

# **ACTIVE BLACK COUNTRY LIMITED**

## **A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL**

COMPANY NUMBER 14537800

### **ARTICLES OF ASSOCIATION**

#### **PART A. INTRODUCTION**

##### **Company Name**

The Company's name is Active Black Country Limited.

##### **1. Definitions**

###### **1.1.1 In the Articles:**

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

'the Articles' means the Company's Articles of association;

'the Company' means the Company intended to be regulated by the Articles;

'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 Company and any statutory modification or re-enactment thereof for the time being in force;

‘Directors’ means the Directors and charity trustees of the Company appointed in accordance with these Articles;

‘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;

‘General Meeting’ means a General Meeting;

‘independent’ has the meaning given in the Code for Sports Governance, as amended from time to time by Sport England and UK Sport.

‘the Memorandum’ means the Company’s memorandum of association;

‘Members’ means a Member for the time being of the Company who is admitted under Article 6;

‘Officers’ includes the Directors and the Secretary (if any);

‘Objects’ means the Objects of the Company set out in Article 3;

‘the seal’ means the common seal of the Company if it has one;

‘Secretary’ means any person appointed to perform the duties of the Secretary of the Company;

‘Sport England’ means the English Sports Council incorporated by Royal Charter;

‘UK Sport’ means the United Kingdom Sports Council incorporated by Royal Charter;

‘the United Kingdom’ means Great Britain and Northern Ireland; and

- 1.2 Words importing one gender shall include all genders, and the singular includes the plural and vice versa.
- 1.3 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 Company.
- 1.4 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 for the time being in force.
- 1.5 For the avoidance of doubt the system of law governing the Memorandum and the Articles is the law of England and Wales.
- 1.6 None of the model Articles in the Companies (Model Articles) Regulations 2008 apply to the Company.

## **2. Liability of Members**

- 2.1 The liability of the Members is limited to a sum not exceeding £10, 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, she or it is a Member or within one year after he, she or it ceases to be a Member, for:

- 2.1.1 payment of the Company's debts and liabilities incurred before he, she or it ceases to be a Member;
- 2.1.2 payment of the costs, charges, and expenses of winding up; and
- 2.1.3 adjustment of the rights of the contributories among themselves.

### **3. Objects**

- 3.1 The Company's Objects are for the benefit of the public in the Metropolitan Boroughs of Dudley, Sandwell, and Walsall, the City of Wolverhampton, and the surrounding areas:
  - 3.1.1 To preserve and protect good health including but not exclusively through raising awareness of, and promoting, opportunities for participation in physical activity, sport, and recreation;
  - 3.1.2 relieve those in need by reason of youth, age, ill-health, disability, financial, or other disadvantage, including but not exclusively through promoting the provision of facilities, services, and infrastructure for, and making grants to facilitate participation in, physical activity, sport, and recreation;
  - 3.1.3 to advance education in the subjects of sport, physical activity, and recreation; including but not exclusively by carrying out and publishing research and through providing training programs, courses, and the development of resources; and
  - 3.1.4 to promote community participation in healthy recreation through the facilitation of community participation in physical activity and recreation, including but not exclusively by the coordination of sporting, recreational and physical activities capable of promoting good health.

### **4. Powers**

- 4.1 The Company has power to do anything that a natural or corporate person can lawfully do which is not expressly prohibited by the Articles which is calculated to further its Object(s) or is conducive or incidental to doing so. In particular, the Company has power:
  - 4.1.1 to raise funds. In doing so, the Company must not undertake any taxable permanent trading activity and must comply with any relevant statutory regulations;
  - 4.1.2 to buy, take on lease or in exchange, hire or otherwise acquire any real or personal property rights (including shared or contingent interests);
  - 4.1.3 to construct, alter, improve, convert, maintain, equip, furnish and/or demolish any buildings, structures or property;
  - 4.1.4 to sell, lease or otherwise dispose of all or any part of the property belonging to the Company (subject to the restrictions in the Charities Act 2011);
  - 4.1.5 to borrow money and to charge the whole or any part of the property belonging to the Company as security for repayment of the money borrowed or as security for a grant or the discharge of an obligation (subject to the restrictions in the Charities Act 2011);

