situation or matter (but the Trustee is treated as being aware of matters of which they ought reasonably to be aware); or
 - 15.5.3 if, or to the extent that, the other Trustees are already aware of the Interest (or ought reasonably to be aware of the Interest).

- 15.6 The Charity will maintain a register of all of the Interests declared by the Trustees in accordance with this Article. The Trustees will prepare (and from time to time review) a policy in relation to the declaration and management of Conflicts of Interest.

16 **Conflicts of Interest**

- 16.1 Subject to Articles 16.2 and 17, a Trustee has a duty under the Act to avoid a situation or matter (including a transaction or arrangement with the Charity) in which they have, or can have, a Conflict of Interest. This duty applies to the exploitation of any property, information or opportunity (and it is immaterial whether the Charity could take advantage of the property, information or opportunity).
- 16.2 Pursuant to section 181(3) of the Companies Act 2006, the duty referred to in Article 16.1 does not apply to a Conflict of Interest arising in relation to any situation or matter or any transaction or arrangement between the Charity and any Trustee which is mentioned in Article 14.1 of these Articles.

17 **Authorisation of Conflicts of Interest**

- 17.1 The Trustees may authorise a transaction or arrangement or situation or matter in which a Trustee (or any person Connected to that Trustee) has, or may have, a Conflict of Interest provided that:

- 17.1.1 the Conflict of Interest will not confer a Benefit on the Trustee or any Connected Person at the expense of the Charity to an extent greater than that permitted by Article 14 of these Articles;
- 17.1.2 the Trustees act in what they consider to be the best interests of the Charity; and
- 17.1.3 the Trustees comply with the procedures set out in this Article 17.

- 17.2 Whenever the Trustees must decide whether to give the authorisation in accordance with Article 17.1 the Trustee concerned must:

- 17.2.1 declare the nature and extent of their Interest at the beginning of any meeting at which the authorisation is to be discussed (or, at the latest, before such discussion begins);
- 17.2.2 withdraw from that part of the meeting at which the authorisation is to be discussed unless expressly invited to remain in order to provide information;
- 17.2.3 not be counted in the quorum for that part of the meeting during which the authorisation is discussed;
- 17.2.4 withdraw during the vote and have no vote on the authorisation for that part of the meeting; and
- 17.2.5 not sign any written resolution in relation to the authorisation (except where required to do so to confirm a resolution of the other Trustees).

- 17.3 The Trustees may also exclude the relevant Trustee from the receipt of information in relation to the relevant transaction, arrangement, situation or matter.

- 17.4 In giving any authorisation in accordance with Article 17.1 in relation to any transaction or arrangement or situation or matter in which a Trustee (or any person Connected to that Trustee) has, or may have, a Conflict of Interest and which will or may confer a Benefit on that Trustee (or Connected Person), the Trustees must provide that the Trustee concerned will:

- 17.4.1 declare the nature and extent of their Interest at the beginning of any meeting at which the relevant transaction or arrangement or situation or matter is to be discussed (or, at the latest, before such discussion begins);
 - 17.4.2 withdraw from that part of any meeting at which the relevant transaction or arrangement or situation or matter is to be discussed unless expressly invited to remain in order to provide information;
 - 17.4.3 not be counted in the quorum for that part of any meeting during which the relevant transaction or arrangement or situation or matter is discussed;
 - 17.4.4 withdraw during the vote and have no vote on the relevant transaction or arrangement or situation or matter at the relevant part of any meeting; and
 - 17.4.5 not sign any written resolution in relation to the relevant transaction or arrangement or situation or matter (except where required to do so to confirm a resolution of the other Trustees).
- 17.5 In giving the authorisation under Article 17.1 in relation to a transaction or arrangement or situation or matter in which a Trustee (or any person Connected to a Trustee) has, or may have, a Conflict of Interest which will not confer a Benefit on that Trustee (or Connected Person), the Trustees may (subject to such terms as they may impose from time to time and to their right to vary or terminate such authorisation) determine the manner in which they may be dealt with and, in doing so, the Trustees must consider:
- 17.5.1 whether the nature and extent of the interest in the relevant transaction or arrangement or situation or matter is reasonably likely to give rise to a Conflict of Interest;
 - 17.5.2 whether or not the Trustee should withdraw from that part of any meeting at which the relevant transaction or arrangement or situation or matter is to be discussed unless expressly invited to remain in order to provide information;
 - 17.5.3 whether or not the Trustee should be excluded from the receipt of information in relation to the relevant transaction, arrangement, situation or matter;
 - 17.5.4 whether or not the Trustee should be counted in the quorum for that part of any meeting during which the relevant transaction or arrangement or situation or matter is discussed; and
 - 17.5.5 whether or not the Trustee should withdraw during the vote and have no vote on the relevant transaction or arrangement or situation or matter at the relevant part of any meeting.

