

ARTICLES OF ASSOCIATION  
of  
THE CHICHESTER DIOCESAN FUND  
AND BOARD OF FINANCE (INCORPORATED)  
[as adopted by Special Resolution dated 21 April 2012 and  
amended by Special Resolution dated 25 April 2015]

Company number 00133558  
Incorporated 26 January 1914

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Interpretation .....	1
Liability of members .....	3
Objects .....	4
Powers .....	4
Application of income and property .....	7
Finance Committee .....	8
Notice of committee meetings .....	8
General provisions .....	8
Scope and powers permitting directors' or connected persons' benefits .....	8
Payment for supply of goods only – controls .....	9
Declaration of directors' interests .....	10
Conflicts of interest .....	10
Members .....	11
Termination of Membership.....	11
General meetings .....	11
Notice of general meetings .....	11
Proceedings at general meetings .....	12
Content of proxy notices.....	14
Delivery of proxy notices .....	15
Written Resolutions.....	15
Votes of members .....	15
Directors .....	16
Powers of Directors.....	16
Appointment of directors .....	16
Disqualification and removal of directors.....	16
Remuneration of directors' .....	17
Secretary, trustees and other officers.....	17
Proceedings of the Finance Committee .....	17

Delegation .....	19
Validity of directors' decisions .....	19
Seal .....	20
Minutes .....	20
Accounts .....	20
Annual Report and Return and Register of Charities .....	20
Means of communication to be used.....	21
Indemnity.....	22
Rules .....	22
Disputes .....	23
Dissolution.....	23

**The Companies Act 2006**

**Company Limited by Guarantee**

**Articles of Association of**

**The Chichester Diocesan Fund and Board of Finance (Incorporated)**

1. The company's name is The Chichester Diocesan Fund and Board of Finance (Incorporated) (and in this document it is called the "charity").

**Interpretation**

2. In these articles unless the context otherwise requires:

"address" means a postal address or, for the purposes of electronic communication, a fax number, an e-mail address or a telephone number for receiving text messages in each case registered with the charity;

the "articles" means the charity's articles of association;

"Bishop" and "Bishops Suffragan" mean respectively the Bishop and Bishops Suffragan of the Diocese;

The "Church of England" means that reformed branch of Christ's Holy Catholic Church in England which, whether established by law or not shall continue its present apostolical constitution and succession of ministry and shall retain the doctrinal standards of the Church of England as now so established whether in the same form or order of words or not, but substantially such as are set forth in and implied by the general and special services, catechism and rubrics of the prayer book and ordinal of that Church at the date of the adoption of these articles, but so that in case the Church of England shall be dis-established and any dispute shall arise as to what are the doctrinal standards so set forth or implied the same shall for purposes of this definition be deemed to mean the doctrinal standards of the whole Catholic Church of Christ referred to in the said prayer book the same being determined by reference to the dogmatic decrees of the councils accepted as ecumenical by the said whole Catholic Church prior to the great schism between East and West in the year 1054.

"clear days" in relation to the period of a notice means a period excluding:

- the day when the notice is given or deemed to be given; and
- the day for which it is given or on which it is to take effect;

the "Commission"

means the Charity Commission for England and Wales;

"Companies Acts"

means the Companies Acts (as defined in section 2 of the Companies Act 2006) insofar as they apply to the charity;

"connected person"

means:

- (1) a child, parent, grandchild, grandparent, brother or sister of the director;
- (2) the spouse or civil partner of the director or of any person falling within paragraph (1) above;
- (3) a person carrying on business in partnership with the director or with any person falling within paragraph (1) or (2) above;
- (4) an institution which is controlled –
  - (a) by the director or any connected person falling within paragraph (1), (2), or (3) above; or
  - (b) by two or more persons falling within sub-paragraph 4(a), when taken together
- (5) a body corporate in which –
  - (a) the director or any connected person falling within paragraphs (1) to (3) has a substantial interest; or
  - (b) two or more persons falling within sub-paragraph (5)(a) who, when taken together, have a substantial interest.

Paragraphs 2 to 4 of Schedule 5 to the Charities Act 1993 apply for the purposes of interpreting the terms used in this sub-clause.

the "Diocese"

means the Diocese of Chichester from time to time;

"Diocesan Synod"

means the Diocesan Synod of the Diocese as constituted at a meeting of the Chichester

Diocesan Council on the 21 October 1969 or any modification or alteration thereof from time to time;

the "directors"	means the directors of the charity who constitute the Finance Committee. The directors are charity trustees as defined by Section 97 of the Charities Act 1993;
"document"	includes, unless otherwise specified, any document sent or supplied in electronic form;
"electronic form"	has the meaning given in section 1168 of the Companies Act 2006;
the "Finance Committee"	means the committee constituted in accordance with the provisions of article 8, the members of which are the directors of the charity;
"officers"	includes the directors and secretary (if any) and the additional other officers as defined in article 38;
"President"	means the President as defined by article 38;
the "seal"	means the common seal of the charity if it has one;
"secretary"	means any person appointed to perform the duties of the secretary of the charity;
the "United Kingdom"	means Great Britain and Northern Ireland;
"Vice President"	means a Vice President as defined by article 38; and

words importing one gender shall include all genders, and the singular includes the plural and vice versa.