- 4.1.6 to provide accommodation for any other charitable organisation on such terms as the Board decides (including rent-free or at nominal or non-commercial rents and subject to the restrictions in the Charities Act 2011);
- 4.1.7 to co-operate with charities, voluntary bodies, and statutory authorities and to exchange information and advice with them;
- 4.1.8 to establish or support any charitable trusts, associations, or institutions formed for any of the charitable purposes included in the Objects;
- 4.1.9 to acquire, merge with, or to enter into, any partnership or joint venture arrangement with any other charity;
- 4.1.10 to make grants, donations or loans, to give guarantees and to give security for those guarantees (subject to the restrictions in the Charities Act 2011);
- 4.1.11 to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;
- 4.1.12 to employ and remunerate such staff as are necessary for carrying out the work of the Company. The Company may employ or remunerate a Director only to the extent it is permitted to do so by article 7 and provided it complies with the conditions in that article;
- 4.1.13 to recruit or assist in recruiting and managing voluntary workers, including paying their reasonable expenses
- 4.1.14 to:
  - (a) deposit or invest funds;
  - (b) employ a professional fund-manager; and
  - (c) arrange for the investments or other property of the Company 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;
- 4.1.15 to provide indemnity insurance for the Directors in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011;
- 4.1.16 to pay out of the funds of the Company the costs registering the Company as a charity with the Commission;
- 4.1.17 to trade in the course of carrying out the Objects and to charge for services;
- 4.1.18 to hold, conduct or promote meetings, conferences, lectures, exhibitions or training courses and to disseminate information to publicise the work of the Company and other organisations operating in similar fields;
- 4.1.19 to promote or carry out research and publish the results of it;
- 4.1.20 to co-operate with and enter into contracts with any person;

- 4.1.21 to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments and to operate bank or building society accounts in the name of the Company;
- 4.1.22 to insure the assets of the Company to such amount and on such terms as the Board decides, to pay premiums out of income or capital and to use any insurance proceeds as the Board decides (without necessarily having to restore the asset);
- 4.1.23 to insure and to indemnify the Company's employees and voluntary workers from and against all risks incurred in the proper performance of their duties;
- 4.1.24 to take out insurance to protect the Company and those who use premises owned by or let or hired to the Company;
- 4.1.25 to undertake and execute any charitable trusts;
- 4.1.26 to affiliate, register, subscribe to or join any organisation;
- 4.1.27 to act as agent or trustee for any organisation;
- 4.1.28 to do anything else within the law which is incidental and conducive to the Objects.

## **5. Application of income and property**

- 5.1 The income and property of the Company must be applied solely towards promoting the Objects and (except to the extent authorised by this Article 5):

- 5.1.1 no part may be paid or transferred directly or indirectly by dividend bonus or profit to a Member; and
- 5.1.2 a Director may not directly or indirectly receive any payment of money or benefit from the Company.

- 5.2 Notwithstanding Article 5.1, the Company may make the following payments or grant the following benefits to Directors. A Director:

### **Out of pocket expenses**

- 5.2.1 is entitled to be reimbursed from the property of the Company or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the Company;

### **Indemnity**

- 5.2.2 may benefit from trustee indemnity insurance cover purchased at the Company's expense in accordance with Article 4.1.15;
- 5.2.3 may receive an indemnity from the Company in the circumstances specified in Article 50.

### **Fees to companies in which Directors have negligible interests**

- 5.2.4 a payment to a company in which a Director has no more than a 1% shareholding;

## **Interest and Rent**

- 5.2.5 reasonable and proper interest on money lent by any Director to the Company;
- 5.2.6 reasonable rent, service charges or other payments properly payable under the provisions of any lease, agreement for lease or license in respect of premises let by any Director to the Company or a reasonable hiring fee for premises hired by any Director to the Company;

## **Beneficiaries**

- 5.2.7 benefits provided in furtherance of the Objects to Directors who are beneficiaries of the Company where those benefits are the same as or similar to benefits provided to other beneficiaries;

## **Employment/Supply of Goods and Services**

- 5.2.8 payments to a Director who is employed by the Company or who enters into a contract for the supply of goods and/or services to the Company (other than for acting as a Director) provided that:-
  - (a) the remuneration or other sums paid to the Director do not exceed an amount that is reasonable in all the circumstances;
  - (b) the Director is absent from the part of any meeting at which there is a discussion of his employment or remuneration or any matter concerning the contract, his performance in the employment or his performance of the contract, any proposal to enter into any other contract or arrangement with him or to confer any benefit upon him and/or any other matter relating to payment or the conferring any benefit to him;
  - (c) the Director does not vote on any such matter and is not counted when calculating whether a quorum of Directors is present at the meeting;
  - (d) the other Directors are satisfied that it is in the interests of the Company to employ or to contract with the Director rather than with someone who is not a Director. In reaching that decision the Directors must balance the advantage of employing or contracting with a Director against the disadvantages of doing so (especially the loss of the Director's services as a result of dealing with the Director's conflict of interest);
  - (e) the reason for the Directors' decision is recorded in the minutes of the Board meeting; and
  - (f) at no time shall a majority of the Directors receive payment pursuant to this Article 5.2.8(f).

