

**MEMORANDUM AND ARTICLES OF ASSOCIATION
FOR A BUILDING PRESERVATION TRUST**

**AHF Guidance for the Formation of a Building Preservation Trust
in England and Wales**

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AHF GUIDANCE FOR THE FORMATION OF A BUILDING PRESERVATION TRUST IN ENGLAND AND WALES

1. Introduction

With this paper is a standard governing document for a building preservation trust (BPT). It is based on the model form of Memorandum and Articles of Association for a charitable company limited by guarantee which has been prepared by the Charity Law Association and is approved by the Charity Commission for registration as a charity in England and Wales.

You will need to obtain leaflets from Companies House which provide information on how to incorporate the BPT as a company limited by guarantee, and the Charity Commission's registration information pack which provides guidance on the procedure to be followed to register the company as charity. Please see sections 3.5 and 4.1 for addresses.

HEALTH WARNING

The Architectural Heritage Fund has prepared this Guidance to assist people seeking to establish a building preservation trust (BPT). Whilst every effort has been made to ensure that it is accurate, up-to-date and appropriate for most BPTs, the AHF cannot accept responsibility for consequences of any kind arising from its use. The promoters of all new BPTs are **strongly recommended** to take independent legal advice.

2. Completing the model form of Memorandum and Articles of Association

2.1 You will need to add to the Memorandum the name of the charity and its area of benefit. Before doing so, please consider and follow carefully the Charity Law Association's Guidance to all charities using its model.

3. Incorporating the BPT

3.1 When you have completed the model Memorandum and Articles of Association we recommend that you seek legal advice before it is signed.

3.2 The first trustees will need to sign at the end of both the Memorandum and the Articles of Association in the presence of a witness.

3.3 The first trustees will also need to complete Companies House Forms 10, 12 and, if you do not wish to use the term "Limited" in the name of the charity, 30(5)(a). The details needed for Form 10 are listed at the end of page 2 of the Charity Law Association's Guidance to the model Memorandum and Articles.

3.4 Companies House Forms 10 and 30(5)(a) should be signed in the presence of a solicitor.

3.5 Having completed 3.1-3.4 above, you should send the Memorandum and Articles of Association and the Companies House forms to Companies House with a cheque for £20 (June 2007) for the company to be incorporated. (A "same day" incorporation service is available, but the fee for this is £50.) The address to send it to is:

Companies House
Crown Way
Cardiff CF4 3UZ

3.6 When the BPT has been incorporated you will receive a Certificate of Incorporation from Companies House.

4. Confirmation of charitable status

4.1 Complete form CC5a and trustee declaration form CC5c included in the Charity Commission's registration information pack, which can be obtained from their website www.charity-commission.gov.uk/registration/regpack.asp or your nearest branch of the Charity Commission:-

Harmsworth House, 13-15 Bouverie Street, London EC4Y 8DP

12 Princes Dock, Princes Parade, Liverpool L3 1DE

Woodfield House, Tangier, Taunton TA1 4BL

8th Floor, Clarence House, Clarence Place, Newport, NP19 7AA

The Charity Commission's telephone number is 0845 3000 218

4.2 Send the completed forms together with two certified copies of the Memorandum and Articles of Association and one copy of the Certificate of Incorporation to:

Charity Commission Direct
PO Box 1227
Liverpool
L69 3US

4.3 The Charity Commission needs to be assured before registering a BPT as a charity that its objects are charitable and that it will operate in a manner that will realise those

objects. The application should therefore be accompanied by a written statement confirming that:

- a) the governing document adopted is the model agreed between the Charity Commission and The Architectural Heritage Fund. Any deviation, other than the completion of the blank spaces, must be brought to the attention of the Charity Commission;
- b) the BPT will follow the advice given in the United Kingdom Association of Preservation Trust's Guidance Notes. The Charity Commission is particularly concerned that BPTs can demonstrate a public benefit by making available material about the work they have carried out even after individual properties may have passed into other hands. Good record keeping and engagement with the general public are best practice for a BPT and strongly supported by the UK Association of Preservation Trusts and The Architectural Heritage Fund;
- c) confirmation that the BPT, once registered, will be eligible for funding from The Architectural Heritage Fund (e.g. "In accordance with what has already been agreed with the Commission as sufficient evidence to enable registration to proceed, we confirm that the BPT intends to apply to the AHF for an Options Appraisal Grant of £n in respect of *a specified property* and has been informed by the AHF that it is eligible in principle to do so").

5. Once the BPT is incorporated and registered as a charity

5.1 Buy a seal, if desired

5.1.1 Like other companies limited by guarantee, BPTs may adopt a seal (it is no longer compulsory). If a BPT adopts a seal, documents are formally executed by affixing the seal in the presence of a trustee and the Company Secretary (or two trustees) who then sign the document.

5.1.2 If a BPT does not adopt a seal, the following words should be used in the execution documents: "Signed and Delivered as a Deed of [full name of the Trust] by [name of trustee] and [name of trustee]". The two trustees should then sign the document.

5.2 Display Certificate of Incorporation at Registered Office.

5.3 Display Name Plate at Registered Office: it should say "Registered Office of [BPT Name]".

5.4 Draw up Company Membership Forms.

5.5 Acquire and complete "Statutory Books":-

- (1) Register of Members.

- (2) Register of Directors and Secretary.
- (3) Register of charges.
- (4) Minute Books/File for Meetings of the Company and its Directors.

5.6 Print stationery for the BPT (see 8 below).

6. *Matters to be dealt with at the first meeting of the trustees*

6.1 Election of the Chair of the meeting.

6.2 Tabling of Certificate of Incorporation, Form 10, Memorandum and Articles, charity recognition letter.

6.3 Confirmation of the BPT's registered office and company secretary [*unless otherwise resolved at the board meeting, these will reflect what was set out in the Form 10*]; also initial trustees (as named in the Form 10).

6.4 Admission of additional members [*if any applications for membership have been received*].

6.5 Appointment of additional trustees [*if applicable*].

6.6 Appointment of auditors [*though this can be left over if eg. It is intended to invite tenders*].

6.7 Selection of an accounting reference date (financial year end) [*again, this can be left over, but the form 225 must be filed with Companies House before the filing deadline of the first accounts. If no form is filed a deemed accounting reference date (end of the month in which the company was incorporated) will apply*]

6.8 Authorities for opening and operation of a bank account [*you should obtain the bank's standard excerpt minute in advance of the board meeting, to ensure that all details are covered in the decisions made by the trustees*]

6.9 Any other business.

7. *Other procedures*

7.1 Complete and file Form CO225 (accounting date).

7.2 Open the bank account. The bank will generally require a copy of the Memorandum and Articles of Association and of a resolution to open the account passed at a meeting of the trustees. Most banks have their own standard form for this purpose. They will probably also require personal identification for each trustee.

