

The Companies Act 2006

**Community Interest Company
Limited by Guarantee**

**Articles of Association
of
Community Active & Wellbeing CIC**

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Community Active & Wellbeing CIC

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SCHEDULE – INTERPRETATION

The Companies Act 2006

Articles of Association of

Community Active & Wellbeing CIC

A Company Limited by Guarantee
and not having a share capital

1. Defined Terms

The interpretation of these Articles is governed by the provisions set out in the Schedule at the end of the Articles.

COMMUNITY INTEREST COMPANY AND ASSET LOCK

2. Community Interest Company

The Company is to be a community interest company.

3. Asset Lock

3.1. The Company shall not transfer any of its assets other than for full consideration.

3.2. Provided the conditions in Article 3.3 are satisfied, Article 3.1 shall not apply to:

- (a) the transfer of assets to any specified asset-locked body, or (with the consent of the Regulator) to any other asset-locked body; and
- (b) the transfer of assets made for the benefit of the community other than by way of a transfer of assets into an asset-locked body.

3.3. The conditions are that the transfer of assets must comply with any restrictions on the transfer of assets for less than full consideration which may be set out elsewhere in the Memorandum and Articles of the Company.

3.4. If:

- (a) the Company is wound up under the Insolvency Act 1986; and
- (b) all its liabilities have been satisfied

any residual assets shall be given or transferred to BRITISH HEART FOUNDATION 225971 which is a NOT for Profit asset-locked company approved by the Regulator for this purpose.

4. Not for profit

The Company is not established or conducted for private gain: any profits or assets are used principally for the benefit of the community.

OBJECTS, POWERS AND LIMITATION OF LIABILITY

5. Objects

The Objects of the Company are to carry out activities which benefit the community and in particular (without limitation) to

5.1 We, the undersigned, declare that the company will carry out activities for the benefit of the community, or a section of the community. (Members of the community who may have or are at risk of obtaining a long-term health condition. Men and Women with specific related health concerns and disadvantaged individual who through lack of opportunities due to unemployment, rurality, disability and/or social exclusion.

5.2 The company's objectives will provide benefit to:

- a) Individuals at risk or living with long term health conditions
- b) Pre and post natal mothers, babies and fathers
- c) Members of the Community who are socially excluded - *For the purpose of this clause 'socially excluded' means being excluded from society, or parts of society, as a result of one or more of the following factors: unemployment; financial hardship; youth or old age; ill health (physical or mental); substance abuse or dependency including alcohol and drugs; discrimination on the grounds of sex, race, disability, ethnic origin, religion, belief, creed, sexual orientation or gender Pre re-assignment; poor educational or skills attainment; relationship and family breakdown; poor housing (that is housing that does not meet basic habitable standards; crime (either as a victim of crime or as an offender rehabilitating into society).*
- d) Carers
- e) Workplace employees and employers
- f) Local Organisations / Companies – All sectors
- g) Wider community visiting events
- h) Communities of the East of England
- i) Visitors to the East of England

6. Powers

The Company has the power to do anything which is incidental or conducive to the furtherance of its Objects, including:

- (a) To seek and apply for funds, and to receive donations, endowments, sponsorship fees, subscriptions and legacies from persons desiring to promote the Company's Objects or any of them, and to hold funds in trust for same;
- (b) To borrow or raise or secure the payment of any money for the purposes of or in connection with the Company's Objects and to mortgage or charge any part of the Company's property as security for borrowed money.

7. Limit of members' liability

The liability of each member 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 or she is a member or within one year after he or she ceases to be a member, for:

- (a) payment of the Company's debts and liabilities contracted before he or she ceases to be a member;
- (b) payment of the costs, charges and expenses of winding up; and
- (c) adjustment of the rights of the contributories among themselves.

DIRECTORS

DIRECTORS' POWERS AND RESPONSIBILITIES

8. Directors' general authority

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

9. Chair

The Directors may appoint one of their number to be the chair of the Directors for such term of office as they determine and may at any time remove him or her from office.

