

Companies Acts 1985 to 2006

Company limited by guarantee

ARTICLES OF ASSOCIATION OF VOLUNTARY ACTION ISLINGTON

1. **Name**

The name of the **Charity** is Voluntary Action Islington.

2. **Registered Office**

The registered office of the Charity is to be in England.

3. **Objects**

The **Objects** are:-

- a) To promote any charitable purpose primarily but not exclusively for the benefit of the community in the London Borough of Islington, hereinafter called “the area of benefit” and in particular the advancement of education, the furtherance of health and the relief of poverty, distress and sickness
- b) To promote and organise cooperation in achievement of the above purposes and to that end to bring together representatives of not for profit organisations and statutory authorities engaged in the furtherance of the above purposes within the area of benefit

4. **Powers**

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

- 4.1 To promote or carry out research.
- 4.2 To provide advice.
- 4.3 To publish or distribute information.
- 4.4 To co-operate with other bodies.
- 4.5 To support, administer or set up other charities.
- 4.6 To raise funds (but not by means of **taxable trading**).
- 4.7 To borrow money and give security for loans (but only in accordance with the restrictions imposed by the **Charities Act**).
- 4.8 To acquire or hire property of any kind.

- 4.9 To let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act).
- 4.10 To make grants or loans of money and to give guarantees.
- 4.11 To set aside funds for special purposes or as reserves against future expenditure.
- 4.12 To deposit or invest in funds in any manner (but to invest only after obtaining such advice from a **financial expert** as the **Trustees** consider necessary and having regard to the suitability of investments and the need for diversification).
- 4.13 To delegate the management of investments to a financial expert, but only on terms that:
- (1) the investment policy is set down **in writing** for the financial expert by the Trustees;
 - (2) every transaction is reported promptly to the Trustees;
 - (3) the performance of the investments is reviewed regularly with the Trustees;
 - (4) the Trustees are entitled to cancel the delegation arrangement at any time;
 - (5) the investment policy and the delegation arrangement are reviewed at least once a **year**;
 - (6) all payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Trustees on receipt; and
 - (7) the financial expert must not do anything outside the powers of the Trustees.
- 4.14 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.
- 4.15 To deposit documents and physical assets with any company registered or having a place of business in England and Wales as **custodian**, and to pay any reasonable fee required.
- 4.16 To insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity when required.
- 4.17 To pay for **indemnity insurance** for the Trustees.
- 4.18 Subject to Article 5, to employ paid or unpaid agents, staff or advisers.

- 4.19 To enter into contracts to provide services to or on behalf of other bodies.
- 4.20 To establish or acquire subsidiary companies to assist or act as agents for the Charity.
- 4.21 To pay the costs of forming the Charity.
- 4.22 To do anything else within the law which promotes or helps to promote the Objects.

5. **Benefits to Members and Trustees**

- 5.1 The property and funds of the Charity must be used only for promoting the Objects and do not belong to the **members** but:
 - (1) members who are not Trustees may be employed by or enter into contracts with the Charity and receive reasonable payment for goods or services supplied;
 - (2) members (including Trustees) may be paid interest at a reasonable rate on money lent to the Charity;
 - (3) members (including Trustees) may be paid a reasonable rent or hiring fee for property or equipment let or hired to the Charity; and
 - (4) members (including Trustees) who are also **beneficiaries** may receive charitable benefits in that capacity.
- 5.2 A Trustee must not receive any payment of money or other **material benefit** (whether directly or indirectly) from the Charity except:
 - (1) as mentioned in Articles 4.17 (indemnity insurance), 5.1(2) (interest), 5.1(3) (rent), 5.1(4) (charitable benefits) or 5.3 (contractual payments);
 - (2) reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in the administration of the Charity;
 - (3) an indemnity in respect of any liabilities properly incurred in running the Charity (including the costs of a successful defence to criminal proceedings);
 - (4) payment to any company in which a Trustee has no more than a 1 per cent shareholding; and
 - (5) in exceptional cases, other payments or benefits (but only with the **written** approval of the **Commission** in advance).