Unless the context otherwise requires words or expressions contained in the articles have the same meaning as in the Companies Acts but excluding any statutory modification not in force when this constitution becomes binding on the charity.

Apart from the exception mentioned in the previous paragraph a reference to an Act of Parliament includes any statutory modification or re-enactment of it from time to time in force.

### **Liability of members**

3. The liability of the members is limited to a sum not exceeding £1, being the amount that each member undertakes to contribute to the assets of the charity in the event of its being wound up while he is a member or within one year after he ceases to be a member, for:
  - (1) payment of the charity's debts and liabilities incurred before he ceases to be a member;

- (2) payment of the costs, charges and expenses of winding up; and
- (3) adjustment of the rights of the contributories among themselves.

### **Objects**

4. The charity's objects (the "Objects") are specifically restricted to the following:

To promote, carry on, assist, benefit and advance the work of the Church of England in the Diocese of Chichester and elsewhere in all or any of its branches or activities, and to establish, set on foot, become a member of, support, aid, take over, take part in, subscribe to, become affiliated with, develop, organise, administer, manage, terminate or reconstruct any association, institution, fund, trust, society, charity, committee, school, object, arrangement or movement intended or calculated in any way to promote, assist, benefit or advance any branch or activity of such work and whether or not in connection with or forming a branch or agency of a like body or organisation existing or carrying on work wholly or partly outside the Diocese.

### **Powers**

5. In the exercise of its powers and duties the charity shall comply with such directions as may from time to time be given to the charity by the Diocesan Synod and may act as a committee of the Diocesan Synod when the Diocesan Synod so desires.

6.

- (1) The charity has power to do anything which is calculated to further its Object(s) or is conducive or incidental to so doing.
- (2) In particular, but without in any sense limiting the general powers hereinbefore conferred, the charity may exercise the powers conferred by article 4 in relation to the following branches or activities of the work of the Church of England:
  - (a) the training of candidates for the ministry, clerical and lay;
  - (b) the maintenance of the ministry, clerical and lay;
  - (c) the provision of pensions for ordained and lay ministers;
  - (d) provision for widows and orphans of the clergy and for clergy in temporary necessity;
  - (e) provision for the acquisition, erection, restoration, repair, enlargement and alteration of church buildings of all descriptions, churchyards and burial grounds, and for building loan funds;
  - (f) provision for the religious education of the young and the maintenance, extension and testing thereof;
  - (g) provision for expenses of organisation and machinery.
- (3) to raise funds. In doing so, the charity must not undertake any taxable permanent trading activity and must comply with any relevant statutory regulations;
- (4) to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;

- (5) to sell, lease or otherwise dispose of all or any part of the property belonging to the charity. In exercising this power, the charity must comply as appropriate with sections 36 and 37 of the Charities Act 1993, as amended by the Charities Act 2006;
- (6) to borrow money and to charge the whole or any part of the property belonging to the charity as security for repayment of the money borrowed or as security for a grant or the discharge of an obligation. The charity must comply as appropriate with sections 38 and 39 of the Charities Act 1993 as amended by the Charities Act 2006 if it wishes to mortgage land;
- (7) To amalgamate with any company, institution, society, body or association having objects wholly or in part similar to those of the charity.
- (8) To accept in satisfaction or part satisfaction of anything owing to the charity shares or debentures or any interest in the capital, revenues or profits of any corporation, company, society, undertaking, partnership or person.
- (9) To pay all the expenses of and preliminary and incidental to the promotion, formation, establishment and registration of any association or company promoted or formed by the charity.
- (10) To prevent by the institution or defence of legal proceedings, by the promotion of legislation, or by other lawful means, the diversion of any property from or the loss of any property to the Church of England or the charity or any other body, association or person, but so that in the institution of legal proceedings nothing shall be done by the charity which shall be offensive to the law in respect of maintenance or champerty.
- (11) To promote or assist in or subscribe towards the promotion of legislation, intended or likely to assist in any way the work of the Church of England or any of the objects of the charity, and similarly to oppose legislation likely to be obnoxious to that work or those objects or any of them.
- (12) To carry on a printing and publishing business, and in connection therewith to print, publish, circulate, sell, buy, manage or support books, reports, newspapers, periodicals, tracts, magazines, circulars and other publications.
- (13) To administer, manage and conduct, as trustee, factor or agent in accordance with any trusts expressed or implied, affecting the same, any trust property vested in the charity and to exercise any rights of ownership, or any rights or powers discretionary or otherwise relating in any way to such property or to the administration management and conduct thereof, and to give and accept bonds or guarantees.
- (14) To erect, maintain, alter, enlarge, repair or restore, and to provide fittings, furniture, appliances, apparatus and conveniences for any church, chapel, mission room, parsonage house, school, club house, office, room or other building or any part thereof.
- (15) To institute, conduct, defend, or compromise legal proceedings by and against the charity, and to do and authorise to be done all acts, deeds, matters and things which may be necessary or desirable for the purpose of registering the charity, or any of its properties in any British colony or dependency, or in any foreign country.
- (16) To take such steps by personal or written appeals, public meetings, or otherwise, as may from time to time be deemed expedient for the purpose of obtaining contributions to the funds of the charity, or to any object in which the charity is