8. Stationery

The following must be shown in legible characters on the stationery of a charitable company including emails and website (see Notes A to E below):-

8.1 The BPT's full registered name including "Limited" or "Ltd", but if when you were incorporating the company you completed form 30(5)(a) to avoid having to use the word "Limited", then the words "a company limited by guarantee" should be shown.

8.2 Place of registration (i.e. "registered in England and Wales").

8.3 Company registration number.

8.4 The address of the BPT's registered office.

8.5 The BPT may (but does not need to) list the names of its directors (trustees) but if it does list their names, it must give the names of all of the directors (see Notes C and F below).

8.6 It is traditional to include the phrase "Registered Charity No....." . The law requires:-

- (a) all registered charities having an income of more than £10,000 to state the fact of being a registered charity (s.5 Charities Act 1993); and
- (b) a corporate charity whose name does not include the word "charity" or "charitable" to state the fact that the company is a charity (s.68 Charities Act 1993).

It is considered the requirements of both sections are satisfied by the use of the traditional phrase.

8.7 VAT registration number (optional except for invoices).

Notes to Section 8

A There is no requirement for printing but writing must be legible.

B 8. 1 above must be shown on all of the following:-

- (a) business letters
- (b) notices and other official publications
- (c) bills of exchange, promissory notes, endorsements, cheques and orders for money or goods purporting to be signed by or on behalf of the BPT
- (d) bills of parcels, invoices, receipts and letters of credit.

C Items 8.1, 8.2, 8.3 and 8.4 must be shown on business letters, emails, websites and order forms of the BPT.

D Section 5 Charities Act 1993 applies in relation to all of the following:

- (a) notices, advertisements and other documents issued by or on behalf of the BPT and soliciting money or other property for the benefit of the BPT
- (b) bills of exchange, promissory notes, endorsements, cheques and orders for money or goods purporting to be signed on behalf of the BPT
- (c) bills, invoices, receipts and letters of credit.

E Section 68 Charities Act 1993 applies in relation to all of the following:

- (a) business letters
- (b) notices and other official publications
- (c) bills of exchange, promissory notes, endorsements, cheques and orders for money or goods purporting to be signed on behalf of the BPT
- (d) conveyances purporting to be executed by the BPT
- (e) bills, invoices, receipts and letters of credit.

F BPTs whose trustees change regularly often decide, for reasons of expense, not to list the names of their trustees on their stationery to save the need to reprint each time there is a change of trustee.

**MEMORANDUM AND ARTICLES OF ASSOCIATION
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Charity Law Association Guidance

**[note: some adjustments to the Charity Law Association
Guidance have been incorporated in the text that follows]**

- **Details Needed to Complete the Model**
- **Using this Model**
- **Notes**

Charity Law Association Model Documents

MEMORANDUM AND ARTICLES OF ASSOCIATION FOR A CHARITABLE COMPANY

A charity needs to have its objects and powers and administrative arrangements set out clearly in its governing document. If it does not, it is likely to be less well governed. I am pleased to recommend the use of this model. It incorporates the essential powers and provisions and expresses them in plain English with explanatory notes. It will prove of great assistance to those intending to set up a charitable company.

Richard Fries
former Chief Charity Commissioner

The first and certainly one of the most important decisions facing individuals who want to establish a new charity is choosing which legal structure will be right for the charity. Although there are a quite a few structures to choose from, most charities are established as trusts, companies or associations. The Charity Commission's registration information pack explains the factors to be considered in choosing between them. The Charity Commission's registration information pack also contains guidance on the objects or purposes which are recognised by law as charitable.

Many worthwhile not-for-profit organisations have objects which are not charitable so it is wise to check before you spend time working on this document.

The Charity Law Association has also produced model documents for charitable trusts and associations. Copies of these models are available in printed and disk format from:

admin@charitylawassociation.org.uk

DETAILS NEEDED TO COMPLETE THE MODEL

Before you can complete the model you will need to have made decisions on the following matters. It may help you in this process to refer to the appropriate clause (shown in the right-hand column below) and the accompanying notes.

(A) The Memorandum	Clause
1. The name of the charity.	1
2. The objects or purposes of the charity.	3
3. If the charity is to operate in a limited geographical area, a description of that area.	3
4. If the charity is to benefit a specified class of beneficiaries, a description of that class.	3
5. Full names and residential addresses of the Subscribers to the Memorandum and Articles (who will be the charity's first Trustees).	

(B) The Articles	Article
1. Membership structure.	1.2, 1.3
2. Quorum for general meetings of the members.	2.2
3. Number of members to call an EGM.	2.10
4. Minimum and maximum number of Trustees.	3.2
5. Whether any qualification is going to be required for Trustees.	3.2, 3.6.7
6. Number of consecutive meetings a Trustee may miss before ceasing to hold office.	3.6.3
7. Required majority of members to approve removing a Trustee.	3.6.6
8. Minimum number of Trustee meetings each year.	4.1
9. Quorum for Trustee meetings.	4.2
10. Number of Trustees to sit on each committee.	5.3

For the purpose of completing the Companies House forms to incorporate the charitable company you will also require the following additional information for each of the Trustees:

- Title
- Full Name
- Any previous surname/s
- Date of Birth
- Nationality
- Home Address
- Occupation
- Directorships of other UK companies held now or in the last five years.

USING THIS MODEL

This model is intended for use by individuals wishing to establish a charitable company in England and Wales. Legal advice will be needed to adapt it for use in Scotland or Northern Ireland (but see also AHF Guidance for these countries).

Every effort has been made to make the model clear and easy to use. However it is a legal document and so considerable care must be taken to ensure that it is completed in a manner which is appropriate for the intended charity. The Charity Law Association cannot accept any responsibility for its use and neither can the author or the Charity Commission. If in doubt, seek help from a charity lawyer!

Whilst it is possible for the model to be adopted by simply completing the gaps in the text we do not recommend it - it is intended that the text of the model should be reproduced as a new document and a complete word processing document is available by email or on disk to make this easier.

Pages 4 to 9 of this document contain notes to assist you to complete the model. The notes may also be useful when the new charity has been established, as a guide to the interpretation of the document: for this reason we recommend that you retain them.

On the previous page we have included a checklist of all the details that you will need to complete the model. This list shows the clauses where the details are required in case you need to refer to them or to the corresponding notes.

If you are not a lawyer the task of completing the model may at first sight seem daunting but we have included various aids to help you:

- Where a word or phrase needs to be inserted a brief description appears [*in italics in square brackets*].
- Where there is a suggestion or choice between alternatives it appears [in normal type in square brackets].
- There is an interpretation clause at the end of the document. Words and phrases which are defined or explained there appear in **bold type** when they first occur.

These aids (with the possible exception of the emboldened terms) should not appear in the final document. In preparing the document you should also remember that:

- If you do not wish to include an optional clause or if you wish to add in new provisions, you will need to adjust the clause numbering accordingly.
- If you decide to redesignate a term (eg changing "Chairman" to "Chair"), you will need to make the change every time the term appears in the document.