- 5.3 A Trustee may not be an employee of the Charity, but a Trustee or a **connected person** may enter into a contract with the Charity to supply goods or services in return for a payment or other material benefit if:
- (1) the goods or services are actually required by the Charity;
 - (2) the nature and level of the benefit is no more than reasonable in relation to the value of the goods or services and is set at a meeting of the Trustees in accordance with the procedure in Article 5.4; and
 - (3) no more than one third of the Trustees are interested in such a contract in any **financial year**.
- 5.4 Whenever a Trustee has a personal interest in a matter to be discussed at a meeting of the Trustees or a committee, he or she must:
- (1) declare an interest before the meeting or at the meeting before discussion begins on the matter;
 - (2) be absent from the meeting for that item unless expressly invited to remain in order to provide information;
 - (3) not be counted in the quorum for that part of the meeting; and
 - (4) be absent during the vote and have no vote on the matter.
- 5.5 This Article may not be amended without the written consent of the Commission in advance.

6. **Limited Liability**

The liability of members is limited.

7. **Guarantee**

Every member promises, if the Charity is dissolved while he, she or it remains a member or within 12 months afterwards, to pay up to £10 towards the costs of dissolution and the liabilities incurred by the Charity while he or she was a member.

8. **Membership**

8.1 The Charity must maintain a register of **members**.

8.2 **Membership** of the Charity is open to any not for profit organization or individual interested in promoting the **Objects** who:

- (1) applies to the Charity in the form required by the **Trustees**;
 - (2) is approved by the Trustees; and
 - (3) signs the register of members or consents **in writing** to become a member either personally or (in the case of an organisation) through an **authorised representative**.
- 8.3 At no time shall the number of individual members exceed one quarter of the number of third sector organisation members
- 8.4 The Trustees may establish different classes of membership (including **informal membership**), prescribe their respective privileges and duties and set the amounts of any subscriptions.
- 8.5 Membership is terminated if the member concerned:
 - (1) gives **written** notice of resignation to the Charity;
 - (2) dies or (in the case of an organisation) ceases to exist;
 - (3) is more than six **months** in arrear in paying the relevant subscription, if any (but in such a case the member may be reinstated on payment of the amount due); or
 - (4) is removed from membership by resolution of the Trustees on the ground that in their reasonable opinion the member's continued membership is harmful to the Charity. The Trustees may only pass such a resolution after notifying the member in writing and considering the matter in the light of any written representations which the member concerned puts forward within 14 **clear days** after receiving notice.
- 8.6 Membership of the Charity is not transferable.

9. **General Meetings**

- 9.1 Members are entitled to attend general meetings either personally or (in the case of a member organisation) by an authorised representative or by proxy. Proxy forms must be delivered to the **Secretary** at least 24 hours before the meeting. General meetings are called on at least 14 clear days' written notice specifying the business to be discussed.
- 9.2 There is a quorum at a general meeting if the number of members or authorised representatives present in person or by proxy is at least 12 or ten per cent of the members if greater.
- 9.3 The **Chairman** or (if the Chairman is unable or unwilling to do so) some other member elected by those present presides at a general meeting.

- 9.4 Except where otherwise provided by the **Articles** or the **Companies Act**, every issue is decided by a majority of the votes cast.
- 9.5 Except for the chairman of the meeting, who has a second or casting vote, every member present in person or through an authorized representative or by proxy has one vote on each issue. No authorized representative of an organization shall be entitled to more than one vote at any meeting of the Charity whether or not such representative is also in his own right an individual member of the Charity.

Annual General Meetings

- 9.6 The Charity must hold an **AGM** in every financial year.
- 9.7 At an AGM the members:
- (1) receive the accounts of the Charity for the previous **financial year**;
 - (2) receive the Trustees' report on the Charity's activities since the previous AGM;
 - (3) may confer on any individual (with his or her consent) the honorary title of Patron, President or Vice-President of the Charity; and
 - (4) may discuss and determine any issues of policy or deal with any other business put before them by the Trustees.
- 9.8 Any general meeting which is not an AGM is an **EGM**.
- 9.9 An EGM may be called at any time by the Trustees and must be called within 14 clear days on a written request from at least 24 members.

10. Written Resolutions

General

- 10.1 Subject to this Article 10 a written resolution agreed by:
- 10.1.1 members representing a simple majority; or
 - 10.1.2 (in the case of a special resolution) members representing not less than 75%;
- of the total voting rights of eligible members shall be effective.
- 10.2 On a written resolution each member shall have one vote.
- 10.3 A written resolution is not a special resolution unless it stated that it was proposed as a special resolution.

- 10.4 A members' resolution under the Companies Acts removing a **Trustee** or auditor before the expiry of his or her term of office may not be passed as a written resolution.