The employment or remuneration of a Director pursuant to this Article includes the engagement or remuneration of any firm or company in which the Director is a partner, an employee, a consultant, a director (except when he is not paid as a director) or a shareholder, unless the shares of the Company are listed on a recognised stock exchange and the Director holds less than 1% of the issued capital.

### **Exceptional Circumstances**

5.2.9 other payments or benefits (approved in writing in advance by the Charity Commission) in exceptional cases.

5.3 The provisions in this Article 5 on the making of payments and the granting of benefits by the Company to Directors shall also extend to payments made to Directors by any other company in which the Company:

5.3.1 holds more than 50% of the shares; or

5.3.2 controls more than 50% of the voting rights attached to the shares; or

5.3.3 has the right to appoint more than 50% of the Directors to its board.

For the purposes of Article 5.3. a payment to or a benefit granted to a dependent relative or the spouse of the Director or any person living with the Director as his partner shall be deemed to be a payment to the Director and shall be permitted to the same extent that payments to or benefits granted to Directors are permitted.

5.4 This Article 5 may not be amended without the prior written consent of the Charity Commission.

## **PART B. COMPANY MEMBERSHIP**

### **6. Members**

- 6.1 The subscribers to the Memorandum are the first Members of the Company.
- 6.2 Membership is open to other individuals or organisations who:
  - 6.2.1 apply to the Company in the form required by the Directors; and
  - 6.2.2 are approved by the Directors in accordance with the Articles.
- 6.3 The Directors may not admit a person as a Member:
  - 6.3.1 unless he or she is eligible to be a Director of the Company;
  - 6.3.2 unless he or she has signed a written application to become a Member in such form as the Directors require in accordance with Article 6.2;
  - 6.3.3 if he or she has ceased to be a Member by reason of his being removed as a Director under Article 8.1; or
  - 6.3.4 unless he or she is aged 16 or over; or
  - 6.3.5 if he or she would immediately cease to be a Member or Director under the Articles.
- 6.4 Since Members are also appointed as Directors under Article 23.3 the Directors must ensure that when admitting Members it takes into account (to the extent the Directors consider it practicable to do so) the need for Members who become Directors to contribute to the skills mix and balance of the Directors as a whole.
- 6.5 Membership is personal and not transferable.
- 6.6 The Directors must keep a register of names and addresses of the Members.

### **7. Classes of membership**

- 7.1 The Directors may establish associate or other classes of non-voting membership and may determine the different rights and obligations of such non-voting members and the conditions for admission to and termination of such membership (but references in these Articles to Members and Membership do not apply to non-voting members and non-voting members do not qualify as members for any purpose under the Charities Act 2011 or the Companies Acts).

### **8. Termination of membership**

- 8.1 Membership is terminated if:
  - 8.1.1 the Member dies or, if it is an organisation, ceases to exist;
  - 8.1.2 the Member resigns by written notice to the Company at its registered office unless, after the resignation, there would be less than two Members;



- 8.1.3 any sum due from the Member to the Company is not paid in full within six months of it falling due;
- 8.1.4 if the Member ceases to be a Director; or
- 8.1.5 if the Directors resolve to terminate the relevant Member's membership (provided that the Member shall first have had reasonable opportunity to explain to the Directors why he or she should not be removed).

## **9. General meetings**

- 9.1 The Company must hold its first annual general meeting within eighteen months after the date of its incorporation.
- 9.2 An annual general meeting may be held in each subsequent year.
- 9.3 A General Meeting may be held entirely through telephone, video conferencing or other communications equipment, via a mixture of such communications equipment or with some people physically present at the General Meeting whilst others are present via communications equipment.

## **10. Calling of general meetings**

- 10.1 The Directors may call a General Meeting at any time.
- 10.2 On receiving a requisition from the percentage of membership of the Company required under the Companies Acts, the Directors must promptly convene a General Meeting.

## **11. Notice of general meetings**

- 11.1 The minimum periods of notice required to hold a General Meeting of the Company are:
  - 11.1.1 twenty-one clear days for an annual General Meeting or a General Meeting called for the passing of a special resolution;
  - 11.1.2 fourteen clear days for all other General Meetings.
- 11.2 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.
- 11.3 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 and Article 22.
- 11.4 Subject to the Act no business may be transacted at a General Meeting except that specified in the notice convening the meeting.
- 11.5 The notice must be given to all the Members and to the Directors and auditors.

## **12. Accidental omission of notice**

- 12.1 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 Company.

### **13. Proceedings at general meetings**

- 13.1 No business shall be transacted at any General Meeting unless a quorum is present.
- 13.2 A quorum is:
- 13.2.1 six Members present in person or by proxy and entitled to vote upon the business to be conducted at the meeting; or
  - 13.2.2 one tenth of the total membership at the time,  
whichever is the greater.
- 13.3 The authorised representative of a Member organisation shall be counted in the quorum.
- 13.4 A Member may be part of the quorum at a General Meeting if he can hear, comment and vote on the proceedings through telephone, video conferencing or other communications equipment.

