

CHARITABLE INCORPORATED ORGANISATION

CONSTITUTION

of

NORTHCHURCH COMMUNITY CENTRE

Date of constitution (last amended):

[date charity application is submitted]

1. Name

- 1.1 The name of the Charitable Incorporated Organisation (the "CIO") is The Northchurch and District Association.

2. National location of principal office

- 2.1 The CIO must have a principal office in England or Wales. The principal office of the CIO is in England.

3. Objects

- 3.1 The objects of the CIO are:

3.1.1 To promote the well-being of the residents in Northchurch and surrounding areas by associating public authorities concerned, voluntary organisations, other parties and residents in a common effort to further health, to advance education, to provide facilities for physical and mental training and recreation, and social, moral and intellectual development, and to foster a community spirit for the achievement of these and other charitable objects.

3.1.2 To maintain, manage and develop the community centre (hereinafter called the "centre") or to co-operate with any local statutory authority, authorities or other parties in the community in the maintenance and management of such a centre, for activities promoted by the Association and its constituent bodies in furtherance of the foregoing objects or any of them.

4. Powers

- 4.1 The CIO has power to do anything which is calculated to further its Objects or is conducive or incidental to doing so. In particular, the CIO has power:

Acquisition, management and disposal of assets

4.1.1 to buy, take on lease, share, hire or otherwise acquire property of any sort;

4.1.2 to sell, lease or otherwise dispose of all or any part of the property belonging to the CIO, provided that, where applicable, the CIO, and its Trustees, comply with s.117 to 123 of the Charities Act;

4.1.3 to borrow money and to charge the whole or any part of the property belonging to the CIO as security, provided that if the CIO wishes to

mortgage land, the CIO and its Trustees comply with s.124 to 126 of the Charities Act;

- 4.1.4 to construct, alter, provide, manage, maintain, furnish and fit with all the necessary furniture and other equipment any buildings and any other premises or structures or land;

Employees and others

- 4.1.5 subject to Articles 6 and 7, to employ and pay any employees and other staff, consultants, agents and advisers;
- 4.1.6 to make provision for the payment of pensions and other benefits to or on behalf of employees and their dependants;

Funding

- 4.1.7 to invite and receive contributions or grants, enter into contracts, seek subscriptions and raise funds in any way including by carrying on trade but not by means of Taxable Trading;
- 4.1.8 to give or receive guarantees or indemnities;

Activities

- 4.1.9 to establish and maintain a policy and processes to protect the hall from inappropriate or anti-social use;
- 4.1.10 to promote or undertake study or research and disseminate the useful results of such research;
- 4.1.11 to produce, print and publish anything in or on any media;
- 4.1.12 to provide grants, scholarships, awards or materials in kind and to provide or procure the provision of services, education, training, consultancy, advice, support, counselling or guidance;
- 4.1.13 to promote and advertise the CIO's activities and to seek to influence public opinion and policy and regulation implemented or proposed to be implemented by government or statutory authorities or other public bodies by undertaking campaigning and, to the extent permitted by law, political activities;
- 4.1.14 to undertake the administration or management (whether as trustee, agent or otherwise) of any charitable trust;
- 4.1.15 to accept any property upon or on any special trusts, or for any institutions or purposes either specified or to be specified by some person other than the Trustees;

Collaboration

- 4.1.16 to establish, promote and otherwise assist in any way any limited company or companies or other bodies for the purpose of furthering in any way the Objects or to acquire property or to undertake any form of trading activity, and to establish the same either as wholly owned subsidiaries of the CIO

or jointly with other persons (including government departments or statutory authorities) and to finance them by way of loan or share subscription or other means;

- 4.1.17 to take control of, support, co-operate, federate, merge, join or amalgamate with any other persons;
- 4.1.18 to transfer to or to purchase or otherwise acquire from any person with or without consideration, any property, assets or liabilities, and to perform any of their engagements;
- 4.1.19 to co-operate and enter into any arrangements with any person (including any government department or statutory authority);