Circulation

- 10.5 A copy of the proposed written resolution must be sent to every eligible member together with a statement informing the member how to signify his, her or its agreement and the date by which the resolution must be passed if it is not to lapse.
- 10.6 In relation to a resolution proposed as a written resolution of the Charity the eligible members are the members who would have been entitled to vote on the resolution on the **circulation date** of the resolution.
- 10.7 The required majority of eligible members must signify their agreement to the written resolution within the period of 28 days beginning with the **circulation date**.
- 10.8 Communications in relation to written resolutions must be sent to the Charity's auditors in accordance with the **Companies Acts**.

Signifying agreement

- 10.9 A member signifies his, her or its agreement to a proposed written resolution when the Charity receives from him, her or it (or from someone acting on his, her or its behalf) an authenticated **document**:
- 10.9.1 identifying the resolution to which it relates; and
- 10.9.2 indicating the member's agreement to the resolution.
- 10.10 For the purposes of Article 10.9:
- 10.10.1 a **document** sent or supplied in **hard copy form** is sufficiently authenticated if it is signed by the person sending or supplying it; and
- 10.10.2 a **document** sent or supplied in **electronic form** is sufficiently authenticated if:
- (a) the identity of the sender is confirmed in a manner specified by the Charity; or
- (b) where no such manner has been specified by the Charity, if the communication contains or is accompanied by a statement of the identity of the sender and the Charity has no reason to doubt the truth of that statement.
- 10.11 If the Charity gives an electronic **address** in any **document** containing or accompanying a written resolution, it will be deemed to have agreed that any **document** or information relating to that resolution may be sent by **electronic means** to that **address** (subject to any conditions or limitations specified in the Document).

11. **The Trustees**

- 11.1 The Trustees as **charity trustees** have control of the Charity and its property and funds.
- 11.2 The Trustees when complete consist of at least three and not more than 12 individuals, all of whom must be authorized representatives of organization or individual members.
- 11.3 Any person who is willing to act as a Trustee, and who would not be disqualified from acting under the provisions of Article 11.8, may be appointed to be a Trustee by a decision of the Trustees.
- 11.4 Every Trustee after appointment or reappointment must sign a declaration of willingness to act as a charity trustee of the Charity before he or she may vote at any meeting of the Trustees.
- 11.5 Each Trustee shall retire from office at the end of three years commencing from the date of his or her appointment or latest reappointment, as applicable; unless it would cause a breach of Article 11.7, in which case the Trustee shall retire on the date that he or she has served nine years in total.
- 11.6 If the retirement of a Trustee under Article 11.5 causes the number of Trustees to fall below three then the retiring Trustee shall remain in office until a new appointment is made.
- 11.7 A retiring Trustee may be reappointed but a Trustee who has served for nine years in total must take a break from office and may not be reappointed until the anniversary of the commencement of his or her break from office.
- 11.8 A Trustee's term of office automatically terminates if he or she:
- (1) is disqualified under the Charities Act from acting as a charity trustee;
 - (2) ceases to be a director by virtue of any provision of the Companies Act 2006, or is prohibited from being a director by law;
 - (3) is in the reasonable view of the Trustees incapable, whether mentally or physically, of managing his or her own affairs and the Trustees resolve that he or she be removed from office;
 - (4) is absent without the permission of the Trustees from 3 consecutive meetings of the Trustees and the Trustees resolve that his or her office should be vacated;
 - (5) ceases to be a member (but such a person may be reinstated by resolution passed by all the other Trustees on resuming membership of the Charity);
 - (6) resigns by written notice to the Trustees (but only if at least two

Trustees will remain in office);

(7) is removed by resolution of the members present and voting at a general meeting after the meeting has invited the views of the Trustee concerned and considered the matter in the light of any such views; or

(8) ceases to be the authorized representative of a member organization.

11.9 A technical defect in the appointment of a Trustee of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

12. **Trustees' proceedings**

12.1 The Trustees must hold at least 4 meetings each year.

12.2 A quorum at a meeting of the Trustees is 4 Trustees.

12.3 A meeting of the Trustees may be held either in person or by suitable electronic means agreed by the Trustees in which all participants may communicate with all the other participants.

12.4 The Chairman or (if the Chairman is unable or unwilling to do so) some other Trustee chosen by the Trustees present presides at each meeting.

12.5 Every issue may be determined by a simple majority of the votes cast at a meeting, but a written resolution signed by all the Trustees is as valid as a resolution passed at a meeting. For this purpose the resolution may be contained in more than one document and will be treated as passed on the date of the last signature.