concerned or interested. In doing so, the charity must not undertake any substantial permanent trading activity and must comply with any relevant statutory regulations.

- (17) To act or to nominate or recommend any person to act as manager, member of committee, treasurer, trustee, auditor or inspector of or in any other capacity in relation to any such body as is mentioned in article 4.
- (18) To appoint trustees for the charity in respect of any of its purposes, and to appoint employ and pay agents and persons in any capacity for the furtherance of any of the Objects or purposes of the charity.
- (19) To pay out of the funds of the charity or out of any particular part of such funds all expenses of or incidental to the management of the charity or the administration or carrying out of any of its objects.
- (20) To create trusts for any charitable purposes, and to invest any property of the charity in the names of, or to hand over any property of the charity to any one or more trustees for the purposes of any such trust.
- (21) To hand over to any corporation or person any charity managed or directed by the charity, with any property to be used or applied for the purposes thereof, and to transfer or hand over any funds or property from time to time vested in the charity if in the opinion of the charity it would be to the benefit of any object of the charity or any particular fund, company or institution in which the charity is concerned or interested to do so.
- (22) In case any part of the present Diocese be at any time separated therefrom and added to any other diocese or constituted with or without any other area a new diocese, to transfer to any corporation or person any property of the charity for the purposes of the part separated, or any property held by the charity upon trust for or for the purposes of any charity relating to or connected wholly or partly with such part.
- (23) to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them;
- (24) to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects;
- (25) to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity;
- (26) to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;
- (27) To engage and pay any person or persons whether on a full-time or part-time basis or whether as consultant or employee to supervise, organize, carry on the work of and advise the charity and to make any reasonable and necessary provision for the payment of pensions and superannuation to or on behalf of employees or former employees and their wives, husbands and other dependants. The charity may employ or remunerate a director only to the extent it is permitted to do so by article 11 and provided it complies with the conditions in that article;
- (28) To undertake the position of and act as custodian or other trustee, either alone or otherwise and either with or without remuneration, and to perform any duty or act in relation to any trust property vested in the charity, and devolving upon the charity

as trustee thereof or necessary or desirable for the purpose of complying with or carrying into effect any directions or instructions duly given with relation to any trust property vested in the charity.

(29) To lend money required for any of the purposes specified in articles 4 and 6(2) with or without security upon such terms as the charity may think fit.

(30) to:

- (a) deposit or invest funds;
- (b) employ a professional fund-manager; and
- (c) arrange for the investments or other property of the charity to be held in the name of a nominee;

in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000;

(31) to provide indemnity insurance for the directors in accordance with, and subject to the conditions in, section 73F of the Charities Act 1993;

The powers specified in each of the sub-clauses of this article shall be regarded as independent powers, and accordingly shall not be limited or restricted (except as expressed in such sub-clause) by reference to the powers indicated in any other sub-clause, or by the name of the charity, but may be carried out in as full and ample a manner and construed in as wide a sense as if each of the said paragraphs defined the powers of a separate company.

### **Application of income and property**

7.

(1) The income and property of the charity shall be applied solely towards the promotion of the Objects.

(2)

- (a) A director is entitled to be reimbursed from the property of the charity or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the charity.
- (b) A director may benefit from trustee indemnity insurance cover purchased at the charity's expense in accordance with, and subject to the conditions in, section 73F of the Charities Act 1993.
- (c) A director may receive an indemnity from the charity in the circumstances specified in article 62.
- (d) Subject to article 7(3) a director may not receive any other benefit or payment unless it is authorised by article 11.