There are differing views on the desirability of punctuation in legal documents. The model has been prepared without punctuation but it can, of course, be added.

You may also wish to include a contents page or index for ease of reference.

When you have completed the document and it has been signed by the Trustees (at the end of both the Memorandum *and* Articles of Association, see pages 6 and 14) you will be ready to incorporate the company. For this you will need various forms which can be obtained from Companies House, Crown Way, Maindy, Cardiff CF4 3UZ (Tel: 0870 3333 636). When you have completed these forms you will need a solicitor or notary to "swear" a declaration before returning them (with a cheque for the incorporation fee) to Companies House.

After the company has been incorporated you will be ready to begin the process of registering the charity. The Charity Commission's registration information pack explains this process and contains copies of the forms which you will need to complete.

NOTES

(A) THE MEMORANDUM OF ASSOCIATION

The memorandum sets out the name and the basic principles by which the charity is governed.

1. NAME

The name and objects are fundamental to the identity and purposes of the charity. The charity's name should be chosen with care. It should be consistent with the purposes of the charity. It must also comply with Company Law. It must not be misleading, e.g. by misrepresenting the purposes or status of the charity or cause confusion with other companies or charities. The Charity Commission can require a charity to change its name: see sections 6 and 7 of the Charities Act 1993 and the Charities (Misleading Names) Regulations 1992. Once a name has been chosen it is worth contacting Companies House and the Commission to see whether a charity or a company has been registered with the same, or a similar, name. You can also check this online by searching the Companies House and Charity Commission registers.

Private companies are required by law to include the word "Limited" in their name. Charities can (and most do) elect not to use the word in their name by completing an additional Companies House form in the pre-incorporation process.

In the model the charity is called "the Charity": if preferred it can be called "the Company", the "Society" or some other designation, but it is important to be consistent throughout.

2. REGISTERED OFFICE

The registered office (a requirement of Company law) must be in England or Wales if the charity is to be within the jurisdiction of the High Court and the Charity Commission and eligible for charity registration: see section 96(1) of the Charities Act 1993. [Scotland and Northern Ireland have other requirements (see AHF Guidance).]

3. OBJECTS

The Objects (i.e. the main purposes) of the charity must be exclusively charitable under English law, or the company will not be a charity and registration as a charity will therefore be refused. The Objects should clearly accurately reflect the true purposes of the charity's intended activities. It may be appropriate to refer to a geographical area as the "area of benefit" of the charity and/or to describe the people the charity will benefit as the "beneficiaries" (see Article 9.1 on page 12 of the model). [The Inland Revenue has similar requirements for Scotland and Northern Ireland.] Legal advice may be required to be certain that the Objects are correctly expressed.

4. POWERS

The powers are not themselves charitable objects, but consist of the legal means by which the Objects in clause 3 are to be promoted. It must be stressed that the powers cannot be exercised for any other purpose. Thus, any research carried out under 4.1 or advice or information supplied under 4.2 or 4.3, must be about a subject which is relevant to the Objects. Under 4.4 the charity can only co-operate in a project relevant to the Objects, so the other organisation involved must also have some concern with the Objects. Any new charity set up or supported under 4.5 needs to have the same or similar objects, or come within the Objects.

The powers included in this clause are those most commonly required by charities, but if it is known that the charity will be engaged in specific activities which are not mentioned it is advisable to insert an additional provision to cover them.

- 4.6** Funds can be raised (or gifts accepted) either for the objects as a whole or for any purpose within the objects (in which case the sums received must be separately identified as a restricted fund). The Trustees should be aware of the law relating to the activities the charity is to undertake. Where professionals are employed, for example, The Charitable Institutions (Fund-Raising) Regulations 1994 will apply, and there are special rules governing public collections, lotteries and the sale of alcohol. No tax is payable on trading that directly furthers the charity's objects, such as charging an entry fee to see a heritage building. However, some fundraising is non-charitable trading and should be run through a separate non-charitable trading company unless it is covered by a specific tax exemption. Specialist legal or accounting advice should be taken.
- 4.7** The restrictions on mortgaging charity land are contained in sections 38 and 39 of the Charities Act 1993. In some cases the Charity Commission's consent is required. In others, a special procedure must be followed. Legal advice may be required.
- 4.8** Trustees should ensure that the Charity does not pay more than is reasonable for the purchase of land or other property. This may involve obtaining professional advice before the agreement is made.
- 4.9** The restrictions on sales, exchanges and leases of charity land are contained in sections 36 and 37 of the Charities Act 1993. In some cases the Commission's consent is required. In others, a special procedure must be followed. Legal advice will normally be required.
- 4.14** **This clause** sets out ways in which financial assistance can be given, whether to individual beneficiaries (where the charity is set up to help individuals) or to other bodies. It will be necessary to consider the need for a licence under Consumer Credit legislation if the charity is to make loans to individuals. In setting the amount of any grant or loan or the extent of any guarantee (which is a potential liability) the Trustees should consider the resources of the charity as well as the requirements of the recipient.
- 4.15** This clause enables the Trustees to designate funds for particular purposes, or as reserves. It is prudent for a charity to maintain reserves to cover planned expenditure (e.g. repairs to buildings) and to meet the kind of expenditure which may be required at short notice, but reserves are not an end in themselves and should not be built up without a deliberate policy decision, or be excessive in relation to the amount known or reasonably estimated to be required.

- 4.16** This clause is designed to confer a wide power of investment but to ensure that it is exercised responsibly. An "investment" is an asset which (i) is capable of producing income and (ii) may also increase in capital value. In setting an investment policy and selecting investments the Trustees should have regard to the needs of the charity for both income and capital growth, and act prudently. They should avoid trading and speculation. "Financial Expert" is defined in Article 9.1.
- 4.17** The Charity Commission consider that if discretionary powers are to be given to investment managers an express power to delegate the management of investments is required. It should always be accompanied by safeguards, as here.
- 4.19** Charity property, whether buildings, equipment or other property, should normally be insured up to its full reinstatement value. Depending on the nature of the charity, other kinds of insurance may be necessary or desirable (eg public liability, employers' liability).
- 4.20** This type of insurance requires a special clause because it provides a benefit to the Trustees as charity trustees (see clause 5.2.3). It may be helpful where the charity is involved in particular commercial risks, but it will not necessarily protect the Trustees from liability towards third parties in the event that the charity operates while technically insolvent. They should therefore be sure never to commit the charity to expenditure it cannot afford.
- 4.21** This clause covers employees, independent contractors and volunteers, and enables salaries and pensions, or fees, or expenses (or none of these) to be provided. All necessary advice about Employment Law should be obtained. A charity should not pay more than a reasonable rate for the task, but should aim to be a good employer. Special care is required if it is proposed to employ a Trustee (see clause 5.3).
- 4.22** This clause will be relevant in the increasing number of cases in which charities enter into contracts to provide services to local or health authorities. A charity can only enter into a contract of this kind if the work it will be doing will promote its Objects.
- 4.23** This power is not intended for use where a trading company is to be set up, but only where a separate company is regarded as necessary or desirable for purposes which could be carried out by the charity itself.
- 4.25** This "blanket provision" is intended to cover any other power not expressly mentioned. It is still restricted to promoting the Objects.