Banking and Insurance

- 4.1.20 to open and operate bank accounts and other banking facilities including by using internet banking or other electronic authentication methods;
- 4.1.21 to insure any risks arising from the CIO's activities;
- 4.1.22 to purchase indemnity insurance for the Trustees in accordance with and to the extent permitted by the Charities Act;

Investment and Social Investment

- 4.1.23 to make social investments in pursuance of the Objects by any means as permitted by the Charities (Protection and Social Investment) Act 2016;
- 4.1.24 to invest any money in any investments, securities or properties; and to accumulate and set aside funds for special purposes or as reserves in accordance with a reserves policy; and to accumulate expendable endowment;
- 4.1.25 to delegate upon such terms and at such reasonable remuneration as the CIO may think fit to an individual, company or firm who is authorised to give investment advice under the Financial Services Act 2012 ("the Managers") the management of investments (being assets capable of producing income which may also increase in capital value), provided that:-
 - (a) the delegated powers shall be exercisable only within clear policy guidelines set by the Trustees;
 - (b) the Managers are under an obligation to report promptly to the Trustees every transaction carried out by the Managers and the performance of investments managed by them;
 - (c) the Trustees are entitled at any time to review, alter or terminate the delegation arrangement;
 - (d) the Trustees review the arrangements for delegation at intervals but so that any failure by the Charity to undertake such reviews shall not invalidate the delegation; and

- (e) the Managers must not do anything outside the powers of the Charity.

4.1.26 to arrange for investments or other property of the Charity to be held in the name of a nominee company acting under the control of the Trustees or of a financial expert acting under their instructions, and to pay any reasonable fee required;

Other matters

4.1.27 to pay all the expenses and costs of establishing the Charity; and

4.1.28 to do anything else within the law which promotes or helps to promote the Objects.

5. Application of income and property

5.1 The income and property of the CIO must be applied solely towards the promotion of the Objects.

5.2 A Trustee, employee, or member of a committee is entitled to be reimbursed from the property of the CIO or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the CIO.

5.3 A Trustee may benefit from Trustee indemnity insurance cover purchased at the CIO's expense in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.

5.4 None of the income or property of the CIO may be paid or transferred directly or indirectly by way of dividend, bonus or otherwise by way of profit to any member of the CIO. This does not prevent a Member receiving:

5.4.1 a benefit from the CIO as a beneficiary of the CIO;

5.4.2 reasonable and proper remuneration for any goods or services supplied to the CIO (subject to clause 6 below in regard to Trustees).

5.5 Nothing in clause 5.4 shall prevent a Trustee or connected person receiving any benefit or payment which is authorised by Clause 6 or by the Charity Commission ("Commission").

6. Benefits and payments to Trustees and connected persons

6.1 General provisions

6.1.1 No Trustee or connected person may:

- (a) buy or receive any goods or services from the CIO on terms preferential to those applicable to members of the public;
- (b) sell goods, services, or any interest in land to the CIO;
- (c) be employed by, or receive any remuneration from, the CIO;
- (d) receive any other financial benefit from the CIO,

unless the payment or benefit is permitted by clause 6.2 of this clause or authorised by the court or the Charity Commission ("the Commission"). In this clause, a "financial benefit" means a benefit, direct or indirect, which is either money or has a monetary value.