### **14. Adjournment of general meetings lacking a quorum**

- 14.1 If:
- 14.1.1 a quorum is not present within half an hour from the time appointed for the meeting; or
  - 14.1.2 during a meeting a quorum ceases to be present;
- the meeting shall be adjourned to such time and place as the Directors shall determine.
- 14.2 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.
- 14.3 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.

### **15. Chairing of general meetings**

- 15.1 General Meetings shall usually be chaired by the person who has been appointed to chair meetings of the Directors.
- 15.2 If there is no such person or he or she is not present or willing or able to act within fifteen minutes of the time appointed for the meeting a Director nominated by the Directors shall chair the meeting.
- 15.3 If there is only one Director present and willing to act, he or she shall chair the meeting.
- 15.4 If no Director is present and willing or able 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.

## **16. Adjournment of general meetings by ordinary resolution**

- 16.1 The Members present in person or by proxy at a meeting may resolve by ordinary resolution that the meeting shall be adjourned.
- 16.2 The person who is chairing the meeting may also adjourn a General Meeting if it appears to the person chairing the meeting that for any other reason an adjournment is necessary for the business of the meeting to be properly conducted.
- 16.3 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.
- 16.4 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.
- 16.5 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.
- 16.6 Resolutions passed at an adjourned General Meeting are to be treated as having been passed on the date on which they were actually passed.

## **17. Voting at General Meetings**

- 17.1 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:
  - 17.1.1 by the person chairing the meeting; or
  - 17.1.2 by at least two Members present in person or by proxy and having the right to vote at the meeting; or
  - 17.1.3 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.
- 17.2 The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded.
- 17.3 Each Member present in person or by proxy has one vote both on a show of hands and a ballot.
- 17.4 If there is an equality of votes on a show of hands or a ballot the person chairing the meeting is not entitled to a second or casting vote and resolutions which fail to achieve the required majority will be lost.
- 17.5 The result of the vote must be recorded in the minutes of the Company, but the number or proportion of votes cast need not be recorded.
- 17.6 A poll may be demanded by the person chairing the meeting or by any two Members before or on the declaration of the result of a show of hands.

- 17.7 The person chairing the meeting may appoint scrutineers (who need not be Members) and set a time and place to declare the result. The result will be the resolution of the General Meeting at which the ballot was demanded but will be treated as passed when the result is declared.
- 17.8 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.
- 17.9 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.
- 17.10A 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.
- 17.11The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.
- 17.12A poll demanded on the election of a person to chair a meeting, or on a question of adjournment, must be taken immediately.
- 17.13A 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.
- 17.14The poll must be taken within thirty days after it has been demanded.
- 17.15If 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.
- 17.16If a poll is demanded the meeting may continue to deal with any other business that may be conducted at the meeting.

## **18. Content and delivery of proxy notices**

- 18.1 Proxies may only validly be appointed by a notice in writing (a '**proxy notice**') which -
- 18.1.1 states the name and address of the Member appointing the proxy;
  - 18.1.2 identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
  - 18.1.3 is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
  - 18.1.4 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.
- 18.2 A proxy need not be a Member.
- 18.3 The Company may require proxy notices to be delivered in a particular form and may specify different forms for different purposes.
- 18.4 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.
- 18.5 Unless a proxy notice indicates otherwise, it must be treated as -

- 18.5.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
- 18.5.2 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.
- 18.6 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 Company by or on behalf of that person.
- 18.7 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 18.8 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting, or adjourned meeting, to which it relates.
- 18.9 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.
- 18.10 No document appointing a proxy will be valid for more than 12 months.
- 18.11 A vote given or ballot demanded by proxy is to be valid despite:-
  - 18.11.1 the revocation of the proxy; or
  - 18.11.2 the death or insanity of the principal
 unless written notice of the death, insanity or revocation is received at the registered office before the start of the General Meeting or adjourned General Meeting at which the proxy is used.

## **19. Written resolutions**

- 19.1 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:
  - 19.1.1 a copy of the proposed resolution has been sent to every eligible Member;
  - 19.1.2 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
  - 19.1.3 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.
- 19.2 A resolution in writing may comprise several copies to which one or more Members have signified their agreement.
- 19.3 In the case of a Member that is an organisation, its authorised representative may signify its agreement.

## **20. Votes of Members**

20.1 Every Member, whether an individual or an organisation, shall have one vote.

## **21. Objections to qualification of voters**

21.1 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.

## **22. Nomination of representatives by organisation Members**

22.1 Any organisation that is a Member of the Company may nominate any person to act as its representative at any meeting of the Company.