(3) Subject to article 11, none of the income or property of the charity may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the charity. This does not prevent:

- (a) a member who is not also a director receiving:

- (i) a benefit from the charity in the capacity of a beneficiary of the charity; and
  - (ii) reasonable and proper remuneration for any goods or services supplied to the charity; or
- (b) the payment in good faith to the Archdeacons holding archidiaconal office in the Diocese and to other clerical members of the charity of grants to augment the income of their livings, stipends and pensions, such grants being in accordance with the objects of the charity, but so that not more than one-half of the members of the Finance Committee or governing body of the charity shall be entitled to any such grant and that no member to whom any such grant shall be or be proposed to be made shall at any meeting of the charity or its Finance Committee or governing body or of any committee vote on any question of making or recommending any such grant.

### **Finance Committee**

8. The Finance Committee shall consist of all the members of the Diocesan Synod Standing Committee who are not disqualified from acting as a director of the charity.
9. [Deleted]

### **Notice of committee meetings**

10. Not less than seven days' notice shall be given of every Committee Meeting to each member of the Committee respectively but the non-receipt of a notice by a member shall not invalidate the proceedings at a Committee Meeting

### **Benefits and payments to charity directors and connected persons**

#### **General provisions**

- 11.
- (1) No director or connected person may:
- (a) buy goods or services from the charity on terms preferential to those applicable to other members of the public;
  - (b) sell goods, services, or any interest in land to the charity;
  - (c) be employed by, or receive any remuneration from, the charity;
  - (d) receive any other financial benefit from the charity,
- unless the payment is permitted by sub-clause 11(2) of this article, or authorised by the court or the Charity Commission.

In this article a "financial benefit" means a benefit, direct or indirect, which is either money or has a monetary value.

#### **Scope and powers permitting directors' or connected persons' benefits**

- (2)

- (a) A director or connected person may receive a benefit from the charity in the capacity of a beneficiary of the charity provided that a majority of the directors do not benefit in this way.
- (b) A director 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 charity where that is permitted in accordance with, and subject to the conditions in, sections 73A to 73C of the Charities Act 1993.
- (c) Subject to sub-clause (3) of this article a director or connected person may provide the charity with goods that are not supplied in connection with services provided to the charity by the director or connected person.
- (d) A director or connected person may receive interest on money lent to the charity at a reasonable and proper rate which must be 2% (or more) per annum below the base rate of a clearing bank to be selected by the directors.
- (e) A director or connected person may receive rent for premises let by the director or connected person to the charity. The amount of the rent and the other terms of the lease must be reasonable and proper. The director concerned must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.
- (f) A director or connected person may take part in the normal trading and fundraising activities of the charity on the same terms as members of the public.

**Payment for supply of goods only – controls**

- (3) The charity and its directors may only rely upon the authority provided by sub-clause (c) of this article if each of the following conditions is satisfied:
  - (a) The amount or maximum amount of the payment for the goods is set out in an agreement in writing between the charity or its directors (as the case may be) and the director or connected person supplying the goods (the “supplier”) under which the supplier is to supply the goods in question to or on behalf of the charity.
  - (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 directors are satisfied that it is in the best interests of the charity to contract with the supplier rather than with someone who is not a director or connected person. In reaching that decision the directors must balance the advantage of contracting with a director or connected person against the disadvantages of so doing.
  - (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 with regard to the supply of goods to the charity.
  - (e) The supplier does not vote on any such matter and is not to be counted when calculating whether a quorum of directors is present at the meeting.

- (f) The reason for their decision is recorded by the directors in the minute book.
  - (g) A majority of the directors then in office are not in receipt of remuneration or payments authorised by this article 11.
- (4) In sub-clauses (2) and (3) of this article:
- (a) "charity" includes any company in which the charity:
    - (i) holds more than 50% of the shares; or
    - (ii) controls more than 50% of the voting rights attached to the shares; or
    - (iii) has the right to appoint one or more directors to the board of the company;
  - (b) "connected person" includes any person within the definition of that term in article 2.

#### **Declaration of directors' interests**

12. A director must declare the nature and extent of any interest, direct or indirect, which he has in a proposed transaction or arrangement with the charity or in any transaction or arrangement entered into by the charity which has not previously been declared. A director must absent himself or herself from any discussions of the charity directors in which it is possible that a conflict will arise between his duty to act solely in the interests of the charity and any personal interest (including but not limited to any personal financial interest).

#### **Conflicts of interest**

13.

- (1) If a conflict of interests arises for a director because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the articles, the unconflicted directors may authorise such a conflict of interests where the following conditions apply:
  - (a) the conflicted director is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;
  - (b) the conflicted director does not vote on any such matter and is not to be counted when considering whether a quorum of directors is present at the meeting; and
  - (c) the unconflicted directors consider it is in the interests of the charity to authorise the conflict of interest in the circumstances applying.
- (2) In this article a conflict of interests arising because of a duty of loyalty owed to another organisation or person only refers to such a conflict which does not involve a direct or indirect benefit of any nature to a director or to a connected person.