6.2 Scope and powers permitting Trustees' or connected persons' benefits

- 6.2.1 A Trustee or connected person may receive a benefit from the CIO as a beneficiary of the CIO provided that a majority of the Trustees do not benefit in this way.
- 6.2.2 A Trustee or connected person may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the CIO where that is permitted in accordance with, and subject to the conditions in, section 185 to 188 of the Charities Act 2011.
- 6.2.3 Subject to clause 6.3 a Trustee or connected person may provide the CIO with goods that are not supplied in connection with services provided to the CIO by the Trustee or connected person.
- 6.2.4 A Trustee or connected person may receive interest on money lent to the CIO at a reasonable and proper rate which must be not more than the Bank of England bank rate (also known as the base rate).
- 6.2.5 A Trustee or connected person may receive rent for premises let by the Trustee or connected person to the CIO. The amount of the rent and the other terms of the lease must be reasonable and proper. The Trustee concerned must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.
- 6.2.6 A Trustee or connected person may take part in the normal trading and fundraising activities of the CIO on the same terms as members of the public.

6.3 Payment for supply of goods only – controls

- 6.3.1 The CIO and its Trustees may only rely upon the authority provided by clause 6.2.3 if each of the following conditions is satisfied:
 - (a) The amount or maximum amount of the payment for the goods is set out in a written agreement between the CIO and the Trustee or connected person supplying the goods ("the supplier").
 - (b) The amount or maximum amount of the payment for the goods does not exceed what is reasonable in the circumstances for the supply of the goods in question.
 - (c) The other Trustees are satisfied that it is in the best interests of the CIO to contract with the supplier rather than with someone who is not a Trustee or connected person. In reaching that decision the Trustees must balance the advantage of contracting with a Trustee or connected person against the disadvantages of doing so.

- (d) The supplier is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with him or her or it with regard to the supply of goods to the CIO.
- (e) The supplier does not vote on any such matter and is not to be counted when calculating whether a quorum of Trustees is present at the meeting.
- (f) The reason for their decision is recorded by the Trustees in the minute book.
- (g) A majority of the Trustees then in office are not in receipt of remuneration or payments authorised by clause 6.

6.4 In clauses 6.1 and 6.3:

6.4.1 "the CIO" includes any company in which the CIO:

- (a) holds more than 50% of the shares; or
- (b) controls more than 50% of the voting rights attached to the shares; or
- (c) has the right to appoint one or more directors to the board of the company;

6.4.2 "connected person" includes any person within the definition set out in clause 30 (Interpretation).

7. Conflicts of interest and conflicts of loyalty

7.1 A Trustee must:

7.1.1 declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the CIO or in any transaction or arrangement entered into by the CIO which has not previously been declared; and

7.1.2 absent himself or herself from any discussions of the Trustees in which it is possible that a conflict of interest will arise between his or her duty to act solely in the interests of the CIO and any personal interest (including but not limited to any financial interest).

7.2 Any Trustee absenting himself or herself from any discussions in accordance with this clause 7 must not vote or be counted as part of the quorum in any decision of the Trustees on the matter.

8. Liability of members to contribute to the assets of the CIO if it is wound up

8.1 If the CIO is wound up, the members of the CIO have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

9. Trustees

9.1 Functions and duties of Trustees

- 9.1.1 The Trustees shall manage the affairs of the CIO and may for that purpose exercise all the powers of the CIO. It is the duty of each Trustee:
- (a) to ensure that the community centre remains available for the use of the whole community; and
 - (b) to exercise his or her powers and to perform his or her functions in his or her capacity as a Trustee of the CIO in the way he or she decides in good faith would be most likely to further the purposes of the CIO; and
 - (c) to exercise, in the performance of those functions, such care and skill as is reasonable in the circumstances having regard in particular to:
 - (i) any special knowledge or experience that he or she has or holds himself or herself out as having; and
 - (ii) if he or she acts as a Trustee of the CIO in the course of a business or profession, to any special knowledge or experience that it is reasonable to expect of a person acting in the course of that kind of business or profession.

9.2 Eligibility for Trusteeship

9.2.1 Every Trustee must be a natural person.

9.2.2 No individual may be appointed as a Trustee of the CIO:

- (a) if he or she is under the age of 16 years old; or
- (b) if he or she is disqualified from acting as a Trustee by virtue of sections 178-180 of the Charities Act 2011 (or any statutory re-enactment or modification of that provision).