22.2 The organisation must give written notice to the Company 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 Company. The representative may continue to represent the organisation until written notice to the contrary is received by the Company.

22.3 Any notice given to the Company will be conclusive evidence that the representative is entitled to represent the organisation or that his or her authority has been revoked. The Company shall not be required to consider whether the representative has been properly appointed by the organisation.

# **PART C. DIRECTORS**

## **23. Qualification of Directors**

23.1 The number of Directors must always be the same as the number of Members.

23.2 On or before the appointment of a person as a Director the person must confirm his consent to be appointed as a Director in whatever format the Directors may require and provide the information necessary to register the person online at Companies House as a Director. The appointment of any person as a Director, who has not complied with the requirements of this Article 23.2 within one month of appointment, is to lapse unless the Directors resolve that there is good cause for the delay.

23.3 A person may not be a Director unless he is a Company Member.

23.4 Subject to Article 23.2 each of the Company Members is to be a Director.

23.5 A Director must be a natural person aged 16 years or older.

23.6 No one may be appointed a Director if he or she would be disqualified from acting under the provisions of Article 39 or unless he or she has been admitted as a Member.

23.7 All Directors shall be appointed on the basis of the skills, knowledge, and experience needed for the effective administration of the Company.

**23.8** The board of Directors shall use reasonable efforts to ensure that, at any time:

23.8.1 the composition of the board of Directors reflects the diversity of the local community; and

23.8.2 at least twenty five percent of the Directors are independent under the definition set out in the Code for Sports Governance issued by Sport England and UK Sport from time to time.

23.9 All Directors shall be recruited through an open, publicly advertised process.

## **24. Minimum and maximum number of Directors**

24.1 The minimum number of Directors shall be six but (unless otherwise determined by the Directors and with the agreement of Sport England) shall be subject to a maximum of twelve.

## **25. Initial Directors**

25.1 The first Directors shall be those persons notified to Companies House as the first Directors of the Company.

## **26. Alternate Directors**

26.1 A Director may not appoint an alternate Director or anyone to act on his or her behalf at meetings of the Directors.

## **27. Powers of Directors**

27.1 The Directors shall manage the business of the Company and may exercise all the powers of the Company unless they are subject to any restrictions imposed by the Charities Act 2011, the Companies Acts or the Articles.

27.2 No alteration of the Articles or any special resolution shall have retrospective effect to invalidate any prior act of the Directors.

27.3 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.

## **28. Terms of office**

28.1 Each Director shall be appointed by the board of Directors for a term of three years.

28.2 Unless excepted under Article 28.5 or 28.7, no Director shall serve more than three consecutive terms, of up to three years each, to a maximum of nine years continuous service.

28.3 A Director who has served for nine years' continuous service shall only become eligible to become a candidate for appointment as a Director after a stand-down period of at least four years has elapsed.

28.4 Any stand-down periods of less than four years shall be counted in the calculation of the maximum nine years continuous service.

28.5 The board of Directors may permit a Director, who is appointed as the chair of the Company

after a period of office as a Director, to hold office as the chair for a fourth term of up to three years, to a maximum of twelve years' continuous service inclusive of any prior terms served as a Director.

28.6 The board of Directors may shorten a term of office for a Director position, for the purposes of ensuring:

28.6.1 the relevant staggering of retirements of Directors in the interests of maintaining continuity of the knowledge, skills, and experience on the board; and/or

28.6.2 compliance with the maximum periods in office set out in this Article 28.

28.7 In exceptional circumstances, the board of Directors may permit a Director to remain in office for one additional year.

## **29. Disqualification and removal of Directors**

29.1 A Director shall cease to hold office if he or she:

29.1.1 ceases to be a Director by virtue of any provision in the Companies Acts or is prohibited by law from being a company director;

29.1.2 is disqualified from acting as a trustee by virtue of sections 178 and 179 of the Charities Act 2011 (or any statutory re-enactment or modification of those provisions);

29.1.3 ceases to be a Member of the Company;

29.1.4 in the written opinion, given to the Company, of a registered medical practitioner treating that person, has become physically or mentally incapable of acting as a Director and may remain so for more than three months;

29.1.5 resigns as a Director by notice to the Company (but only if at least two Directors will remain in office when the notice of resignation is to take effect); or

29.1.6 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 or her office be vacated.