10. Directors may delegate

10.1 The Directors may delegate any of their powers to committees or individuals, and the terms of any delegation must be recorded in the minute book. The Directors may subsequently revoke or alter a delegation.

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

- (a) the relevant powers are to be exercised exclusively by the committee or person to whom they delegate;

- (b) no expenditure may be incurred on behalf of the Company except in accordance with a budget previously agreed by the Directors, and no committee or person may bind the Company to any contract without the approval of the Directors.

DECISION-MAKING BY DIRECTORS

11. Directors to take decisions collectively

Any decision of the Directors must be either a *majority* decision, taken at a meeting, or a *unanimous* decision taken in accordance with Article 18.

12. Single Director

If the Company only has one Director, the general rule does not apply, and the Director may take decisions without regard to any of the provisions of the Articles relating to Directors' decision-making.

13. Calling a Directors' meeting

13.1 Any Director may call a Directors' meeting.

13.2 A Directors' meeting must be called by at least seven clear days' notice unless either:

- (a) all the Directors agree; or
- (b) urgent circumstances require shorter notice.

13.3 Notice of Directors' meetings must be given to each Director.

13.4 Every notice calling a Directors' meeting must specify:

- (a) the place, day and time of the meeting; and
- (b) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

13.5 Notice of Directors' meetings need not be in writing.

13.6 Notice of Directors' meetings may be sent by electronic means to an address provided by the Director for the purpose.

14. Participation in Directors' meetings

14.1 Subject to the Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:

- (a) the meeting has been called and takes place in accordance with the Articles; and
- (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.

14.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.

14.3 If all the Directors participating in a 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.

15. Quorum for Directors' meetings

15.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

15.2 The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors, but it must never be less than two, and unless otherwise fixed it is two.

16. Chairing of Directors' meetings

The chair, if any, or in his or her absence another Director nominated by the Directors present shall preside as chair of each Directors' meeting.

17. Decision-making at meetings

17.1 Questions arising at a Directors' meeting shall be decided by a majority of votes.

17.2 In all proceedings of Directors each Director must not have more than one vote.

17.3 In case of an equality of votes, the chair shall have a second or casting vote.

18. Unanimous decisions

A decision of the Directors may be taken without a meeting or discussion if all the Directors indicate to each other, by any means, that they share a common view on a matter. The date of the decision shall be the date on which the last Director gives his or her assent and shall be recorded in the minute book.

19. Conflicts of interest

19.1 Whenever a Director finds himself or herself in a situation that is reasonably likely to give rise to a conflict of interest, he or she must declare his or her interest to the Directors unless, or except to the extent that, the other Directors are or ought reasonably to be aware of it already.

19.2 If any question arises as to whether a Director has a conflict of interest, the question shall be decided by a majority decision of the other Directors.

19.3 Whenever a matter is to be discussed or decided where a Director has a conflict of interest in respect of that matter then he or she must:

- (a) remain only for such part of the meeting as in the view of the other Directors is necessary to inform the debate;
- (b) not be counted in the quorum for that part of the meeting; and
- (c) withdraw during the vote and have no vote on the matter.

20. Directors' power to authorise a conflict of interest

20.1 The Directors have power to authorise a Director to be in a position of a conflict of interest provided:

- (a) in relation to the decision to authorise a conflict of interest, the conflicted Director must comply with Article 19.3;
- (b) in authorising a conflict of interest, the Directors can decide the manner in which the conflict of interest may be dealt with and, for the avoidance of doubt, they can decide that the Director with a conflict of interest can participate in a vote on the matter and can be counted in the quorum;
- (c) the decision to authorise a conflict of interest can impose such terms as the Directors think fit and is subject always to their right to vary or terminate the authorisation.

20.2 A Director shall not be accountable to the Company for any benefit which he or she derives from any matter, or from any office or position, which has been authorised by the Directors in accordance with Article 20.1 (subject to any limits or conditions to which such approval was subject).

21. Register of Directors' interests

The Directors shall cause a register of Directors' interests to be kept. 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.