9.2.3 No one is entitled to act as a Trustee whether on appointment or on any re-appointment until he or she has expressly acknowledged, in whatever way the Trustees decide, his or her acceptance of the office of Trustee.

9.2.4 At least one of the Trustees of the CIO must be 18 years of age or over. If there is no Trustee aged at least 18 years, the remaining Trustees may only act to call a meeting of the Trustees, or appoint a new Trustee.

9.3 Number of Trustees

9.3.1 There must be at least three Trustees. If the number falls below this minimum, the remaining Trustee or Trustees may act only to call a meeting of the Trustees, or appoint a new Trustee.

9.3.2 The maximum number of Trustees is five. The Trustees may not appoint any Trustee if as a result the number of Trustees would exceed the maximum.

First Trustees

9.3.3 The first Trustees are as follows, and are appointed for the following terms:

- (a) [Insert name] [for [4] years]
- (b) [Insert name] [for [3] years]
- (c) [Insert name] [for [2] years]

10. Appointment of Trustees

- 10.1 Apart from the first Trustees, every Trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the Trustees or in writing.
- 10.2 In selecting individuals for appointment as Trustees, the Trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.
- 10.3 Appointed Trustees
 - (a) Apart from the first Trustees, every appointed Trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the Trustees.
 - (b) In selecting individuals for appointment as appointed Trustees, the Trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

11. Information for new Trustees

- 11.1 The Trustees will make available to each new Trustee, on or before his or her first appointment:
 - 11.1.1 a copy of the current version of this constitution; and
 - 11.1.2 a copy of the CIO's latest Trustees' Annual Report and statement of accounts.

12. Retirement and removal of Trustees

- 12.1 A Trustee ceases to hold office if he or she:
 - 12.1.1 retires by notifying the CIO in writing (but only if enough Trustees will remain in office when the notice of resignation takes effect to form a quorum for meetings);
 - 12.1.2 is absent without the permission of the Trustees from all their meetings held within a period of six months and the Trustees resolve that his or her office be vacated;
 - 12.1.3 dies;
 - 12.1.4 becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs;

- 12.1.5 is disqualified from acting as a Trustee by virtue of sections 178-180 of the Charities Act 2011 (or any statutory re-enactment or modification of that provision); or
- 12.1.6 is removed by a vote of a two-thirds majority of the other trustees present and voting at a Board meeting at which at least half of the serving trustees are present, provided that
 - (a) prior to such a meeting the trustee in question has been given written notice of the intention to propose such a resolution at the meeting; and
 - (b) the trustee in question is given an opportunity to make representations prior to a vote being held.
- 12.2 Any person retiring as a Trustee is eligible for reappointment.
- 12.3 A Trustee who has served for two consecutive terms may not be reappointed for a third consecutive term but may be reappointed after an interval of at least two years.
- 12.4 Taking of decisions by Trustees
- 12.5 Any decision may be taken either:
 - 12.5.1 at a meeting of the Trustees; or
 - 12.5.2 by resolution in writing or electronic form agreed by all of the Trustees, which may comprise either a single document or several documents containing the text of the resolution in like form to each of which one or more Trustees has signified their agreement.

13. Delegation by Trustees

- 13.1 The Trustees may delegate any of their powers or functions to a committee or committees, and, if they do, they shall determine the terms and conditions on which the delegation is made. The Trustees may at any time alter those terms and conditions, or revoke the delegation.
- 13.2 This power is in addition to the power of delegation in the General Regulations and any other power of delegation available to the Trustees, but is subject to the following requirements:
 - 13.2.1 a committee may consist of two or more persons, but at least one member of each committee must be a Trustee;
 - 13.2.2 the acts and proceedings of any committee must be brought to the attention of the Trustees as a whole as soon as is reasonably practicable; and
 - 13.2.3 the Trustees shall from time to time review the arrangements which they have made for the delegation of their powers.