## **30. Remuneration of Directors**

30.1 The Directors must not be paid any remuneration unless it is authorised by Article 5.

## **31. Proceedings of Directors**

31.1 The Directors must direct the Company's affairs in such a way as to promote the Objects. Its functions include:

31.1.1 defining and ensuring compliance with the values and objectives of the Company;

31.1.2 establishing policies and plans to achieve those objectives;

31.1.3 approving each year's budget and accounts before publication;

31.1.4 establishing and overseeing a framework of delegation of its powers to committees and



working parties and employees with proper systems of control;

- 31.1.5 monitoring the Company's performance in relation to its plans budget controls and decisions;
  - 31.1.6 the recruitment, selection and appointment (and if necessary removal) of Members of the executive team and other senior employees;
  - 31.1.7 satisfying itself that the Company's affairs are conducted in accordance with generally accepted standards of performance and propriety; and
  - 31.1.8 ensuring that appropriate advice is taken on the items listed in Articles 31.1 to 31.7 and in particular on matters of legal compliance and financial viability.
- 31.2 Subject to the Companies Acts and the Articles, the business of the Company is to be managed by the Directors who may exercise all of the powers of the Company.
- 31.3 An alteration to the Articles does not invalidate earlier acts of the Directors which would have been valid without the alteration.
- 31.4 The Directors may regulate their proceedings as they think fit, subject to the provisions of the Articles.
- 31.5 The chair of the Company or, in their absence, any Director may call a meeting of the Directors.
- 31.6 The Secretary (if any) must call a meeting of the Directors if requested to do so by the chair of the Company or, in their absence, a director.
- 31.7 7 days' notice of a meeting of the Directors must be given to each of the Directors but it is not necessary to give notice of a meeting of the Directors to a Director who is out of the United Kingdom.
- 31.8 A meeting of the Directors which is called on shorter notice than required under Article 31.7 is deemed to have been duly called if at least two Directors certify in writing that because of special circumstances it ought to be called as a matter of urgency.
- 31.9 A meeting of the Directors may be held entirely through telephone, video conferencing or other communications equipment, via a mixture of such communications equipment or with some people physically present at the meeting of Directors whilst others are present via communications equipment. If all the Directors participating in the meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
- 31.10 Questions arising at a meeting shall be decided by a simple majority of votes.
- 31.11 In the case of an equality of votes, the person who is chairing the meeting shall have a second or casting vote.
- 31.12 A technical defect in the appointment of a Director or in the delegation of powers to a committee of which the Directors are unaware at the time does not invalidate decisions taken in good faith.

## **32. Quorum for Directors' meetings**

- 32.1 No decision may be made by a meeting of the Directors 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.

32.2 The quorum shall be four or the number nearest to one-third of the total number of Directors, whichever is the greater, or such larger number as may be decided from time to time by the Directors.

32.3 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.

32.4 A Director may be part of the quorum at a meeting if he can hear comment and vote on the proceedings through telephone, video conferencing or other communications equipment.

### **33. Actions when the number of directors is inquorate**

33.1 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.

### **34. Appointment of the chair of the Company and the senior independent director**

34.1 The Directors shall appoint an independent chair, who shall be a Director, to chair their meetings and may at any time revoke such appointment.

34.2 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.

34.3 The person appointed to chair meetings of the Directors shall have such functions or powers as are conferred by the Articles and as delegated to them by the Directors of the Company.

34.4 The Directors shall appoint an individual to be the senior independent director.

34.5 The person appointed as the senior independent director shall have such functions and powers as are set out in the Code for Sports Governance, as issued by Sport England and UK Sport from time to time, and as delegated to them by the directors of the Company.

### **35. Directors' written resolutions**

35.1 A resolution in writing or in electronic form agreed by all of the 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.

35.2 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.

### **36. Delegation**

36.1 The Directors may delegate any of their powers or functions to a committee of two or more directors, but the terms of any delegation must be recorded in the minute book.

36.2 Such committees shall include:

36.2.1 an audit committee, with oversight responsibilities for financial reporting and internal controls; and

36.2.2 and a nominations committee, with oversight responsibilities for recruitment and succession planning for appointments to the board of Directors.

36.3 The Directors may impose conditions when delegating, including the conditions that:

36.3.1 the relevant powers are to be exercised exclusively by the committee to whom they delegate;

36.3.2 no expenditure may be incurred on behalf of the Company except in accordance with a budget previously agreed with the Directors.

36.4 The Directors must determine the quorum for each committee it establishes.

36.5 The Directors must specify the financial limits within which any committee may function.

36.6 Every committee must report its proceedings and decisions to the Directors as the Directors determines.

36.7 A meeting of a committee may be held entirely through telephone, video conferencing or other communications equipment, via a mixture of such communications equipment or with some people physically present at the meeting whilst others are present via communications equipment. If all the people participating in the meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

36.8 The Directors may revoke or alter a delegation.

36.9 All acts and proceedings of any committees must be fully and promptly reported to the Directors.

## **37. Validity of directors' decisions**

37.1 Subject to Article 37.2, 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:

37.1.1 who was disqualified from holding office;

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

37.1.3 who was not entitled to vote on the matter, whether by reason of a conflict of interests or otherwise;

if without:

37.1.4 the vote of that director; and

37.1.5 that director being counted in the quorum;

the decision has been made by a majority of the Directors at a quorate meeting.