22. Regulations

The Directors may from time to time make, adopt and amend such regulations in the form of bylaws, standing orders, secondary rules or otherwise as they may think fit for the management, conduct and regulation of the affairs of the Company and the proceedings and powers of the Directors and committees, provided that such regulations are not inconsistent with the Articles, and do not amount to an addition or alteration such as could only legally be made by an alteration to the Articles.

APPOINTMENT AND RETIREMENT OF DIRECTORS

23. Directors

23.1 Those persons notified to the Registrar of Companies as the first Directors of the Company shall be the first Directors.

23.2 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:

- (a) by ordinary resolution; or
- (b) by a decision of the Directors.

24. Termination of Director's appointment

24.1 A person ceases to be a Director as soon as:

- (a) he or she resigns in writing to the Company;
- (b) a bankruptcy order is made against that person, or an order is made against that person in individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy; or
- (a) a composition is made with that person's creditors generally in satisfaction of that person's debts; or
- (b) that person ceases to be a Director by virtue of any provision of the Act, or is prohibited from being a Director by law.

REMUNERATION AND EXPENSES

25. Directors' remuneration

25.1 Directors may undertake any services for the Company that the Directors decide.

25.2 Directors are entitled to such remuneration as the Directors determine:

- (a) for their services to the Company as Directors; and
- (b) for any other service which they undertake for the Company.

25.3 Subject to the Articles, a Director's remuneration may:

- (a) take any form; and
- (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.

25.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

25.5 Unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.

26. Directors' expenses

The Company may pay any reasonable expenses which the Directors properly incur in connection with their attendance at:

- (a) meetings of Directors or committees of Directors;
- (b) general meetings; or
- (c) separate meetings of any class of members or of the holders of any debentures of the Company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the Company.

MEMBERS

BECOMING AND CEASING TO BE A MEMBER

27. Becoming a member

27.1 The subscribers to the Memorandum are the first members of the Company.

27.2 Such other persons as are admitted to membership in accordance with the Articles shall be members of the Company.

27.3 No person shall be admitted a member of the Company unless he or she is approved by the Directors.

27.4 Every person who wishes to become a member shall deliver to the Company an application for membership in such form (and containing such information) as the Directors require and executed by him or her.

28. Termination of membership

28.1 Membership is not transferable to anyone else.

28.2 Membership is terminated if:

- (a) the member dies or ceases to exist;
- (b) otherwise in accordance with the Articles; or
- (c) at a meeting of the Directors at which at least half of the Directors are present, a resolution is passed resolving that the member be expelled on the ground that his or her continued membership is harmful to or is likely to become harmful to the interests of the Company. Such a resolution may not be passed unless the member has been given at least 14 clear days' notice that the resolution is to be proposed, specifying the circumstances alleged to justify expulsion, and has been afforded a reasonable opportunity of being heard by or of making written representations to the Directors.

MEMBERS' DECISION-MAKING

WRITTEN RESOLUTIONS

29. Decision by written resolution

29.1 Any decision that may be made at a general meeting of the Company may be made by written resolution, other than a decision to remove a Director or auditor before the expiry of their term of office.

- 29.2** A proposed written resolution shall be circulated to members and to the auditors in the same manner as notices for general meetings. Members signify their approval of the resolution if they wish to vote for it, and need take no action if they wish to vote against.
- 29.3** The majorities required to pass a written resolution are as follow:
- (a) for an ordinary resolution, approval is required from a simple majority of the members eligible to vote;
 - (b) for a special resolution, approval is required from not less than 75% of the members eligible to vote.
- 29.4** The document indicating a member's approval of a written resolution may be sent to the Company as hard copy or in electronic form. A member's agreement to a written resolution, once signified, may not be revoked.
- 29.5** A written resolution lapses if the necessary number of approvals has not been received 28 days after the first day on which copies of the resolution were circulated to members.
- 29.6** A written resolution is passed as soon as the required majority of eligible members have signified their agreement to it.

ORGANISATION OF GENERAL MEETINGS

30. General meetings

- 30.1** The Directors may call a general meeting at any time.
- 30.2** The Directors must call a general meeting if required to do so by the members under the Act.

