

Articles for companies limited by guarantee and not having a share capital

LINDSEY LODGE LIMITED

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Defined terms

1. In the articles, unless the context requires otherwise:

“**articles**” means the company’s articles of association;

“**bankruptcy**” includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

“**chairman**” has the meaning given in article 3;

“**Companies Acts**” means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;

“**trustee**” means a trustee of the company appointed. In law the Trustee will have the same legal standing as a Director of a company under the provisions of the Companies Act 2006;

“**Board of Trustees**” means the formal meeting of the Trustees which provides overall oversight to the operation of the company and the services provided therein;

“**ordinary resolution**” has the meaning given in section 282 of the Companies Act 2006;

“**special resolution**” has the meaning given in section 283 of the Companies Act 2006;

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

Liability and responsibilities of Trustees

2. The liability of each Trustee is limited to £1, being the amount that each member undertakes to contribute to the assets of the company 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:
 - (a) payment of the company’s debts
 - (b) payment of the costs, charges and expenses of winding up, and
 - (c) adjustment of the rights of the contributories among themselves.

Trustees will be paid reasonable travelling and other expenses directly incurred by them in performance of the duties set out in their role as trustee. It is expected that, other than the payment of reasonable expenses, the role of Trustee will receive no other remuneration.

3. Subject to the articles, the Trustees are responsible for the management of the company’s business, for which purpose they may exercise all the powers of the company. The Trustees will, from among them, nominate a Chairman who will act as chair of the Board of Trustees’ meeting and of the company. The Board of Trustees will determine the period for which he holds office. If at any meeting the Chairman is not present within five minutes after the commencement of the meeting the Trustees present may choose one of their number to act as chair.
4. Subject to the articles, the Trustees will delegate overall executive responsibility for the Hospice’s activities, but not the overall responsibilities which are conferred on them under the articles, to a Chief Executive appointed to provide the duties set out in the agreed job description under the overall guidance and oversight of the Board of

Trustees. The Chief Executive's delegated powers will be set out in a Scheme of Delegation policy approved and periodically updated, by the Board of Trustees.

5. The Board of Trustees may revoke any delegation in whole or part, or alter its terms and conditions.

Board of Trustees and its sub-committees

6. The Board of Trustees provides the ultimate body by which the decisions relating to the governance of the company and the services provided within the Hospice is conducted. The business of the company shall therefore be managed by the Board of Trustees who may pay all expenses incurred in promoting and registering the company and will exercise all such powers of the company. In the exercise of these powers and in the management of the business of the company the trustees shall always be mindful that they are charity trustees within the definition of Section 46 of the Charities Act 1960 (as amended) as those persons having the general control and management of the administration of a charity.
7. The Board of Trustees will meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they feel fit. Questions arising at any meeting shall be decided by a majority of votes with the rules regarding the outcome of the decision and the role of the Chairman being in accordance with Article 9.
8. The Board of Trustees can devolve detailed oversight and scrutiny to sub-committees chaired by, and comprising, Trustees in order to support the Board of Trustees in its core function.
9. All Trustees have one vote at both the Board of Trustees and any sub-committee to which they have agreed to represent. At any Board of Trustees meeting, or any sub-committee, a resolution may be put to the vote of the meeting by a show of hands provided it has been demanded by:
 - the Chairman; or
 - at least two Trustees present in person or by proxy

The general rule about decision-making by Trustees is that any decision of the Trustees must be by a minimum of a majority decision. In the case of an equality of votes the Chairman of the meeting at which the show of hands takes place shall be entitled to a second or casting vote. Poll votes may be demanded by:

- the Chairman; or
- at least two Trustees present in person or by proxy

The rules regarding the application of polls and proxy votes are set out in Articles 16 and 17.

10. The Trustees may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.
11. The maximum number of Trustees shall be determined by the Board of Trustees in General Meeting, the minimum number of Trustees will be three.
12. At a Board of Trustees' meeting unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting. The quorum for Trustees' meetings may be fixed from time to time by a decision of the Trustees, but it must never be less than three.

If the total number of Trustees for the time being is less than the quorum required, the Trustees must not take any decision other than a decision:

- (a) to appoint further Trustees, or
- (b) to call a further meeting so as to enable the quorate number of Trustees to transact the necessary business.

13. The Board of Trustees shall each year hold a General Meeting as its Annual General Meeting (AGM) in addition to any other Board of Trustees meetings held in a particular year. The frequency of Board of Trustees meetings held during the year will be decided by the Board of Trustees.

14. No more than fifteen months shall elapse between the date of one AGM and the next. The AGM shall be held at such time and place as the Board of Trustees shall appoint although the notice of Board of Trustees meeting must indicate:

- (a) its proposed date and time;
- (b) where it is to take place
- (c) and the notice of a Board of Trustees' meeting must be given to each Trustee and within at least twenty one days of the date of the meeting.

The Board of Trustees may, whenever they feel fit, convene an Extraordinary General Meeting to transact business of an urgent nature provided sufficient Trustees are able to attend to form a quorum. The Board of Trustees may decide that meetings may be held via electronic means such as video conferencing, conference call or other, virtual means, such as e-mail.

15. The Board of Trustees may exercise the powers of the company to borrow money, and to mortgage or charge its undertaking and property providing that this is undertaken in the furtherance of the performance of the objects of the company and subject to such consents as may be required by law.

Polls and proxy votes

16. A poll on a resolution may be demanded:

- (a) in advance of the general meeting where it is to be put to the vote, or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken, and
- (b) the Chairman of the meeting consents to the withdrawal.