37.2 Article 37.1 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 37.1, the resolution would have been void.

## **38. Declaration of Directors' interests**

- 38.1 A Director must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the company or in any transaction or arrangement entered into by the Company which has not previously been declared. In accordance with the Act, the declaration may be made at a Board Meeting or by written notice.
- 38.2 A declaration is not required in relation to an interest of which the Director is not aware or where the Director is not aware of the transaction or arrangement in question. For this purpose a Director is treated as being aware of matters of which he ought reasonably to be aware.
- 38.3 Any required declaration of interest must be made before the Company enters into the transaction or arrangement.
- 38.4 A Director must absent himself or herself from any discussions of the Company directors in which it is possible that a conflict will arise between his or her duty to act solely in the interests of the Company and any personal interest (including but not limited to any personal financial interest).

## **39. Conflicts of interests and conflicts of loyalties**

- 39.1 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:
  - 39.1.1 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;
  - 39.1.2 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
  - 39.1.3 the unconflicted Directors consider it is in the interests of the Company to authorise the conflict of interests in the circumstances applying.
- 39.2 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.

## **40. Obligations of Directors**

- 40.1 The Directors shall set out in writing the principal obligations of every Director to the Company.
- 40.2 The statement of the obligations of the Directors to the Company must include:-
  - 40.2.1 a commitment to its values and objectives (including equal opportunities);
  - 40.2.2 an obligation to contribute to and share responsibility for Director's decisions;
  - 40.2.3 an obligation to read papers and to attend meetings, training sessions and other relevant events;

- 40.2.4 an obligation to declare relevant interests;
  - 40.2.5 an obligation (subject to any overriding legally binding requirement to the contrary) to keep confidential the affairs of the Directors;
  - 40.2.6 an obligation to comply with statutory and fiduciary duties, including:-
  - 40.2.7 to act in the best interests of the Company;
  - 40.2.8 to declare any interests a Director may have in matters to be discussed at meetings and not put himself in a position where his personal interest or a duty owed to another conflicts with the duties owed to the Company;
  - 40.2.9 to secure the proper and effective use of the Company's property;
  - 40.2.10 to act personally;
  - 40.2.11 to act within the scope of any authority given;
  - 40.2.12 to use the proper degree of skill and care when making decisions particularly when investing funds; and
  - 40.2.13 to act in accordance with the Articles; and
  - 40.2.14 a reference to obligations under the general law.
- 40.3 A Director must sign and deliver to the other Directors a statement confirming he will meet his obligations to the Company within one month of his appointment.

#### **41. Seal**

- 41.1 If the Company has a seal, it must only be used by the authority of the Directors or of a committee of directors authorised by the Directors.
- 41.2 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.

#### **42. Minutes**

- 42.1 The Directors must keep minutes of all:
- 42.1.1 appointments of Officers made by the directors;
  - 42.1.2 proceedings at meetings of the Company;
  - 42.1.3 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.

#### **43. Accounts**

- 43.1 The Directors must prepare, for each financial year, accounts as required by the Companies Acts.
- 43.2 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.
- 43.3 The Directors must keep accounting records as required by the Companies Act.

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

- 44.1 As from any date when the Company becomes registered as charity by the Commission, the Directors must comply with the requirements of the Charities Act 2011 with regard to the:
  - 44.1.1 transmission of a copy of the statements of account to the Commission;
  - 44.1.2 preparation of an Annual Report and the transmission of a copy of it to the Commission;
  - 44.1.3 preparation of an Annual Return and its transmission to the Commission.
- 44.2 As from any date when the Company becomes registered as charity by the Commission, the Directors must notify the Commission promptly of any changes to the Company's entry on the Central Register of Charities.

#### **45. Means of communication to be used**

- 45.1 Subject to the Articles, anything sent or supplied by or to the Company 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 Company.
- 45.2 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.

#### **46. Form of notices**

- 46.1 Any notice to be given to or by any person pursuant to the Articles:
  - 46.1.1 must be in writing.
  - 46.1.2 can be given in electronic form.

#### **47. Methods of giving notices**

- 47.1 The company may give any notice to a Member either:
  - 47.1.1 personally; or
  - 47.1.2 by sending it by post in a prepaid envelope addressed to the Member at his or her address; or

- 47.1.3 by leaving it at the address of the Member; or
- 47.1.4 by giving it in electronic form to the Member's address.
- 47.1.5 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.

47.2 A Member who does not register an address with the Company or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the Company.