5. BENEFITS TO MEMBERS AND TRUSTEES

This clause reflects the legal position that although a charitable company is a legal person and owns its property, the assets are treated in many ways as though they were held on trust for the Objects rather than belonging to the members (as would be the case in a non-charitable company). It is therefore necessary to restrict the occasions on which a Trustee may benefit from the charity, and avoid conflicts of interest and duty as far as possible. It cannot be amended without the Charity Commission's consent (see clause 5.5).

- 5.1 & 5.2** These clauses reflect the legal principle that the Trustees as charity trustees (and to a lesser extent the members, who are also in a fiduciary position) must not benefit from the charity except so far as expressly permitted by the Memorandum of Association.
- 5.3 & 5.4** These provisions permit up to one half of the Trustees in any financial year to enter into a contract to supply goods or services to the charity, and provide additional safeguards to protect the charity. Please note that Trustees cannot be employed by the charity or paid to act as Trustees.

6 & 7 LIMITATION OF LIABILITY, GUARANTEE

These provisions are required by Company law.

8. WINDING UP

It is not unusual for charitable companies to reach the end of their useful life and decide to wind up. If so, the debts and liabilities must be provided for and there may be assets remaining. Those assets must be used for the Objects or charitable purposes within or similar to the Objects, and this clause sets out various alternatives. The Trustees will not be relieved of their responsibilities as charity trustees until they have completed their task, and sent in a final report and statement of account to the Charity Commission. The Commission will then remove the charity from the register of charities. Removal from the register of companies is a separate matter.

9. INTERPRETATION

Various terms used in the Memorandum are defined in article 9 on page 12 to 13 of the model.

(B) ARTICLES OF ASSOCIATION

The Articles set out the procedures for running the charity.

1. MEMBERSHIP

Members are essential to a company: it cannot function without them.

1.1 The register of members is required by company law. Data Protection legislation may be applicable.

1.2 this clause provides for an "open" membership. This is essential if the members are to receive benefits, and do not simply exist to support the charity. The model follows the most usual approach in confining membership to individuals, and does not therefore provide for member organisations. If the intention is to have other organisations as members, then additional provisions will be required (including wording that allows individuals nominated by member organisations to be elected as Trustees); in that event, it may also be necessary to include provision for individuals to become members on the basis of nomination by unincorporated bodies, since unincorporated bodies cannot be members in their own name.

1.4.4 It is uncommon for a member of a charity to be removed from membership, but if this happens it must only be done for a good reason. Under the rules of Natural Justice, the member concerned must be given an opportunity of stating his or her case before a final decision is taken and any decision to remove a member must be justifiable.

1.5 In addition to the core membership, it may be considered helpful to provide for eg associate, junior or honorary membership. Members of a company have certain rights under company law (eg to vote at general meetings and to receive copies of the company's accounts). It can be expensive and time consuming for a charitable company to comply with the company law requirements for a large membership. In cases where a high proportion of the members do not wish to participate in decision-making at AGMs/EGMs (for example, where they wish to be members only for the purpose of being informed of the charity's activities) it may be appropriate for the charity to establish one or more categories of "supporter members" who are not members under company law. Legal advice may be required.

2. GENERAL MEETINGS

A general meeting is a formal gathering of the members. Company law contains detailed provisions related to the convening of and the nature and conduct of business at general meetings. There are

also provisions which define the types of resolution that are required to effect various changes. The two main types of resolution are:

- a “special resolution” – 14 clear days’ notice to be given to the members, setting out the precise terms of the resolution and stating that it will be proposed as a special resolution; and 75% of the votes cast need to be in favour
- an “ordinary resolution” – 14 days’ clear notice (unless it is to be proposed at an AGM, where 21 days’ notice of the AGM will be needed) setting out the general nature of the resolution (the precise terms do not need to be stated; and more than 50% of the votes cast need to be in favour.

A special resolution is needed to change the name, amend the objects clause, or alter any provision of the articles (or adopt new articles). An ordinary resolution is needed to re-appoint the auditors. If none of the Trustees have experience in this area legal advice or a good book on the subject will be required.

- 2.1** This article states who has a right to attend general meetings, i.e. individual members or their appointed proxy. The charity may invite others to observe or participate, but not to vote (see article 2.5). Notice is dealt with in article 2.3 and 7 and "written" is defined in article 9.1.
- 2.2** The quorum chosen should be realistic.
- 2.3** Every notice of a meeting must include a prominent statement of the right to appoint a proxy – failure to do this is a criminal offence committed by every director or trustee of the company.
- 2.4** Many charities prefer Chair or Chairperson to Chairman (see article 13.2). Others may wish to use "convenor" or some other term. The choice of term used is not vital, but it is important to be consistent throughout the document.
- 2.5** It should be noted that a majority of the members present at the meeting is not required: merely a majority of the votes cast. See also the general note above.
- 2.6** The casting vote given to the person who presides at a meeting is intended to enable the meeting to proceed with its business. It is quite common for the casting vote to be given in favour of the status quo to allow further debate on the matter on a future occasion – but if it is intended that that approach will always be taken, it would be better from a technical perspective to state that there will be no casting vote.
- 2.7 to 2.9** Members have a statutory right to appoint proxies to vote on their behalf at general meetings. Article 2.7 sets out the scope of a proxy’s discretion as to how to vote. Articles 2.8 to 2.9 provide mechanisms for their appointment and removal of proxies.
- 2.10** It may be possible for members to pass resolutions in writing without holding a meeting. Written resolutions can be passed by a majority of members. Ordinary resolutions will be valid if a simple majority agrees. Special resolutions require approval by not less than 75% of members entitled to vote.
- 2.11** It should be noted that trustees and auditors cannot be removed by written resolutions.
- 2.12 to 2.15** Written resolutions must be circulated to all members. These articles set out the procedure for passing a written resolution. The practical value of these articles, which avoid the need for a general meeting if the requisite number of the members sign the resolution, depends on there being a relatively small number of members.
- 2.16 & 2.17** The annual general meeting (AGM) is the regular occasion for the members to gather, and is essential to the proceedings of a charitable company.
 - 2.17.5** A professional audit or qualified inspection may be required under company law.

2.17.6 A Patron, President or Vice-President has no constitutional responsibilities but may be invited to address the members or represent the charity on formal occasions or when seeking public support.