12.6 Except for the chairman of the meeting, who has a second or casting vote, every Trustee has one vote on each issue.

12.7 A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

13. **Trustees' powers**

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

13.1 To appoint (and remove) any person (who may be a Trustee) to act as Secretary in accordance with the Companies Acts.

13.2 To appoint a Chairman, Treasurer and other honorary officers from among their number.

13.3 To delegate any of their functions to committees consisting of two or more individuals appointed by them. At least two members of every committee must

be Trustees and all proceedings of committees must be reported promptly to the Trustees.

- 13.4 To make standing orders consistent with the Memorandum, the Articles and the Companies Acts to govern proceedings at general meetings and to prescribe a form of proxy.
- 13.5 To make rules consistent with the Memorandum, the Articles and the Companies Acts to govern their proceedings, the appointment of new Trustees and proceedings of committees.
- 13.6 To make regulations consistent with the Memorandum, the Articles and the Companies Acts to govern the administration of the Charity and the use of its seal (if any).
- 13.7 To establish procedures to assist the resolution of disputes or differences within the Charity.
- 13.8 To exercise any powers of the Charity which are not reserved to a general meeting.

14. **Records and Accounts**

- 14.1 The Trustees must comply with the requirements of the Companies Act and of the Charities Act as to keeping financial records, the audit of accounts and the preparation and transmission to the Registrar of Companies and the **Commission** of:
 - (1) annual returns;
 - (2) annual reports; and
 - (3) annual statements of account.
- 14.2 The Trustees must keep proper records of:
 - (1) all proceedings at general meetings;
 - (2) all proceedings at meetings of the Trustees;
 - (3) all reports of committees; and
 - (4) all professional advice obtained.
- 14.3 Accounting records relating to the Charity must be made available for inspection by any Trustee at any time during normal office hours and may be made available for inspection by members who are not Trustees if the Trustees so decide.
- 14.4 A copy of the Charity's latest available statement of account must be supplied on request to any Trustee or member. A copy must also be supplied, within

two months, to any other person who makes a written request and pays the Charity's reasonable costs.

15. **Communications by the Charity**

Methods of communication

- 15.1 Subject to the Articles and the Companies Acts, any **document** or information (including any notice) sent or supplied by the Charity under the Articles or the Companies Acts 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 the Charity, including without limitation:

15.1.1 in **hard copy form**;

15.1.2 in **electronic form**; or

15.1.3 by making it available on a website.

- 15.2 A **document** or information may only be sent or supplied in **electronic form** or by making it available on a website if the recipient has agreed that it may be sent or supplied in that form or manner or is deemed to have so agreed under the **Companies Acts** (and has not revoked that agreement).

- 15.3 Subject to the **Articles**, any notice or **document** to be sent or supplied to a **Trustee** in connection with the taking of decisions by **Trustees** may also be sent or supplied by the means which that **Trustee** has asked to be sent or supplied with such notices or **documents** for the time being.

Deemed delivery

- 15.4 A member present in person or by proxy at a meeting of the **Charity** shall be deemed to have received notice of the meeting and the purposes for which it was called.

- 15.5 Where any **document** or information is sent or supplied by the **Charity** to the members:

15.5.1 where it is sent by post it is deemed to have been received 48 hours (including Saturdays, Sundays, and **Public Holidays**) after it was posted;

15.5.2 where it is sent or supplied by **electronic means**, it is deemed to have been received on the same day that it was sent;

15.5.3 where it is sent or supplied by means of a website, it is deemed to have been received:

(a) when the material was first made available on the website; or

- (b) if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

- 15.6 Subject to the **Companies Acts**, a **Trustee** or any other person may agree with the **Charity** that notices or **documents** sent to that person in a particular way are deemed to have been received within a specified time, and for the specified time to be less than 48 hours.

Failed delivery

- 15.7 Where any **document** or information has been sent or supplied by the **Charity** by **electronic means** and the **Charity** receives notice that the message is undeliverable:

- 15.7.1 if the **document** or information has been sent to a member or **Trustee** and is notice of a general meeting of the **Charity**, the **Charity** is under no obligation to send a **hard copy** of the **document** or information to the member's or Trustee's postal address as shown in the **Charity's** register of members or **Trustees**, but may in its discretion choose to do so;

- 15.7.2 in all other cases, the Charity shall send a **hard copy** of the **document** or information to the member's postal address as shown in the **Charity's** register of members (if any), or in the case of a recipient who is not a member, to the last known postal address for that person (if any); and

- 15.7.3 the date of service or delivery of the **documents** or information shall be the date on which the original electronic communication was sent, notwithstanding the subsequent sending of **hard copies**.