## **Members**

14.

- (1) The membership of the charity shall comprise the members of the Diocesan Synod from time to time. Persons who become members under this article shall sign either:
  - (a) a written consent to membership; or
  - (b) the register of members of the charity.
- (2) The register of members of the charity shall consist of the lists of members of the Diocesan Synod kept by the Secretary and their addresses, together with the names and addresses of any additional members, which lists shall contain such particulars as may from time to time be required by the Companies Acts.

## **Termination of Membership**

15. Membership is terminated if:

- (1) the member ceases to be a member of the Diocesan Synod;
- (2) the member dies or, if it is an organisation, ceases to exist;
- (3) the member resigns by written notice to the charity unless, after the resignation, there would be less than two members in which event any such purported resignation shall be ineffective;
- (4) any sum due from the member to the charity is not paid in full within six months of it falling due;
- (5) the member is removed from membership by a resolution of the directors that it is in the best interests of the charity that his membership is terminated. A resolution to remove a member from membership may only be passed if:
  - (a) the member has been given at least twenty-one days' notice in writing of the meeting of the directors at which the resolution will be proposed and the reasons why it is to be proposed;
  - (b) the member or, at the option of the member, the member's representative (who need not be a member of the charity) has been allowed to make representations to the meeting.

## **General meetings**

16. An annual general meeting must be held in each year and not more than fifteen months may elapse between successive annual general meetings.

17. The directors may call a general meeting at any time.

## **Notice of general meetings**

18.

- (1) The minimum periods of notice required to hold a general meeting of the charity are:

- (a) twenty-one clear days for an annual general meeting or a general meeting called for the passing of a special resolution;
  - (b) fourteen clear days for all other general meetings.
- (2) A general meeting may be called by shorter notice if it is so agreed by a majority in number of members having a right to attend and vote at the meeting being a majority who together hold not less than 90 percent of the total voting rights.
- (3) The notice must specify the date time and place of the meeting and the general nature of the business to be transacted. If the meeting is to be an annual general meeting, the notice must say so. The notice must also contain a statement setting out the right of members to appoint a proxy under section 324 of the Companies Act 2006 Act and article 25 .
- (4) The notice must be given to all the members and to the directors and auditors.
19. The proceedings at a meeting shall not be invalidated because a person who was entitled to receive notice of the meeting did not receive it because of an accidental omission by the charity.

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

20.

- (1) No business shall be transacted at any general meeting unless a quorum is present.
- (2) A quorum is fifty members present in person or by proxy and entitled to vote upon the business to be conducted at the meeting.
- (3) The authorised representative of a member organisation shall be counted in the quorum.

21.

- (1) If:
  - (a) a quorum is not present within half an hour from the time appointed for the meeting; or
  - (b) during a meeting a quorum ceases to be present;

the meeting shall be adjourned to such time and place as the directors shall determine.

- (2) The directors must reconvene the meeting and must give at least seven clear days' notice of the reconvened meeting stating the date, time and place of the meeting.
- (3) If no quorum is present at the reconvened meeting within fifteen minutes of the time specified for the start of the meeting the members present in person or by proxy at that time shall constitute the quorum for that meeting.

22.

- (1) General meetings shall be chaired by the President or, during his absence, one of the Vice Presidents, if a member, shall take the chair.

- (2) If there is no person who meets the requirements set out in article 22(1) or he is not present within fifteen minutes of the time appointed for the meeting a director nominated by the directors shall chair the meeting.
- (3) If there is only one director present and willing to act, he shall chair the meeting.
- (4) If no director is present and willing to chair the meeting within fifteen minutes after the time appointed for holding it, the members present in person or by proxy and entitled to vote must choose one of their number to chair the meeting.

23.

- (1) The members present in person or by proxy at a meeting may resolve by ordinary resolution that the meeting shall be adjourned.
- (2) The person who is chairing the meeting must decide the date, time and place at which the meeting is to be reconvened unless those details are specified in the resolution.
- (3) No business shall be conducted at a reconvened meeting unless it could properly have been conducted at the meeting had the adjournment not taken place.
- (4) If a meeting is adjourned by a resolution of the members for more than seven days, at least seven clear days' notice shall be given of the reconvened meeting stating the date time and place of the meeting.

24.