14. Meetings of Trustees

- 14.1 Calling meetings

- 14.1.1 The chair or any three Trustees may call a meeting of the Trustees.
- 14.1.2 Subject to that, the Trustees shall decide how their meetings are to be called, and what notice is required.
- 14.2 Chairing of meetings
 - 14.2.1 The Trustees may appoint one of their number to chair their meetings and may at any time revoke such appointment. If no-one has been so appointed, or if the person appointed is unwilling to preside or is not present within 10 minutes after the time of the meeting, the Trustees present may appoint one of their number to chair that meeting.
- 14.3 Procedure at meetings
 - 14.3.1 No decision shall be taken at a meeting unless a quorum is present at the time when the decision is taken. The quorum is three Trustees, or the number nearest to one third of the total number of Trustees, whichever is greater, or such larger number as the Trustees may decide from time to time. A Trustee shall not be counted in the quorum present when any decision is made about a matter upon which he or she is not entitled to vote.
 - 14.3.2 Questions arising at a meeting shall be decided by a majority of those eligible to vote.
 - 14.3.3 In the case of an equality of votes, the person who chairs the meeting shall have a second or casting vote.
- 14.4 Participation in meetings by electronic means
 - 14.4.1 A meeting may be held by suitable electronic means agreed by the Trustees in which each participant may communicate with all the other participants.
 - 14.4.2 Any Trustee participating at a meeting by suitable electronic means agreed by the Trustees in which a participant or participants may communicate with all the other participants shall qualify as being present at the meeting.
 - 14.4.3 Meetings held by electronic means must comply with rules for meetings, including chairing and the taking of minutes.
- 15. Membership of the CIO**
 - 15.1 The members of the CIO shall be its Trustees for the time being. The only persons eligible to be members of the CIO are its Trustees. Membership of the CIO cannot be transferred to anyone else.
 - 15.2 Any Trustee who ceases to be a Trustee automatically ceases to be a member of the CIO.
- 16. Informal or associate (non-voting) membership**
 - 16.1 The Trustees may create associate or other classes of non-voting membership, and may determine the rights and obligations of any such members (including payment

of membership fees), and the conditions for admission to, and termination of membership of any such class of members.

- 16.2 Other references in this constitution to "members" and "membership" do not apply to non-voting members, and non-voting members do not qualify as members for any purpose under the Charities Acts, General Regulations or Dissolution Regulations.

17. Decisions which must be made by the members of the CIO

- 17.1 Any decision to:

17.1.1 amend the constitution of the CIO;

17.1.2 amalgamate the CIO with, or transfer its undertaking to, one or more other CIOs, in accordance with the Charities Act 2011; or

17.1.3 wind up or dissolve the CIO (including transferring its business to any other charity)

must be made by a resolution of the members of the CIO (rather than a resolution of the Trustees).

- 17.2 Decisions of the members may be made either:

17.2.1 by resolution at a general meeting; or

17.2.2 by resolution in writing, in accordance with clause 17.4.

- 17.3 Any decision specified in clause 17.1 of this clause must be made in accordance with the provisions of clause 27 (Amendment of constitution), clause 28 (Voluntary winding up or dissolution), or the provisions of the Charities Act 2011, the General Regulations or the Dissolution Regulations as applicable. Those provisions require the resolution to be agreed by a 75% majority of those members voting at a general meeting, or agreed by all members in writing.

- 17.4 Except where a resolution in writing must be agreed by all the members, such a resolution may be agreed by a simple majority of all the members who are entitled to vote on it. Such a resolution shall be effective provided that:

17.4.1 a copy of the proposed resolution has been sent to all the members eligible to vote; and

17.4.2 the required majority of members has signified its agreement to the resolution in a document or documents which are received at the principal office within the period of 28 days beginning with the circulation date. The document signifying a member's agreement must be authenticated by their signature, by a statement of their identity accompanying the document, or in such other manner as the CIO has specified.