Exceptions

- 15.8 Copies of the **Charity's** annual accounts and reports need not be sent to a person for whom the **Charity** does not have a current **address**.

- 15.9 Notices of general meetings need not be sent to a member who does not register an **address** with the **Charity**, or who registers only a postal address outside the United Kingdom, or to a member for whom the **Charity** does not have a current **address**.

16. **Communications to the Charity**

The provisions of the **Companies Acts** shall apply to communications to the Charity.

17. **Exclusion of model articles**

The relevant model articles for a company limited by guarantee are hereby expressly excluded.

18. **Dissolution**

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

- (1) by transfer to one or more other bodies established for exclusively charitable purposes within, the same as or similar to the Objects;
- (2) directly for the Objects or for charitable purposes which are within or similar to the Objects;
- (3) in such other manner consistent with charitable status as the Commission approve in writing in advance.

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

19. **Interpretation**

19.1 In the Memorandum and in the Articles, unless the context indicates another meaning:

‘address’ includes a number or address used for the purposes of sending or receiving documents by Electronic Means;

‘area of benefit’ means primarily but not exclusively the London borough of Islington;

‘the Articles’ means the Charity’s articles of association;

‘authorised representative’ means an individual who is authorised by a member organisation to act on its behalf at meetings of the Charity and whose name is given to the Secretary;

‘beneficiaries’ means third sector organisations promoting the objects of the Charity and operating in the area of benefit

‘Chairman’ means the chairman of the Trustees;

‘the Charity’ means the company governed by the Articles;

‘the Charities Act’ means the Charities Act 2011;

‘charity trustee’ has the meaning prescribed by Section 177 of the Charities Act;

‘circulation date’ in relation to a written resolution, has the meaning given to it in the Companies Acts;

‘clear days’ means in relation to the period of a notice, that 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;

‘the Companies Acts’ means the Companies Acts (as defined in Section 2 of the Companies Acts 2006), in so far as they apply to the Charity;

‘connected person’ means any spouse, partner, parent, child, brother, sister, grandparent or grandchild of a Trustee, any **firm** of which a Trustee is a member or employee, and any company of which a Trustee is a director, employee or shareholder having a beneficial interest in more than 1 per cent of the share capital;

‘custodian’ means a person or body who undertakes safe custody of assets or of documents or records relating to them;

‘document’ includes summons, notice, order or other legal process and registers and includes, unless otherwise specified, any document sent or supplied in Electronic Form;

‘Electronic Form’ and ‘Electronic Means’ have the meanings respectively given to them in Section 1168 of the Companies Act 2006;

‘financial expert’ means an individual, company or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000;

‘financial year’ means the Charity’s financial year;

‘firm’ includes a limited liability partnership;

‘hard copy’ and ‘hard copy form’ have the meanings respectively given to them in the Companies Act 2006;

‘indemnity insurance’ means insurance against personal liability incurred by any Trustee for an act or omission which is or is alleged to be a breach of trust or breach of duty, unless the Trustee concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty;

‘informal membership’ refers to a supporter who may be called a ‘member’ but is not a company member of the Charity.

‘material benefit’ means a benefit which may not be financial but has a monetary value;

‘member’ and ‘membership’ refer to company membership of the Charity;

‘Memorandum’ means the Charity’s Memorandum of Association;

‘month’ means calendar month;

‘nominee company’ means a corporate body registered or having an established place of business in England and Wales;

‘the Objects’ means the Objects of the Charity as defined in Article 3 of the Articles;

‘public holiday’ means Christmas Day, Good Friday and any day that is a bank holiday under the Banking and Financial Dealings Act 1971 in the part of the United Kingdom where the company is registered;

‘Secretary’ means the company secretary of the Charity;

‘taxable trading’ means 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;

‘Trustee’ means a director of the Charity and ‘Trustees’ means the directors of the Charity and includes any person occupying the position of director, by whatever name called;

‘written’ or ‘in writing’ refers to a legible document on paper including a fax message;

‘year’ means calendar year.

19.2 Expressions defined in the Companies Acts have the same meaning.

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