31. Length of notice

Any general meeting shall be called by at least 14 clear days' notice. However, a general meeting may be called with shorter notice if it is agreed by at least 90 per cent of those entitled to attend and vote.

32. Contents of notice

- 32.1** Every notice calling a general meeting must specify the place, day and time of the meeting, whether it is a general or an annual general meeting, and the general nature of the business to be transacted.
- 32.2** If a special resolution is to be proposed, the notice must include the proposed resolution and specify that it is proposed as a special resolution.

32.3 In every notice calling a meeting of the Company there must appear with reasonable prominence a statement informing the member of his or her rights to appoint another person as his or her proxy at a general meeting.

33. Service of notice

Notice of general meetings must be given to every member, to the Directors and to the auditors of the Company.

34. Quorum for general meetings

34.1 No business may be transacted at any general meeting unless a quorum is present.

34.2 Unless and until otherwise decided by a general meeting, a quorum shall be two members present in person or by proxy.

35. Chairing general meetings

The chair of the Board of Directors, if any, shall preside at general meetings, but if he or she is not present 10 minutes after the time appointed for the commencement of the meeting, the members present shall choose one of their number to chair that meeting, whose function shall be to conduct the business of the meeting in an orderly manner.

VOTING AT GENERAL MEETINGS

36. Voting: general

36.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

36.2 A person who is not a member of the Company shall not have any right to vote at a general meeting of the Company; but this is without prejudice to any right to vote on a resolution affecting the rights attached to a class of the Company's debentures.

36.3 Article 36.2 shall not prevent a person who is a proxy for a member or a duly authorised representative from voting at a general meeting of the Company.

37. Votes

37.1 On a vote to be decided on a show of hands, every person present and entitled to vote (whether as a member or a proxy) shall have one vote.

37.2 On a vote to be decided on a poll, every member present in person or by proxy shall have one vote.

37.3 In the case of an equality of votes, whether on a show of hands or on a poll, the chair of the meeting shall **not** be entitled to a second or casting vote.

38. Poll votes

38.1 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.

38.2 A poll may be demanded by:

- (a) the chair of the meeting; or
- (b) two or more persons having the right to vote on the resolution.

38.3 A demand for a poll may be withdrawn if:

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

38.4 Polls must be taken immediately and in such manner as the chair of the meeting directs.

39. Proxy notices

39.1 A member who cannot attend a general meeting may appoint any other person to act as proxy for him or her by sending the Company a notice in writing (a “proxy notice”) which—

- (a) states the name and address of the member appointing the proxy;
- (b) identifies the person appointed to be that member’s proxy and the general meeting in relation to which that person is appointed;
- (c) is signed by or on behalf of the member appointing the proxy; and
- (d) is delivered to the Company in accordance with any instructions contained in the notice of the general meeting to which they relate.

39.2 The proxy notice may—

- (a) specify that the proxy must vote this way or that on any particular resolution;
or
- (b) authorise the proxy to vote in accordance her or his own judgement.

ADMINISTRATIVE ARRANGEMENTS AND MISCELLANEOUS

40. Means of communication to be used

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 Act provides for.

41. Irregularities

The proceedings at any meeting or on the taking of any poll or the passing of a written resolution or the making of any decision shall not be invalidated by reason of any accidental informality or irregularity (including any accidental omission to give or any non-receipt of notice) or any want of qualification in any of the persons present or voting or by reason of any business being considered which is not referred to in the notice unless a provision of the Act specifies that such informality, irregularity or want of qualification shall invalidate it.

42. Minutes

42.1. The Directors must cause minutes to be made in books kept for the purpose:

- (a) of all appointments of officers made by the Directors;
- (b) of all resolutions of the Company and of the Directors (including, without limitation, decisions of the Directors made without a meeting); and
- (c) of all proceedings at meetings of the Company and of the Directors, and of committees of Directors, including the names of the Directors present at each such meeting;

and any such minute, if purported to be signed (or in the case of minutes of Directors' meetings signed or authenticated) by the chair of the meeting at which the proceedings were had, or by the chair of the next succeeding meeting, shall, as against any member or Director of the Company, be sufficient evidence of the proceedings.