The resolution in writing may comprise several copies to which one or more members has signified their agreement. Eligibility to vote on the resolution is limited to members who are members of the CIO on the date when the proposal is first circulated.

18. General meetings of members

18.1 Calling of general meetings of members

18.1.1 The Trustees may designate any of their meetings as a general meeting of the members of the CIO. The purpose of such a meeting is to discharge any business which must by law be discharged by a resolution of the members of the CIO as specified in clause 17 (Decisions which must be made by the members of the CIO).

18.2 Notice of general meetings of members

18.2.1 The minimum period of notice required to hold a general meeting of the members of the CIO is 14 days.

18.2.2 Except where a specified period of notice is strictly required by another clause in this constitution, by the Charities Act 2011 or by the General Regulations, a general meeting may be called by shorter notice if it is so agreed by a majority of the members of the CIO.

18.2.3 Proof that an envelope containing a notice was properly addressed, prepaid and posted; or that an electronic form of notice was properly addressed and sent, shall be conclusive evidence that the notice was given. Notice shall be deemed to be given 48 hours after it was posted or sent.

18.3 Procedure at general meetings of members

18.3.1 The provisions in clauses 14.2 to 14.4 governing the chairing of meetings, procedure at meetings and participation in meetings by electronic means apply to any general meeting of the members, with all references to Trustees to be taken as references to members.

19. Saving provisions

19.1 Subject to clause 19.2, all decisions of the Trustees, or of a committee of Trustees, shall be valid notwithstanding the participation in any vote of a Trustee:

19.1.1 who was disqualified from holding office;

19.1.2 who had previously retired or who had been obliged by the constitution to vacate office;

19.1.3 who was not entitled to vote on the matter, whether by reason of a conflict of interest or otherwise,

if, without the vote of that Trustee and that Trustee being counted in the quorum, the decision has been made by a majority of the Trustees at a quorate meeting.

19.2 Clause 19.1 does not permit a Trustee to keep any benefit that may be conferred upon him or her by a resolution of the Trustees or of a committee of Trustees if, but for clause 19.1, the resolution would have been void, or if the Trustee has not complied with clause 7 (Conflicts of interest).

20. Execution of documents

20.1 The CIO shall execute documents either by signature or by affixing its seal (if it has one)

20.2 A document is validly executed by signature if it is signed by at least two of the Trustees.

21. Use of electronic communications

21.1 General

21.1.1 The CIO will comply with the requirements of the Communications Provisions in the General Regulations and in particular:

- (a) the requirement to provide within 21 days to any member on request a hard copy of any document or information sent to the member otherwise than in hard copy form;
- (b) any requirements to provide information to the Commission in a particular form or manner.

21.2 To the CIO

21.2.1 Any member or Trustee of the CIO may communicate electronically with the CIO to an address specified by the CIO for the purpose, so long as the communication is authenticated in a manner which is satisfactory to the CIO.

21.3 By the CIO

21.3.1 Any member or Trustee of the CIO, by providing the CIO with his or her email address or similar, is taken to have agreed to receive communications from the CIO in electronic form at that address, unless the member has indicated to the CIO his or her unwillingness to receive such communications in that form.

21.3.2 The Trustees may, subject to compliance with any legal requirements, by means of publication on its website:

- (a) provide the members with the notice referred to in clause 18.2 (Notice of general meetings);
- (b) give Trustees notice of their meetings in accordance with clause 14.1 (Calling meetings); and
- (c) submit any proposal to the members or Trustees for decision by written resolution or postal vote in accordance with the CIO's powers under clause 17 (Members' decisions), 17.4 (Decisions take by resolution in writing).

21.3.3 The Trustees must:

- (a) take reasonable steps to ensure that members and Trustees are promptly notified of the publication of any such notice or proposal; and

- (b) send any such notice or proposal in hard copy form to any member or Trustee who has not consented to receive communications in electronic form.