- (1) Any vote at a meeting shall be decided by a show of hands unless before, or on the declaration of the result of, the show of hands a poll is demanded:
  - (a) by the person chairing the meeting; or
  - (b) by at least three members present in person or by proxy and having the right to vote at the meeting or
  - (c) by a member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting.
- (2)
  - (a) The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded.
  - (b) The result of the vote must be recorded in the minutes of the charity but the number or proportion of votes cast need not be recorded.
- (3)
  - (a) A demand for a poll may be withdrawn before the poll is taken, but only with the consent of the person who is chairing the meeting.
  - (b) If the demand for a poll is withdrawn the demand shall not invalidate the result of a show of hands declared before the demand was made.
- (4)



- (a) A poll must be taken as the person who is chairing the meeting directs, who may appoint scrutineers (who need not be members) and who may fix a time and place for declaring the results of the poll.
- (b) The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.

(5)

- (a) A poll demanded on the election of a person to chair a meeting or on a question of adjournment must be taken immediately.
- (b) A poll demanded on any other question must be taken either immediately or at such time and place as the person who is chairing the meeting directs.
- (c) The poll must be taken within thirty days after it has been demanded.
- (d) If the poll is not taken immediately at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- (e) If a poll is demanded the meeting may continue to deal with any other business that may be conducted at the meeting.

### **Content of proxy notices**

25.

- (1) Proxies may only validly be appointed by a notice in writing (a "proxy notice") which-
  - (a) states the name and address of the member appointing the proxy;
  - (b) identifies the person appointed to be that member's proxy and the general meeting in relation to which that person is appointed;
  - (c) is signed by or on behalf of the member appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - (d) is delivered to the charity in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) The charity may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a proxy notice indicates otherwise, it must be treated as-
  - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

### **Delivery of proxy notices**

26.

- (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the charity by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the charity a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of a meeting or adjourned meeting to which it relates.
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

### **Written Resolutions**

27.

- (1) A resolution in writing agreed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the members who would have been entitled to vote upon it had it been proposed at a general meeting shall be effective provided that:
  - (a) a copy of the proposed resolution has been sent to every eligible member;
  - (b) a simple majority (or in the case of a special resolution a majority of not less than 75%) of members has signified its agreement to the resolution; and
  - (c) it is contained in an authenticated document which has been received at the registered office within the period of 28 days beginning with the circulation date.
- (2) A resolution in writing may comprise several copies to which one or more members have signified their agreement.
- (3) In the case of a member that is an organisation, its authorised representative may signify its agreement.

### **Votes of members**

28. Every member, whether an individual or an organisation, shall have one vote.
29. Any objection to the qualification of any voter must be raised at the meeting at which the vote is tendered and the decision of the person who is chairing the meeting shall be final.
- 30.

- (1) Any organisation that is a member of the charity may nominate any person to act as its representative at any meeting of the charity.
- (2) The organisation must give written notice to the charity of the name of its representative. The representative shall not be entitled to represent the organisation at any meeting unless the notice has been received by the charity. The representative may continue to represent the organisation until written notice to the contrary is received by the charity.
- (3) Any notice given to the charity will be conclusive evidence that the representative is entitled to represent the organisation or that his or her authority has been revoked. The charity shall not be required to consider whether the representative has been properly appointed by the organisation.

### **Directors**

31.

- (1) A director must be an individual aged 16 years or older.
- (2) No one may be appointed a director if he would be disqualified from acting under the provisions of article 36.

32. The minimum number of directors shall be 10 but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

33. A director may not appoint an alternate director or anyone to act on his behalf at meetings of the directors.

### **Powers of Directors**

34.

- (2) The directors shall manage the business of the charity and may exercise all the powers of the charity unless they are subject to any restrictions imposed by the Companies Acts, the articles or any special resolution.
- (3) No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the directors.
- (4) Any meeting of directors at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the directors.

35. [Deleted]

### **Disqualification and removal of directors**

36. A director shall cease to hold office if he:

- (1) ceases to be a director by virtue of any provision in the Companies Acts or is prohibited by law from being a director;
- (2) is disqualified from acting as a trustee by virtue of section 72 of the Charities Act 1993);
- (3) unless he is a nominated or co-opted director, ceases to be a member of the charity;

- (4) becomes incapable by reason of mental disorder, illness or injury of managing and administering his own affairs;
- (5) resigns as a director by notice to the charity (but only if at least two directors will remain in office when the notice of resignation is to take effect); or
- (6) is absent without the permission of the directors from all their meetings held within a period of six consecutive months and the directors resolve that his office be vacated.