42.2. The minutes must be kept for at least ten years from the date of the meeting, resolution or decision.

43. Records and accounts

43.1 The Directors shall comply with the requirements of the Act as to maintaining a members' register, keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies and the Regulator of:

- (a) annual reports;
- (a) annual returns; and
- (b) annual statements of account.

43.2 Except as provided by law or authorised by the Directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a member.

44. Audit

44.1 In accordance with the law for the time being in force the Company may choose to take advantage of the small company audit exemptions if it is eligible to do so.

44.2 The Company's income and expenditure account and balance sheet shall be subject to professional audit if:

- (a) the Company's income exceeds the statutory threshold, or
- (b) an audit is demanded by 10% of the membership.

45. Social audit

- 45.1** The Company shall conduct a social audit annually in addition to any financial audit that may be undertaken. A social audit shall seek to measure the social benefits and costs of the Company's activities, its effect on beneficiaries and the wider community, and other factors, such as environmental impact, as may be agreed by the Directors.
- 45.2** A social audit may be commissioned from an external reporter or it may be conducted by the Company itself.
- 45.3** The results of any social audit may be published or made available to others at the discretion of the Directors.

46. Indemnity

- 46.1** Subject to Article 46.2, a relevant Director of the Company or an associated company may be indemnified out of the Company's assets against:
- (a) any liability incurred by that Director in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;
 - (b) any liability incurred by that Director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act); and
 - (c) any other liability incurred by that Director as an officer of the Company or an associated company.
- 46.2** This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 46.3** In this Article:
- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
 - (b) a "relevant Director" means any Director or former Director of the Company or an associated company.

47. Insurance

- 47.1** The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Director in respect of any relevant loss.
- 47.2** In this Article:
- (a) a "relevant Director" means any Director or former Director of the Company or an associated company;

- (b) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director’s duties or powers in relation to the Company, any associated company or any pension fund or employees’ share scheme of the Company or associated company; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

48. Exclusion of model articles

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

SCHEDULE INTERPRETATION

Defined terms

1. In the Articles, unless the context requires otherwise, the following terms shall have the following meanings:

Term	Meaning
“address”	includes a number or address used for the purposes of sending or receiving documents by electronic means;
“Articles”	the Company’s articles of association;
“asset-locked body”	means (i) a community interest company, a charity or a permitted industrial and provident society; or (ii) a body established outside the United Kingdom that is equivalent to any of those;
“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;
“clear days”	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;

“community”	is to be construed in accordance with accordance with Section 35(5) of the Company’s (Audit) Investigations and Community Enterprise) Act 2004;
“the Act”	means the Companies Act 2006;
“Company”	the community interest company to which these Articles apply;
“conflict of interest”	any direct or indirect interest of a Director (whether personal, by virtue of a duty of loyalty to another organisation or otherwise) that conflicts, or might conflict with the interests of the Company;
“Director”	a director of the Company, and includes any person occupying the position of director, by whatever name called;
“electronic form” and “electronic means”	have the meanings respectively given to them in Section 1168 of the Act;
“Memorandum”	the Company’s memorandum of association;
“participate”	in relation to a Directors’ meeting, has the meaning given in Article 14;
“permitted industrial and provident society”	an industrial and provident society which has a restriction on the use of its assets in accordance with Regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations 2006 or Regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations (Northern Ireland) 2006;
“the Regulator”	means the Regulator of Community Interest Companies;
“specified”	means specified in the Articles of Association of the Company for the purposes of this paragraph;

“subsidiary”	has the meaning given in section 1159 of the Act;
“transfer”	includes every description of disposition, payment, release or distribution, and the creation or extinction of an estate or interest in, or right over, any property; and
“writing”	the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

2. Subject to clause 3 of this Schedule, any reference in the Articles to an enactment includes a reference to that enactment as re-enacted or amended from time to time and to any subordinate legislation made under it.
3. Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Act as in force on the date when these Articles become binding on the Company.