18 Records and accounts

- 18.1 The Trustees must comply with the requirements of the Act and of the Charities Act 2011 as to keeping financial records, the audit of accounts and the preparation and transmission to the Registrar of Companies and the Commission of:
- 18.1.1 annual reports;
 - 18.1.2 annual returns;
 - 18.1.3 confirmation statements; and
 - 18.1.4 annual statements of account.

- 18.2 The Trustees must keep proper records of:
 - 18.2.1 all proceedings at general meetings;
 - 18.2.2 all proceedings at meetings of the Board (including a record of all unanimous or majority decisions taken by the Board for at least ten years from the date of the decision recorded);
 - 18.2.3 all reports of committees; and
 - 18.2.4 all professional advice obtained.
- 18.3 Accounting records relating to the Charity must be made available for inspection by any Trustee at any reasonable time during normal office hours.
- 18.4 A copy of the Charity's latest available statement of account must be supplied on request to any Trustee or Member, or to any other person who makes a written request and pays the Charity's reasonable costs, within two months of such request.

19 Notices

- 19.1 Notices, documents, resolutions or information under these Articles may be sent or supplied to Trustees by hand, or by post or by suitable electronic means.
- 19.2 A technical defect in the giving of notice of a meeting of which the Trustees are unaware at the time does not invalidate decisions taken at that meeting.
- 19.3 The Charity may deliver a notice or other document to a Member by:
 - 19.3.1 delivering it personally to the Member;
 - 19.3.2 post or hand delivery to the Member's address shown in the register of Members;
 - 19.3.3 electronic mail to an address notified by the Member in writing; or
 - 19.3.4 by means of a website in accordance with Articles 19.4 and 19.5.
- 19.4 Notices, resolutions, documents or information may be sent or supplied to Members by means of a website provided that a Member has consented to receive notices, resolutions, documents or information in that way. A Member will be deemed to have agreed to receive notices, resolutions, documents and information in this way where they have been asked individually by the Charity to agree to receive notices, resolutions, documents and information through a website and the Charity has not received a response within the period of 28 days beginning with the date on which the Charity's request was sent. A Member is not taken to have so agreed if the Charity's request did not state clearly what the effect of a failure to respond would be, or was sent less than 12 months after a previous request was made.
- 19.5 Where any notice, resolution, document or other information is to be sent or supplied by means of a website, a Member shall be notified in accordance with Articles 19.3.1, 19.3.2 or 19.3.3 of:
 - 19.5.1 its presence on the website;
 - 19.5.2 the address of the website;
 - 19.5.3 the place on the website where it may be accessed; and
 - 19.5.4 how to access it.

- 19.6 Any notice, resolution, document or other information sent or supplied by means of a website shall be deemed to have been received by the Member when the notice, resolution, document or other information is first made available on the website or, if later, when the Member is deemed to have received the notification given under Article 19.5 in accordance with the relevant provisions of 19.7.
- 19.7 Subject to Article 19.6, any notice, resolution, document or other information sent or supplied to Members in accordance with these Articles is to be treated for all purposes as having been received:
- 19.7.1 24 hours after being sent by electronic means or delivered by hand to the relevant address;
 - 19.7.2 two clear days after being sent by first class post to that address;
 - 19.7.3 three clear days after being sent by second class or overseas post to that address;
 - 19.7.4 on being handed to the Member personally; or, if earlier
 - 19.7.5 as soon as the Member acknowledges actual receipt.

20 **Indemnity**

- 20.1 The Charity may indemnify any Trustee against any liability incurred by them in that capacity, to the extent permitted by the Act.