2.18 & 2.19 Where an urgent or important matter (such as the amendment of the Constitution) which must be decided at a general meeting cannot conveniently be dealt with at an AGM, the meeting specially called for the purpose is an extraordinary general meeting (EGM).

3. THE TRUSTEES

This clause sets out the composition of the charity's governing body, i.e. the people who are the directors of the company and the charity trustees (see articles **3.1** and **9.1**). They are all required, in terms of the model, to be members of the charity. Here they are called the Trustees but they could equally well be called the "Directors", the "Council" or some other term. Whatever term is chosen should be used throughout the document.

3.2 The minimum number of Trustees should be at least three. It is possible to make provision for some or all of the Trustees to be appointed by outside bodies instead of being elected at the AGM but this will require bespoke amendments to the model. Every Trustee is a charity trustee, however appointed, and owes a duty towards the charity rather than to the person or body who makes the appointment. There should therefore be no power for the appointing body to remove the person appointed. Special qualifications which may be appropriate include eg residence in the area of benefit. Co-option is dealt with in article **3.7**.

3.5 Retirement by rotation helps to ensure continuity.

3.6 Various events can terminate trusteeship.

3.6.1 Disqualification occurs under section 72 of the Charities Act 1993 if a charity trustee is involuntarily removed by the Court or the Charity Commission, in the event of bankruptcy or the like, where the Trustee is disqualified under the Company Directors Disqualification Act or the Insolvency Act, and where the Trustee has been convicted of an offence involving dishonesty.

3.6.3 The length of absence which gives rise to automatic termination of a Trustee's term of office will depend on the normal frequency of meetings.

3.6.5 The law does not allow charity trustees to walk away from their responsibilities leaving no-one in charge of the charity.

3.6.6 Provision for the removal of a Trustee by the members in general meeting will not be appropriate in all cases.

3.6.7 This provision will only be necessary if a special qualification has been included in article **3.2**.

3.7 Co-opted Trustees have exactly the same voting powers and responsibilities as those elected at the AGM.

3.8 Occasionally a mistake occurs in appointment procedures. If a mistake of this kind is discovered it does not retrospectively invalidate previous decisions but should be put right before further decisions are taken.

4. PROCEEDINGS OF TRUSTEES

This article deals with the meetings and proceedings of the Trustees.

- 4.1** The number of meetings per year will depend on (i) the nature of the charity's activities and (ii) the extent to which work is delegated to committees and/or staff. Two is a minimum; but four would be more in line with principles of good practice.
- 4.2** Bearing in mind that decisions may be taken on a majority vote (article 4.6), the quorum should normally be fixed at (at least) one more than the number nearest to one third of the Trustees – preferably with reference to a minimum quorum of three irrespective of the numbers of Trustees in office.
- 4.3** Many charities do not have a provision for a telephone or video conference. It is not necessary to include it unless difficulty in arranging meetings in person is expected (eg where the Trustees are geographically scattered). If the provision is included it should be borne in mind that (i) a conference call is not the same as a series of separate telephone calls, which do not amount to a meeting; and (ii) the same rules about notice of meetings, the quorum, chairmanship, voting, minutes etc apply to a telephone or video conference as to a meeting in person.
- 4.5** An alternative to a decision taken at a meeting is a written resolution, but this will not be valid unless signed by all the Trustees. The written resolution can take the form of a number of copies, with each Trustee signing his/her copy i.e. the signature does not have to appear on a single page. The resolution is passed on the date the last Trustee signs.
- 4.6** See notes 2.5 and 4.2 above.

5. POWERS OF TRUSTEES

- 5.1** Since the Companies Act 2006, there is no longer a requirement for a company Secretary. However, all the duties carried out by the company secretary still need to be done. It is often best for the Secretary's role to be undertaken by a paid employee rather than one of the Trustees.
- 5.2** Here the Chairman and other honorary officers are appointed by the Trustees. In some charities these officers, or some of them, are appointed by the AGM. It is unusual, though not essential – to provide for a Treasurer. There may also be a membership secretary or holders of other specified offices, which may alter from year to year according to the charity's activities.
- 5.3** A specific provision is essential if the Trustees are to be able to delegate to committees. The Trustees will be legally responsible for the committees' acts, and for this reason it is prudent for at least one Trustee to be a member of each committee. The Trustees may wish, for this reason, to define the terms of reference with care. It is essential in all cases to provide for reporting back. Although the power of delegation is not limited to specific functions it is generally appropriate for decisions on major matters of policy or resources to be reserved to the Trustees themselves.
- 5.4 & 5.5 & 5.6** These articles allow the Trustees to make rules of various kinds to govern different aspects of the running of the charity. There is no need to call them "Standing Orders" "Rules" and "Regulations": they can all be called "rules" if preferred. See also the note to article 2.
- 5.7** This provision is designed to place the responsibility for finding a solution to internal disputes on the Trustees, given the damage which can result to a charity from such arguments, especially when they become public.
- 5.8** See note to article 2.

6. RECORDS & ACCOUNTS

- 6.1 & 6.2** The keeping of adequate records is essential if a charity is to be properly run. In addition, there is detailed legislation in the Companies Acts and the regulations made under it, and in the relevant charities legislation, as well as guidance in the Charity SORP, about accountability. The rules cover accounting records and the provision of an annual report, statement of account and an annual

return, all of which have to be sent to the Charity Commission as well as the Registrar of Companies.

6.3 This provision is designed to ensure that the Trustees have access to the published report and statements of account. The Trustees may also feel that members should be able to inspect the accounting records of the charity.

6.4 This article reflects section 47(2) of the Charities Act 1993.

7. NOTICES

Reference is made to the giving of notice in various places in the Articles (see articles **1.5**, **2.1** and **3.6**). This clause deals with the practical problems which could otherwise arise about when a notice was received by a member (or the charity). Where a number of clear days" notice is mentioned each "day" starts at midnight, and the day on which notice is given does not count (see article **9.1**). Some charities may prefer not to have the option of notice to the members by fax or e-mail (article **7.3.1**), in which case the relevant words should be omitted. It may also be desirable to save postage by restricting postal service to the members' addresses in the United Kingdom (articles **7.2** and **7.3.3**).

8. WINDING UP

See the note to clause **8** of the Memorandum on page 6.

9. INTERPRETATION

This article is an aid to the interpretation of the Memorandum and Articles. Article 9.1 defines a number of the terms used.

9.1 In Section 97(1) of the Charities Act 1993 the term "Charity trustees" is defined as "the persons having the general control and management of the administration of a charity."