22. Keeping of registers

- 22.1 The CIO must comply with its obligations under the General Regulations in relation to the keeping of, and provision of access to, a (combined) register of its members and Trustees.

23. Minutes

- 23.1 The Trustees must keep minutes of all:
 - 23.1.1 appointments of officers made by the Trustees;
 - 23.1.2 proceedings at general meetings of the CIO;
 - 23.1.3 meetings of the Trustees and committees of Trustees including:
 - (a) the names of the Trustees present at the meeting;
 - (b) the decisions made at the meetings; and
 - (c) where appropriate the reasons for the decisions;
 - 23.1.4 decisions made by the Trustees otherwise than in meetings.

24. Accounting records, accounts, annual reports and returns, register maintenance

- 24.1 The Trustees must comply with the requirements of the Charities Act 2011 with regard to the keeping of accounting records, to the preparation and scrutiny of statements of account, and to the preparation of annual reports and returns. The statements of account, reports and returns must be sent to the Charity Commission, regardless of the income of the CIO, within 10 months of the financial year end.
- 24.2 The Trustees must comply with their obligation to inform the Commission within 28 days of any change in the particulars of the CIO entered on the Central Register of Charities.

25. Rules

- 25.1 The Trustees may from time to time make such reasonable and proper rules or byelaws as they may deem necessary or expedient for the proper conduct and management of the CIO, but such rules or bye laws must not be inconsistent with any provision of this constitution. Copies of any such rules or bye laws currently in force must be made available to any member of the CIO on request.

26. Disputes

- 26.1 If a dispute arises between members of the CIO about the validity or propriety of anything done by the members under this constitution, and the dispute cannot be resolved by agreement, the parties to the dispute must first try in good faith to settle the dispute by mediation before resorting to litigation.

27. Amendment of constitution

27.1 As provided by sections 224-227 of the Charities Act 2011:

27.1.1 This constitution can only be amended:

- (a) by resolution agreed in writing by all members of the CIO; or
- (b) by a resolution passed by a 75% majority of those voting at a general meeting of the members of the CIO called in accordance with clause 17 (General meetings of members).

27.2 Any alteration of clause 3 (Objects), clause 28 (Voluntary winding up or dissolution), this clause, or of any provision where the alteration would provide authorisation for any benefit to be obtained by Trustees or members of the CIO or persons connected with them, requires the prior written consent of the Charity Commission.

27.3 No amendment that is inconsistent with the provisions of the Charities Act 2011 or the General Regulations shall be valid.

27.4 A copy of every resolution amending the constitution, together with a copy of the CIO's constitution as amended must be sent to the Commission by the end of the period of 15 days beginning with the date of passing of the resolution, and the amendment does not take effect until it has been recorded in the Register of Charities.

28. Voluntary winding up or dissolution

28.1 As provided by the Dissolution Regulations, the CIO may be dissolved by resolution of its members. Any decision by the members to wind up or dissolve the CIO can only be made:

28.1.1 at a general meeting of the members of the CIO called in accordance with clause 18 (General meetings of members), of which not less than 14 days' notice has been given to those eligible to attend and vote:

- (a) by a resolution passed by a 75% majority of those voting, or
- (b) by a resolution passed by decision taken without a vote and without any expression of dissent in response to the question put to the general meeting; or

28.1.2 by a resolution agreed in writing by all members of the CIO.

28.2 Subject to the payment of all the CIO's debts:

28.2.1 Any resolution for the winding up of the CIO, or for the dissolution of the CIO without winding up, may contain a provision directing how any remaining assets of the CIO shall be applied.

28.2.2 If the resolution does not contain such a provision, the Trustees must decide how any remaining assets of the CIO shall be applied.

28.2.3 In either case the remaining assets must be applied for charitable purposes the same as or similar to those of the CIO.