21 **Dissolution**

- 21.1 If upon the winding up or dissolution of the Charity there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Charity, but shall be given or transferred to some other charitable body or bodies having objects similar to the objects of the Charity, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Charity under or by virtue of Article 14 hereof, such body or bodies to be determined by the members of the Charity at or before the time of dissolution, and if so far as effect cannot be given to such provision, then to some other charitable body.

22 **Model articles**

- 22.1 The model articles for private companies limited by guarantee contained in schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall not apply to the Charity.

23 **Alteration of these Articles**

- 23.1 No alteration of these Articles shall be made which would cause the Charity to cease to be a charity at law.
- 23.2 No alteration of these Articles shall be made without the prior written consent of the Council.

24 **Interpretation**

- 24.1 In these Articles:

the Act: means the Companies Act 2006 and any provisions of the Companies Act 1985 for the time being in force

these Articles: means these articles of association

Benefit: means any payment of money or the provision or other application of any other direct or indirect benefit in money or money's worth

Board: means the board of trustees of the Charity

Chair: means the Chair of the Board appointed in accordance with Article 11.1.2

the Charity: means the company governed by these Articles

charity trustee: has the meaning prescribed by section 177 of the Charities Act 2011

Chief Executive: means the chief executive of the Charity appointed from time to time

clear day: means 24 hours from midnight following the relevant event

Co-Chair: means the Co-Chair of the Board appointed in accordance with Article 11.1.2

the Commission: means the Charity Commission for England and Wales

Conflict of Interest: means any Interest of a Trustee (or any person Connected to a Trustee) that conflicts, or may conflict, with the interests of the Charity and includes a conflict of interest and duty and a conflict of duties

Connected Person: means any person falling within one of the following categories:

- (a) any spouse or civil partner of a Trustee or a Member;
- (b) any parent, child, brother, sister, grandparent or grandchild of a Trustee or Member who is financially dependent on such Trustee or Member or on whom the Trustee or Member is financially dependent;
- (c) the spouse or civil partner of any person in (b);
- (d) any other person in a relationship with a Trustee or Member which may reasonably be regarded as equivalent to that of a spouse or civil partner; or
- (e) any company, LLP or partnership of which a Trustee or Member is a paid director, member, partner or employee or a holder of more than 2% of the share capital or capital; and

any person who is a Connected Person in relation to any Trustee or Member is referred to in these Articles as **Connected** to that Trustee or Member

Council: means the London Borough of Barnet Council, or any other body, authority or corporation to which the general function thereof may from time to time have been transferred pursuant to any reorganisation of local government

Interest: means any direct or indirect interest (and includes any interest a Trustee or any person Connected to a Trustee may have as a consequence of any duty they may owe to any other person) and where a Trustee (or any person Connected to a Trustee) has any such interest in any matter or situation or transaction or arrangement the Trustee is **Interested** in it

Member and **Membership** refer to the members of the Charity for the purposes of, and as defined by, the Act and their membership of the Charity

month: means calendar month

Observers: means those persons appointed by the Council as observers in accordance with Article 10

Secretary: means the secretary of the Charity or if no secretary has been appointed, the person to carry out the duties of the secretary of the Charity

Subsidiary Company: means any company in which the Charity holds:

- (a) more than 50% of the shares; or
- (b) more than 50% of the voting rights attached to the shares; or
- (c) the right to appoint one or more of the directors.

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 each of the directors of the Charity under the Act (and **Trustees** means all of the directors)

written or in writing: refers to a legible document on paper (including a fax message) or in electronic form (including an email)

year: means calendar year.

- 24.2 Expressions defined in the Act have the same meaning.
- 24.3 References to an Act of Parliament are to the relevant Act as amended or re-enacted from time to time and to any subordinate legislation made under it.

Schedule 1 Trustees

Name of Trustee	Date of Appointment	Date of Retirement
Emma Caroline Bier		
Kim Chua		
Sara Conway		
Anisa Darr		
Guilia Innocenti		
Nicola Koppelmann		
Michael Mowlem		
Syed Sadiq Mustafa		
Martin Lawrence Hughes Norwood		
Joshua Rughani		
Nita Shah		
Sibylle Tretera		
Suzanne Catherine Wolfe		

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