9.3 This article should avoid the need to amend the Articles merely to reflect technical changes in the law.

**MEMORANDUM AND ARTICLES OF ASSOCIATION
FOR A BUILDING PRESERVATION TRUST**

**AHF Standard Governing Document
for the Formation of a Building Preservation Trust
in England and Wales
Based on Charity Law Association Model Documents**

Company No:

Charity No:

THE COMPANIES ACTS 1985 to 2006

**MEMORANDUM
AND
ARTICLES OF ASSOCIATION
OF**

[name]

Incorporated on

[date]

COMPANIES ACTS 1985 to 2006
COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL
MEMORANDUM OF ASSOCIATION OF

_____ [Name]

1. NAME

The name of the Company is _____

_____ [Name] ("**the Charity**")

2. REGISTERED OFFICE

The registered office of the Charity is to be in England and Wales

3. OBJECTS

The objects of the Charity are to preserve for the benefit of the people of _____ [*insert the name of the city, town or area in which the charity is to operate*] and of the Nation, the historical, architectural and constructional heritage that may exist in and around _____ [*repeat the local area*] in buildings (including any structure or erection, and any part of a building as so defined) of particular beauty or historical, architectural or constructional interest ("**the Objects**")

4. POWERS

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

- 4.1 To promote or carry out research
- 4.2 To provide advice
- 4.3 To publish or distribute information and by publishing books or pamphlets or in other appropriate manner to make known to the public the existence of buildings of particular beauty or historical, architectural or constructional interest or the features of especial interest of such buildings
- 4.4 To co-operate with other bodies
- 4.5 To support, administer, act as trustee of or set up other charities
- 4.6 To raise funds and trade in the course of carrying out the objects and carry on any other trade which is not expected to give rise to taxable profits and to incorporate subsidiary trading companies to carry on any trade
- 4.7 To borrow money and give security for loans (but only in accordance with the restrictions imposed by the **Charities Act 1993**)
- 4.8 To acquire or hire property of any kind

- 4.9 To let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act 1993), such letting or disposal to be subject to such covenants, conditions and restrictions as are reasonably necessary to ensure the preservation of any buildings or land.
- 4.10 To repair, renovate, restore, rebuild and generally promote the preservation of any buildings or land
- 4.11 To buy or otherwise acquire furniture and other equipment for use in connection with any such buildings or land; and to sell, lease or otherwise dispose of any such furniture or equipment
- 4.12 To make such arrangements as are necessary to enable the public to view and enjoy any buildings or land (whether free or at a charge)
- 4.13 To make planning applications, applications for consent under by-laws or building regulations and other like applications
- 4.14 To make grants or loans of money and to give guarantees
- 4.15 To set aside funds for special purposes or as reserves against future expenditure
- 4.16 To deposit or invest funds in any manner (but to invest only after obtaining advice from a **financial expert** and having regard to the suitability of investments and the need for diversification)
- 4.17 To delegate the management of investments to a financial expert, but only on terms that:
 - 4.17.1 the investment policy is set down **in writing** for the financial expert by the Trustees
 - 4.17.2 every transaction is reported promptly to the **Trustees**
 - 4.17.3 the performance of the investments is reviewed regularly with the Trustees
 - 4.17.4 the Trustees are entitled to cancel the delegation arrangement at any time
 - 4.17.5 the investment policy and the delegation arrangement are reviewed at least once a **year**
 - 4.17.6 all payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Trustees on receipt
 - 4.17.7 the financial expert must not do anything outside the powers of the Trustees
- 4.18 To arrange for 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 a financial expert acting under their instructions and to pay any reasonable fee required
- 4.19 To insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity when required
- 4.20 To insure the Trustees against the costs of a successful defence to a criminal prosecution 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 a breach of trust or breach of duty, unless the **Trustee** concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty
- 4.21 Subject to clause 5, to employ paid or unpaid agents, staff or advisers
- 4.22 To enter into contracts to provide services to or on behalf of other bodies

- 4.23 To establish and support or aid subsidiary companies and subscribe, lend or guarantee money or other property in furtherance of the Objects.
- 4.24 To pay the costs of forming the Charity
- 4.25 To do anything else within the law which promotes or helps to promote the Objects

5. BENEFITS TO MEMBERS AND TRUSTEES

- 5.1 The property and funds of the Charity must be used only for promoting the Objects and do not belong to the **members** of the Charity but
 - 5.1.1 members who are not Trustees may be employed by or enter into contracts with the Charity and receive reasonable payment for goods or services supplied
 - 5.1.2 members (including Trustees) may be paid interest at a reasonable rate on money lent to the Charity
 - 5.1.3 members (including Trustees) may be paid a reasonable rent or hiring fee for property let or hired to the Charity
 - 5.1.4 individual members and Trustees who are beneficiaries may receive charitable benefits in that capacity
- 5.2 A Trustee must not receive any payment of money or other **material benefit** (whether directly or indirectly) from the Charity except
 - 5.2.1 as mentioned in clauses 4.20, 5.1.2, 5.1.3 or 5.3
 - 5.2.2 reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in running the Charity
 - 5.2.3 an indemnity in respect of any liabilities properly incurred in running the Charity (including the costs of a successful defence to criminal proceedings)
 - 5.2.4 payment to any company in which a Trustee has no more than a 1 per cent shareholding
 - 5.2.5 in exceptional cases, other payments or benefits (but only with the written approval of the **Commission** in advance)
- 5.3 A Trustee may not be an employee of the Charity, but a Trustee or a **connected person** () may enter into a contract with the Charity to supply goods or services in return for a payment or other material benefit but only if
 - 5.3.1 the goods or services are actually required by the Charity
 - 5.3.2 the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services and is set in accordance with the procedure in clause 5.4
 - 5.3.3 no more than one half of the Trustees are subject to such a contract in any financial year
- 5.4 Whenever a Trustee has a personal interest in a matter to be discussed at a meeting of the Trustees or a committee the Trustee concerned must:
 - 5.4.1 declare an interest at or before discussion begins on the matter

5.4.2 withdraw from the meeting for that item unless expressly invited to remain in order to provide information

5.4.3 not be counted in the quorum for that part of the meeting

5.4.4 withdraw during the vote and have no vote on the matter

5.5 This clause may not be amended without the prior written consent of the **Commission**

6. LIMITED LIABILITY

The liability of members is limited

7. GUARANTEE

Every member promises, if the Charity is wound up while he or she remains a member or within 12 months afterwards, to pay up to [£1] towards the costs of winding up and the liabilities incurred by the Charity while he or she was a member

8. WINDING UP

8.1 If the Charity is wound up or dissolved the assets (if any) remaining after provision has been made for all its liabilities must be applied in one or more of the following ways:

8.1.1 by transfer to one or more other bodies established for exclusively charitable purposes within, the same as or similar to the Objects

8.1.2 directly for the Objects or charitable purposes within or similar to the Objects

8.1.3 in such other manner consistent with charitable status as the Commission approve in writing in advance

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

9. INTERPRETATION

9.1 Words and expressions defined in the Articles have the same meanings in this Memorandum.

9.2 References to an Act of Parliament are references to the Act as amended or re-enacted from time to time and to any subordinate legislation made under it

We wish to be formed into a company under this Memorandum of Association

NAMES & ADDRESSES OF SUBSCRIBERS

SIGNATURES OF SUBSCRIBERS

[List the full name and residential address of each of the subscribers]