17. A proxy vote may only validly be appointed by a notice in writing which:

- (a) states the name and address of the Trustee appointing the proxy;
- (b) identifies the person appointed to be that Trustee's proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the Trustee appointing the proxy, or is authenticated in such manner as the Trustees may determine; and
- (d) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate

Amendments to resolutions

18. An ordinary resolution to be proposed at a general meeting may be amended if:

- (a) notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the Chairman of the meeting may determine), and
- (b) the proposed amendment does not, in the reasonable opinion of the Chairman of the meeting, materially alter the scope of the resolution.

A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

- (a) the Chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
- (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

If the Chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the Chairman's error does not invalidate the vote on that resolution.

A resolution in writing, signed by all Trustees shall be as valid and effectual as if it had been passed at a meeting of the Board of Trustees duly convened and held. The Board of Trustees can decide to allow resolutions to be transacted via electronic means such as e mail provided that, in doing so, it does not override any of the provisions set out above.

Conflicts of interest

19. If a proposed decision of the Trustees is concerned with an actual or proposed transaction or arrangement with the company in which a Trustee is interested, that Trustee is not to be counted as participating in the decision-making process for quorum or voting purposes.

However, this provision could be overridden provided:

- (a) the company by ordinary resolution dis-applies the provision of the articles which would otherwise prevent a Trustee from being counted as participating in the decision-making process and/or;
- (b) the Trustee's interest cannot reasonably be regarded as likely to give rise to a conflict of interest;

If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the Chairman, the question is to be decided by a decision of the Trustees at that meeting, for which purpose the Chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

Records of decisions to be kept

20. The Trustees must ensure that the company keeps a record, in writing, for at least ten years from the date of the decision recorded, of every unanimous or majority decision taken by the Board of Trustees or its sub-committees.

Trustees' discretion to make further rules

21. The Trustees may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Trustees.

Methods of appointing Trustees

- 22.** Any person who is willing to act as a Trustee, and is permitted by law to do so, may be appointed to be a Trustee:
- (a) by ordinary resolution, or
 - (b) by a decision of the Board of Trustees

The membership of the Board of Trustees should reflect the multidisciplinary nature of the Charity. As far as possible Trustees should be drawn from the local geographical area and Board of Trustees have the power co-opt in order to achieve this.

Termination of Trustee's appointment

- 23.** A person ceases to be a Trustee as soon as:
- (a) that person ceases to be a Trustee by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
 - (b) a bankruptcy order is made against that person;
 - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
 - (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a Trustee and may remain so for more than three months;
 - (e) by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
 - (f) notification is received by the company from the Trustee that the Trustee is resigning from office, and such resignation has taken effect in accordance with its terms.

The Board of Trustees shall have the power to appoint a person to be a Trustee either to fill a vacancy or as an additional Trustee provided this does not exceed any maximum number of Trustees previously established by the Board.

Length of service for individual Trustees

- 24.** The appointment of Trustees, and their length of service, will be ratified at the Annual General Meeting.
- 25.** The normal term of office for a Trustee is three years.
- 26.** A trustee's normal term of office can be extended subject to the agreement of the Board of Trustees and ratification at the Annual General Meeting. Trustee's term of office can be rolled over for a further two terms of office upon the agreement of the Board of Trustees resulting in a maximum potential total term of office of nine years.

Secretary

- 27.** The appointment of a secretary shall be appointed by the Board of Trustees for such term, at such remuneration and upon such conditions as the Board of Trustees sees fit and any secretary may be removed by it.
- 28.** No Trustee may occupy the salaried position of secretary.

Company seal

29. The company seal may only be used by the authority of the Board of Trustees and they may decide by what means and in what form the seal is to be used. Unless otherwise decided by the Board of Trustees, if the common seal is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
30. For the purposes of this article, an authorised person is:
- (a) any Trustee of the company;
 - (b) the company secretary; or
 - (c) any person authorised by the Board of Trustees for the purpose of signing documents to which the seal is applied.

Accounts

31. The Board of Trustees shall ensure that accounting records are kept in accordance with the provisions of the Companies Act. These are to be kept at the registered office of the Company or, subject to the Companies Act, at any such place as the Board of Trustees feel fit.
32. The Board of Trustees shall ensure that the accounts are prepared and submitted in accordance with their responsibilities as a registered charity.
33. The Board of Trustees shall ensure that a copy of every balance sheet (including every document required by law to be annexed thereto) which is to be laid before the company in General Meeting, together with a copy of the auditors' report, and the report from the Board of Trustees shall be submitted at least seven days prior to the date of the scheduled meeting.

Auditors

34. The Board of Trustees shall appoint both auditors and ensure that their duties are regulated in accordance with the provisions of the Companies Act.

Provision for employees on cessation of business

35. The Board of Trustees may decide to make provision for the benefit of persons employed or formerly employed by the company in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

Indemnity

36. The Board of Trustees may decide that a Trustee of the company may be indemnified out of the company's assets against:
- (a) any liability incurred by that Trustee in connection with any negligence, default, breach of duty or breach of trust in relation to the company,
 - (b) any liability incurred by that Trustee in connection with the activities of the company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
 - (c) any other liability incurred by that Trustee as an officer of the company.

This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

Insurance

- 37.** The Board of Trustees may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any Trustee in respect of any relevant loss. In this article a “relevant loss” means any loss or liability which has been or may be incurred in connection with that Trustee’s duties or powers in relation to the company.