#### **48. Deemed receipt of notices**

48.1 A Member present in person at any meeting of the Company shall be deemed to have received notice of the meeting and of the purposes for which it was called.

#### **49. Evidence of giving notices**

49.1 Proof that an envelope containing a notice was properly addressed, prepaid, and posted shall be conclusive evidence that the notice was given.

49.2 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.

49.3 In accordance with section 1147 of the Companies Act 2006 notice shall be deemed to be given:

- 49.3.1 48 hours after the envelope containing it was posted; or
- 49.3.2 in the case of an electronic form of communication, 48 hours after it was sent.

#### **50. Indemnity**

50.1 The Company may indemnify a Director (or any relevant director) against any liability incurred in that capacity, to the extent permitted by sections 232 to 238 of the Companies Act 2006 (or any section of any other statute amending or replacing sections 232-238).

50.2 The Company may indemnify any officer or employee (other than a Director) against any liability incurred by him in his capacity as such except when that liability is due to his own dishonesty or gross negligence

50.3 In this article a 'relevant director' means any Director or former Director of the Company.

50.4 The indemnity provided to a Director in accordance with Article 50.1 may not include any indemnity against liability:-

- 50.4.1 to the Company or a company associated with it;
- 50.4.2 for fines or penalties; or
- 50.4.3 incurred as a result of his unsuccessful defense of criminal or civil proceedings.

50.5 The indemnity provided to a Director in accordance with Article 50.1 may include the provision of funds to cover his legal costs as they fall due on terms that the Director in question will repay the funds if he is unsuccessful in his defense of the criminal or civil proceedings to which these costs relate.

50.6 In respect to its auditor the Company may:-

50.6.1 purchase and maintain insurance for his benefit against any liability incurred by him in his capacity as such; and

50.6.2 indemnify him against any liability incurred in defending any proceedings (whether civil or criminal) in which judgment is given in his favour or he is acquitted or in connection with any application under Section 1157 of the Companies Act or any section of any other statute amending or replacing Section 1157 in which relief is granted to him by the Court.

## **51. Rules**

51.1 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 Company.

51.2 The bye laws may regulate the following matters but are not restricted to them:

51.2.1 the admission of Members of the Company (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;

51.2.2 the conduct of Members of the Company in relation to one another, and to the Company's employees and volunteers;

51.2.3 the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;

51.2.4 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;

51.2.5 generally, all such matters as are commonly the subject matter of company rules.

51.3 The Directors must adopt such means as they think sufficient to bring the rules and bye laws to the notice of Members of the Company.

51.4 The rules or bye laws shall be binding on all Members of the Company. No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in the Articles.

## **52. Disputes**

52.1 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.



## **53. Dissolution**

53.1 The Members of the Company may at any time before, and in expectation of, its dissolution resolve that any net assets of the Company after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the Company be applied or transferred in any of the following ways:

53.1.1 directly for the Objects; or

53.1.2 by transfer to any charity or charities for purposes similar to the Objects; or

53.1.3 to any charity or charities for use for particular purposes that fall within the Objects.

53.2 Subject to any such resolution of the Members of the Company, the Directors of the Company may at any time before and in expectation of its dissolution resolve that any net assets of the Company after all its debts and liabilities have been paid, or provision made for them, shall on or before dissolution of the Company be applied or transferred:

53.2.1 directly for the Objects; or

53.2.2 by transfer to any charity or charities for purposes similar to the Objects; or

53.2.3 to any charity or charities for use for particular purposes that fall within the Objects.

53.3 In no circumstances shall the net assets of the Company be paid to or distributed among the Members of the Company (except to a Member that is itself a charity) and if no resolution in accordance with Article 53.1 is passed by the Members or the Directors the net assets of the Company shall be applied for charitable purposes as directed by the Court or the Commission.

## **54. Interpretation**

54.1 In these Articles, 'connected person' means:

54.1.1 a child, parent, grandchild, grandparent, brother, or sister of the director;

54.1.2 the spouse or civil partner of the director or of any person falling within sub-clause 54.1.1 above;

54.1.3 a person carrying on business in partnership with the director or with any person falling within clause 54.1.1 or 54.1.2 above;

54.1.4 an institution which is controlled –

(a) by the director or any connected person falling within clause 54.1.1, 54.1.2, or 54.1.3 above; or

(b) by two or more persons falling within clause 54.1.4(a), when taken together

54.1.5 a body corporate in which –

(a) the director or any connected person falling within clauses 54.1.1 to 54.1.3 has a substantial interest; or

(b) two or more persons falling within clause 54.1.5(a) who, when taken together, have a substantial interest.

54.1.6 Sections 350 – 352 of the Charities Act 2011 apply for the purposes of interpreting the terms used in this article.

**END**