[signature of each of the subscribers]

Date _____ *[Date]*

Witness to the above signatures

[Name and address of witness]

[Signature of witness]

COMPANIES ACTS 1985 TO 2006
COMPANY LIMITED BY GUARANTEE AND
NOT HAVING A SHARE CAPITAL
ARTICLES OF ASSOCIATION OF

_____ [Name]

1. MEMBERSHIP

1.1 The Charity must maintain a register of members

1.2 **Membership** of the Charity is open to any individual interested in promoting the Objects who

1.2.1 applies to the Charity in the form required by the Trustees

1.2.2 is approved by the Trustees

and

1.2.3 signs the Register of members or consents in writing to become a member

1.3 The Trustees may establish different classes of membership and prescribe their respective privileges and duties and set the amounts of any subscriptions

1.4 Membership is terminated if the member concerned

1.4.1 gives written notice of resignation to the Charity

1.4.2 dies

1.4.3 is six **months** in arrears in paying the relevant subscription (if any) if the Trustee so resolves (but in such a case the member may be reinstated on payment of the amount due)

or

1.4.4 is removed from membership by resolution of the Trustees on the ground that in their reasonable opinion the member's continued membership is harmful to the Charity (but only after notifying the member in writing and considering the matter in the light of any written representations which the member concerned puts forward within 14 **clear days** after receiving notice)

1.5 Membership of the Charity is not transferable

2. GENERAL MEETINGS

2.1 Members are entitled to attend general meetings [either] personally or appoint a proxy to attend and vote . General meetings are called on at least clear 14 days written notice specifying the business to be discussed

2.2 There is a quorum at a general meeting if the number of members [or authorised representatives] present in person or by proxy and entitled to vote is at least _____ [number] (or _____ [percentage] of the members if greater). If a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Trustees may determine and if at the adjourned

meeting a quorum is not present within half an hour from the time appointed for the meeting the members present shall be a quorum.

- 2.3 In every notice calling a members' general meeting of the Charity there must appear with reasonable prominence a statement informing the member of his or her rights to appoint another person as his or her proxy at a members' general meeting.
- 2.4 The **[Chairman]** or (if the Chairman is unable or unwilling to do so) some other member elected by those present presides at a general meeting
- 2.5 Except where otherwise provided by the **Companies Acts**, every issue is decided by a majority of the votes cast
- 2.6 Except for the chairman of the meeting, who has a second or casting vote, every member present in person or by proxy [or through an authorised representative] has one vote on each issue
- 2.7 Unless the appointment of a proxy indicates otherwise, it must be treated as:
 - 2.7.1 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
 - 2.7.2 appointing that person as a proxy in relation to any adjournment of the members' general meeting to which it relates as well as the meeting itself.
- 2.8 The appointment of a proxy and any authority under which it is executed or a copy of such authority in some way approved by the Trustees may:
 - 2.8.1 in the case of an instrument in writing be deposited at the registered office of the Charity or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Charity in relation to the meeting at least 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or
 - 2.8.2 in the case of an appointment sent by electronic means, where an address has been specified for the purpose of receiving documents or information by electronic means:
 - a) in the notice convening the meeting, or
 - b) in any instrument of proxy sent out by the Charity in relation to the meeting, or
 - c) in any invitation to appoint a proxy issued by the Charity in relation to the meeting which is sent by electronic means,be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;
 - 2.8.3 in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and at least 24 hours before the time appointed for the taking of the poll; or
 - 2.8.4 where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chair or to the Secretary (if any) or to any Trustee;and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid.

- 2.9 An appointment of a proxy may be revoked by delivering to the Charity a notice given by or on behalf of the person by whom or on whose behalf the proxy notice was given. A notice revoking the appointment of a proxy only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates. Attendance by a member in person at a meeting automatically revokes any appointment of a proxy by that member.
- 2.10 Subject to Articles 2.11, a written resolution of the Charity passed in accordance with these Articles 2.10 to 2.15 shall have effect as if passed by the Charity in general meeting.
- 2.10.1 A written resolution is passed as an ordinary resolution if it is passed by a simple majority of the total voting rights of eligible members.
- 2.10.2 A written resolution is passed as a special resolution if it is passed by members representing not less than 75% of the total voting rights of eligible members. A written resolution is not a special resolution unless it states that it was proposed as special resolution.
- 2.10.3 In relation to a resolution proposed as a written resolution of the Charity the eligible members are the members who would have been entitled to vote on the resolution on the circulation date of the resolution.
- 2.11 A members' resolution under the Companies Acts removing a Trustee or an auditor before the expiration of his or her term of office may not be passed as a written resolution.
- 2.12 A copy of the written resolution must be sent to every member together with a statement informing the member how to signify their agreement to the resolution and the date by which the resolution must be passed if it is not to lapse. Communications in relation to written resolutions shall be sent to the Charity' auditors in accordance with the Companies Acts
- 2.13 A member signifies their agreement to a proposed written resolution when the charity receives from him or her an authenticated document identifying the resolution to which it relates and indicating his or her agreement to the resolution.
- 2.13.1 If the document is sent to the Charity in hard copy form, it is authenticated if it bears the member's signature.
- 2.13.2 If the document is sent to the Charity by electronic means, it is authenticated if the identity of the member is confirmed in a manner specified by the Charity or if it is from an email address specified by the member to the Charity for the purposes or receiving documents or information by electronic means.
- 2.14 A written resolution is passed when the required majority of eligible members have signified their agreement to it.
- 2.15 A proposed written resolution lapses if it is not passed within 28 days beginning with the circulation date.
- 2.16 The Charity must hold an **AGM** in every year which all members are entitled to attend. The first AGM may be held within 18 months after the Charity's incorporation
- 2.17 At an AGM the members:
- 2.17.1 receive the accounts of the Charity for the previous financial year
- 2.17.2 receive the Trustees' report on the Charity's activities since the previous AGM
- 2.17.3 accept the retirement of those Trustees who wish to retire or who are retiring by rotation
- 2.17.4 elect persons to be Trustees to fill the vacancies arising

2.17.5 appoint auditors for the Charity (unless the Charity is entitled to exemption from audit and the Trustees wish to make use of that exemption)

2.17.6 may confer on any individual (with his or her consent) the honorary title of Patron, President or Vice-President of the Charity and

2.17.7 discuss any issues of policy or deal with any other business put before them

2.18 Any general meeting which is not an AGM is an EGM

2.19 An EGM may be called at any time by the Trustees and must be called within 21 days on a written request from at least _____ [number] members

3. THE TRUSTEES

3.1 The Trustees as charity trustees have control of the Charity and its property and funds

3.2 The Trustees when complete consist of at least [three] and not more than _____ [number] individuals, [all of whom must be members _____ [specify any special qualification]]

3.3 The individuals who signed the form 10 as vouching consent to act as directors are the first Trustees of the Charity.