28.3 The CIO must observe the requirements of the Dissolution Regulations in applying to the Commission for the CIO to be removed from the Register of Charities, and in particular:

28.3.1 the Trustees must send with their application to the Commission:

- (a) a copy of the resolution passed by the members of the CIO;
- (b) a declaration by the Trustees that any debts and other liabilities of the CIO have been settled or otherwise provided for in full; and
- (c) a statement by the Trustees setting out the way in which any property of the CIO has been or is to be applied prior to its dissolution in accordance with this constitution;

28.3.2 the Trustees must ensure that a copy of the application is sent within seven days to every member and employee of the CIO, and to any Trustee of the CIO who was not privy to the application.

28.4 If the CIO is to be wound up or dissolved in any other circumstances, the provisions of the Dissolution Regulations must be followed.

29. Indemnity of Trustees

29.1 To the extent permitted by law from time to time, but without prejudice to any indemnity to which a member of the board of Trustees or other officer may otherwise be entitled the CIO may indemnify every Trustee or other officer out of the assets of the CIO against all costs and liabilities incurred by him which relate to anything done or omitted or alleged to have been done or omitted by him as a Trustee or other officer save that no Trustee may be entitled to be indemnified:

29.1.1 for any liability incurred by him to the CIO or any associated company of the CIO;

29.1.2 for any fine imposed in criminal proceedings;

29.1.3 for any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising;

29.1.4 for any liability which he has incurred in defending any criminal proceedings in which he is convicted and such conviction has become final; and

29.1.5 for any liability which he has incurred in defending any civil proceedings brought by the CIO or an associated company in which a final judgment has been given against him.

29.2 To the extent permitted by law from time to time, but without prejudice to any indemnity to which the Trustees or other officer may otherwise be entitled, the CIO may provide funds to every Trustee or other officer to meet expenditure incurred or to be incurred by him in any proceedings (whether civil or criminal) brought by any party which relate to anything done or omitted or alleged to have been done or omitted by him as a Trustee or officer, provided that he will be obliged to repay such amounts no later than:

- 29.2.1 in the event he is convicted in proceedings, the date when the conviction becomes final; or
- 29.2.2 in the event of judgment being given against him in proceedings, the date when the judgment becomes final.

30. Interpretation

30.1 In the constitution:

30.1.1 "**Charities Act**" the Charities Acts 1992 to 2011 and the Charities (Protection and Social Investment) Act 2016;

30.1.2 "**connected person**" means:

- (a) a child, parent, grandchild, grandparent, brother or sister of the Trustee;
- (b) the spouse or civil partner of the Trustee or of any person falling within clause 30.1.2(a) above;
- (c) a person carrying on business in partnership with the Trustee or with any person falling within clauses 30.1.2(a) or (b) above;
- (d) an institution which is controlled:
 - (i) by the Trustee or any connected person falling within clauses 30.1.2(a), (b), or (c) above; or
 - (ii) by two or more persons falling within clause 30.1.2(d)(i), when taken together;
- (e) a body corporate in which:
 - (i) the Trustee or any connected person falling within clauses 30.1.2(a) to (c) has a substantial interest; or
 - (ii) two or more persons falling within clause 30.1.2(e)(i) who, when taken together, have a substantial interest.

Section 118 of the Charities Act 2011 applies for the purposes of interpreting the terms used in this constitution.

30.1.3 "**General Regulations**" means the Charitable Incorporated Organisations (General) Regulations 2012.

30.1.4 "**Dissolution Regulations**" means the Charitable Incorporated Organisations (Insolvency and Dissolution) Regulations 2012.

30.1.5 The "**Communications Provisions**" means the Communications Provisions in Part 10, Chapter 4 of the General Regulations.

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

30.1.7 **"Trustee"** means a Trustee of the CIO.

30.1.8 A **"poll"** means a counted vote or ballot, usually (but not necessarily) in writing.