#### **Remuneration of directors'**

37. The directors must not be paid any remuneration unless it is authorised by article 11.

#### **Secretary, trustees and other officers**

38. There shall be the following officers of the Company:
  - (1) A President who shall be the Bishop;
  - (2) Vice-Presidents who shall be the Chairmen of the Houses of Laity and Clergy, the Bishops Suffragan and the Archdeacons holding archidiaconal office in the Diocese ;
  - (3) [Deleted]
  - (4) The Diocesan Secretary shall be the secretary of the Company

#### **Proceedings of the Finance Committee**

39. Meetings of the Finance Committee shall be held when and where the members think fit, provided that the Finance Committee shall meet at least once a quarter.
40. A special meeting of the Finance Committee shall be called by the Secretary at any time at the request of the Chairman, or of the Bishop or of five or more members of the Finance Committee.
41. Every question at a meeting of the Finance Committee shall be determined by a majority of the votes of the directors present, each director having one vote and in case of an equality of votes the person in the chair at the meeting shall have a casting vote.
42. Minutes of the proceedings of every meeting of the Finance Committee and of every meeting of any sub-committee appointed by the Finance Committee and of the attendance thereat shall be recorded by the Secretary in a book kept for that purpose and shall be signed by the Chairman of the meeting to which they refer or of that at which they are read.
43. The Finance Committee may from time to time by resolution appoint or remove and delegate any of its powers to a sub-committee or sub-committees which shall include two or more directors and may determine and regulate their quorum duties and procedure.
44. All acts done by the Finance Committee or a committee or by any sub-committee duly appointed shall be valid notwithstanding any vacancy in membership or the

subsequent discovery of some disqualification in a person appointed or defect in an appointment.

45. Subject to the terms of the charity's articles of association and rules the Finance Committee and other committees shall conduct their business in such manner as they shall in their absolute discretion think fit.
46. The Finance Committee shall and may subject to the control of General Meetings (but not so as to render invalid any act done by the Finance Committee before the resolution of a General Meeting) conduct and manage all the business and affairs of the charity and exercise without any restrictions all the powers authorities and discretions of the charity except only such of them as under the statutes and these presents are expressly directed to be exercised by other Committees or by General Meetings and no powers herein specifically given to the Finance Committee shall be deemed by inference to lessen the general powers intended to be hereby given to them.
47.
  - (1) No decision may be made by a meeting of the Finance Committee unless a quorum is present at the time the decision is purported to be made. "Present" includes being present by suitable electronic means agreed by the directors in which a participant or participants may communicate with all the other participants.
  - (2) The quorum of the Finance Committee shall one third of the total number of directors (rounded up to the next whole number) or such larger number as may be decided from time to time by the directors.
  - (3) A director shall not be counted in the quorum present when any decision is made about a matter upon which that director is not entitled to vote.
48. If the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
49.
  - (1) The Bishop shall, after consultation with the chairmen of the Houses of Laity and Clergy, appoint, from the members of the Charity, a chairman and vice chairman of the Finance Committee.
  - (2) If no-one has been appointed to chair meetings of the directors or if the person appointed is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, the directors present may appoint one of their number to chair that meeting.
  - (3) The person appointed to chair meetings of the directors shall have no functions or powers except those conferred by these articles or delegated to him or her by the directors.
50.
  - (1) A resolution in writing or in electronic form agreed by all the directors or a committee of directors entitled to receive notice of a meeting of the directors and to vote upon the resolution shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held.

- (2) The resolution in writing may comprise several documents containing the text of the resolution in like form to each of which one or more directors has signified their agreement.

### **Delegation**

51.

- (1) The directors may delegate any of their powers or functions to a committee which shall include two or more directors but the terms of any delegation must be recorded in the minute book.
- (2) The directors may impose conditions when delegating, including the conditions that:
- (a) the relevant powers are to be exercised exclusively by the committee to whom they delegate;
  - (b) no expenditure may be incurred on behalf of the charity except in accordance with a budget previously agreed with the directors.
- (3) The directors may revoke or alter a delegation.
- (4) All acts and proceedings of any committees must be fully and promptly reported to the directors.

### **Validity of directors' decisions**

52.

- (1) Subject to article (2), all acts done by a meeting of directors, or of a committee of directors, shall be valid notwithstanding the participation in any vote of a director:
- (a) who was disqualified from holding office;
  - (b) who had previously retired or who had been obliged by the constitution to vacate office;
  - (c) who was not entitled to vote on the matter, whether by reason of a conflict of interest or otherwise;
- if without:
- (d) the vote of that director; and
  - (e) that director being counted in the quorum;
- the decision has been made by a majority of the directors at a quorate meeting.
- (2) Article 52(1) does not permit a director or a connected person to keep any benefit that may be conferred upon him or her by a resolution of the directors or of a committee of directors if, but for article 52(1), the resolution would have been void, or if the director has not complied with article 12.

## **Seal**

53. If the charity has a seal it must only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary (if any) or by a second director.