3.4 For the avoidance of doubt, no individual may be appointed a Trustee unless he or she is willing to act as a charity trustee of the Charity.

3.5 One third (or the number nearest one third) of the Trustees must retire at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots. If the members at the meeting at which a Trustee retires by rotation does not fill the vacancy, the retiring Trustee shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the appointment of the Trustee is put to the meeting and lost

3.6 A Trustee's term of office automatically terminates if he or she:

3.6.1 is disqualified under the Charities Act 1993 from acting as a charity trustee

3.6.2 is in the reasonable belief of the Trustees suffering from mental disorder and incapable of acting and they resolve that he or she be removed from office

3.6.3 is absent from _____ [number] consecutive meetings of the Trustees and the Trustees resolve that he or she should vacate office

3.6.4 ceases to be a member [(but such a person may be reinstated by resolution passed by all the other Trustees on resuming membership of the Charity before the next AGM)]

3.6.5 resigns by written notice to the Trustees (but only if at least two Trustees will remain in office)

3.6.6 is removed by resolution passed by at least _____ [number or percentage] of the members present and voting at a general meeting after the meeting has invited the views of the Trustee concerned and considered the matter in the light of any such views]

or

[3.6.7 ceases to _____ [have the required qualification]]

- 3.7 The Trustees may at any time co-opt any person duly qualified to be appointed as a Trustee to fill a vacancy in their number or as an additional Trustee, but a co-opted Trustee holds office only until the next AGM
- 3.8 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.

4. PROCEEDINGS OF TRUSTEES

- 4.1 The Trustees must hold at least _____ [number] meetings each year
- 4.2 A quorum at a meeting of the Trustees is _____ [number] Trustees
- [4.3 A meeting of the Trustees may be held either in person or by suitable electronic means agreed by the Trustees in which all participants may communicate with all the other participants]
- 4.4 The Chairman or (if the Chairman is unable or unwilling to do so) some other Trustee chosen by the Trustees present presides at each meeting
- 4.5 Every issue may be determined by a simple majority of the votes cast at a meeting but a written resolution signed by all the Trustees is as valid as a resolution passed at a meeting (and for this purpose the resolution may be contained in more than one document and will be treated as passed on the date of the last signature)
- 4.6 Except for the chairman of the meeting, who has a second or casting vote, every Trustee has one vote on each issue
- 4.7 A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting

5. POWERS OF TRUSTEES

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

- 5.1 to appoint (and remove) any individual (who may be a Trustee) to act as Secretary to the Charity.
- 5.2 to appoint a Chairman, Treasurer and other honorary officers from among their number
- 5.3 to delegate any of their functions to committees consisting of two or more individuals appointed by them (but at least _____ [number] member of every committee must be a Trustee and all proceedings of committees must be reported promptly to the Trustees)
- 5.4 to make Standing Orders consistent with the **Memorandum, these Articles** and the Companies Acts) to govern proceedings at general meetings
- 5.5 to make Rules consistent with the Memorandum, these Articles and the Companies Acts to govern proceedings at their meetings and at meetings of committees
- 5.6 to make Regulations consistent with the Memorandum, these Articles and the Companies Acts to govern the administration of the Charity and the use of its seal (if any)
- 5.7 to establish procedures to assist the resolution of disputes within the Charity

5.8 to exercise any powers of the Charity which are not reserved to a general meeting.

6. RECORDS & ACCOUNTS

6.1 The Trustees must comply with the requirements of the Companies Acts and of the Charities Act 1993 as to keeping financial records, the audit of accounts and the preparation and transmission to the Registrar of Companies and the Commission of:

6.1.1 annual reports

6.1.2 annual returns

6.1.3 annual statements of account

6.2 The Trustees must keep proper records of

6.2.1 all proceedings at general meetings

6.2.2 all proceedings at meetings of the Trustees

6.2.3 all reports of committees and

6.2.4 all professional advice obtained

6.3 Accounting records relating to the Charity must be made available for inspection by any Trustee at any reasonable time during normal office hours and may be made available for inspection by members who are not Trustees if the Trustees so decide

6.4 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

7. NOTICES

7.1 Notices under these Articles may be sent by hand, or by post or (where the individual concerned has provided an email address for the purpose) by suitable electronic means or posted on a website where the recipient has been notified of such posting in a manner agreed by him or her.

7.2 The only address at which a member is entitled to receive notices is the address shown in the register of members

7.3 Any notice given in accordance with these Articles is to be treated for all purposes as having been received

7.3.1 24 hours after being sent by electronic means or delivered by hand to the relevant address

7.3.2 two clear days after being sent by first class post to that address

7.3.3 three clear days after being sent by second class or overseas post to that address

7.3.4 on the date of publication of a newspaper containing the notice

7.3.5 on being handed to the member personally or, if earlier,

7.3.6 as soon as the member acknowledges actual receipt

7.4 A technical defect in the giving of notice of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

8. WINDING UP

The provisions of the Memorandum relating to winding up or dissolution of the Charity take effect as though repeated here

9. INTERPRETATION

In the Memorandum in and in these Articles:

"The Companies Acts" has the meaning given to it in section 2 of the Companies Act 2006

"AGM" means an annual general meeting of the Charity

"area of benefit means _____ [*geographical area*]

"these Articles" means these articles of association

"Chairman" means the chairman of the Trustees

"the Charity" means the company governed by these Articles

"charity trustee" has the meaning prescribed by section 97(1) of the Charities Act 1993

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

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

"Connected person" means any spouse, civil partner, parent, child, brother, sister, grandparent or grandchild of a Trustee; or any other person in a relationship with a Trustee which may reasonably be regarded as equivalent to such a relationship; or any company or firm of which a Trustee is a paid director, partner or employee, or shareholder holding more than 1% of the capital.

"EGM" means an extraordinary general meeting of the Charity

"financial expert" means an individual, company or firm who is an authorised person or an exempted person within the meaning of the Financial Services and Markets Act 2000

"material benefit" means a benefit which may not be financial but has a monetary value

"member" and "membership" refer to membership of the Charity

"Memorandum" means the Charity's Memorandum of Association

"month" means calendar month

"the Objects" means the Objects of the Charity as defined in clause 3 of the Memorandum

"Secretary" means the Secretary of the Charity

"Trustee" means a director of the Charity and "Trustees" means all of the directors.

"written" or "in writing" refers to a legible document on paper [not] including a fax message

"year" means calendar year

9.2 Expressions defined in the Companies Acts have the same meaning

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

NAMES & ADDRESSES OF SUBSCRIBERS

SIGNATURES OF SUBSCRIBERS

*[List the full names and residential addresses
of each of the subscribers]*

[signatures of each of the subscribers]

Date _____ *[Date]*

Witness to the above signatures

[Name and address of witness]

[Signature of witness]