## **Minutes**

54. The directors must keep minutes of all:
- (1) appointments of officers made by the directors;
  - (2) proceedings at meetings of the charity;
  - (3) meetings of the directors and committees of directors including:
    - (a) the names of the directors present at the meeting;
    - (b) the decisions made at the meetings; and
    - (c) where appropriate the reasons for the decisions.

## **Accounts**

- 55.
- (1) The directors must prepare for each financial year accounts as required by the Companies Acts. The accounts must be prepared to show a true and fair view and follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practice.
  - (2) The directors must keep accounting records as required by the Companies Acts.

## **Annual Report and Return and Register of Charities**

- 56.
- (1) The directors must comply with the requirements of the Charities Act 1993 with regard to:
    - (a) transmission of a copy of the statements of account to the Commission;
    - (b) preparation of an annual report and the transmission of a copy of it to the commission;
    - (c) preparation of an annual return and its transmission to the Commission.

- (2) The directors must notify the Commission promptly of any changes to the charity's entry on the Central Register of Charities.

**Means of communication to be used**

57.

- (1) Subject to the articles, anything sent or supplied by or to the charity under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the charity.
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.

58. Any notice to be given to or by any person pursuant to the articles:

- (1) must be in writing; or
- (2) must be given in electronic form.

59.

- (1) The charity may give any notice to a member either:
    - (a) personally; or
    - (b) by sending it by post in a prepaid envelope addressed to the member at his address; or
    - (c) by leaving it at the address of the member; or
    - (d) by giving it in electronic form to the member's address.
    - (e) by placing the notice on a website and providing the person with a notification in writing or in electronic form of the presence of the notice on the website. The notification must state that it concerns a notice of a company meeting and must specify the place date and time of the meeting.
  - (2) A member who does not register an address with the charity or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the charity.
60. A member present in person at any meeting of the charity shall be deemed to have received notice of the meeting and of the purposes for which it was called.



61.

- (1) Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given.
- (2) Proof that an electronic form of notice was given shall be conclusive where the company can demonstrate that it was properly addressed and sent, in accordance with section 1147 of the Companies Act 2006.
- (3) In accordance with section 1147 of the Companies Act 2006 notice shall be deemed to be given:
  - (a) 48 hours after the envelope containing it was posted; or
  - (b) in the case of an electronic form of communication, 48 hours after it was sent.

### **Indemnity**

62.

- (1) The charity shall indemnify a relevant director against any liability incurred in successfully defending legal proceedings in that capacity, or in connection with any application in which relief is granted by the Court from liability for negligence, default, or breach of duty or breach of trust in relation to the charity.
- (2) In this article a "relevant director" means any director or former director of the charity.

### **Rules**

63.

- (1) The directors may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the charity.
- (2) The bye laws may regulate the following matters but are not restricted to them:
  - (a) the admission of members of the charity (including the admission of organisations to membership) and the rights and privileges of such members, and the entrance fees, subscriptions and other fees or payments to be made by members;
  - (b) the conduct of members of the charity in relation to one another, and to the charity's employees and volunteers;
  - (c) the setting aside of the whole or any part or parts of the charity's premises at any particular time or times or for any particular purpose or purposes;
  - (d) the procedure at general meetings and meetings of the directors in so far as such procedure is not regulated by the Companies Acts or by the articles;
  - (e) generally, all such matters as are commonly the subject matter of company rules.

- (3) The charity in general meeting has the power to alter, add to or repeal the rules or bye laws.
- (4) The directors must adopt such means as they think sufficient to bring the rules and bye laws to the notice of members of the charity.
- (5) The rules or bye laws shall be binding on all members of the charity. No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, the articles.

### **Disputes**

64. If a dispute arises between members of the company about the validity or propriety of anything done by the members of the company under these articles, 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.

### **Dissolution**

65.

- (1) The members of the charity may at any time before, and in expectation of, its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the charity be applied or transferred in any of the following ways:
  - (a) directly for the Objects; or
  - (b) by transfer to any charity or charities for purposes similar to the Objects; or
  - (c) to any charity or charities for use for particular purposes that fall within the Objects;
- (2) Subject to any such resolution of the members of the charity, the directors of the charity may at any time before and in expectation of its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision made for them, shall on dissolution of the charity be applied or transferred:
  - (a) directly for the Objects: or
  - (b) by transfer to any charity or charities for purposes similar to the Objects; or
  - (c) to any charity or charities for use for particular purposes that fall within the Objects.
- (3) In no circumstances shall the net assets of the charity be paid to or distributed among the members of the charity (except to a member that is itself a charity) and if no resolution in accordance with article 65(1) is passed by the members or the directors the net assets of the charity shall be applied for charitable purposes as directed by the Court or the Commission.