

BROXBOURNE SPORTS CLUB

Company no: 13966510; Charity reg: 1204703

ARTICLES OF ASSOCIATION

1. Name

The company's name is "Broxbourne Sports Club" (and in this document it is called the "charity").

2. Interpretations

'address' means a postal address or, for the purposes of electronic communication, an e-mail address or a telephone number for receiving text messages;

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

'the charity' means the company intended to be regulated by the articles;

'Companies Acts' mean the Companies Acts (as defined in section 2 of the Companies Act 2006);

'the directors' means the directors of the company. The only directors are the trustees and the directors are the only trustees;

'document' includes, unless otherwise specified, any document sent or supplied in electronic form;

'electronic form' has the meaning given in section 1168 of the Companies Act 2006;

'the memorandum' means the charity's memorandum of association;

'officers' includes the directors and the secretary (if any);

'secretary' means any person appointed to perform the duties of the secretary of the charity;

'the United Kingdom' means Great Britain and Northern Ireland; and

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

3. Liability of Members

The liability of the members is limited to a sum not exceeding £1, being the amount that each member undertakes to contribute to the assets of the charity in the event

of it being wound up while they are a member, for payment of the charity's debts and liabilities incurred before they ceased to be a member.

4. Objects

The objects of the charity are:

To promote community participation in healthy recreation for the benefit of the inhabitants of Broxbourne and the surrounding areas by the provision of facilities for playing sports capable of promoting physical health.

5. Powers

The charity has power to do anything which is calculated to further its Objects or is conducive or incidental to doing so. In particular the charity has power:

a) to raise funds; In doing so, the charity must not undertake any taxable permanent trading activity and must comply with any relevant statutory regulations

b) to make an equity investment in a trading limited company providing the equity of that company is wholly owned by the charity and that the object of the company is to primarily generate income for the charity.

c) to borrow money and to charge the whole or any part of the property belonging to the charity as security for repayment of the money borrowed or as security for a grant or the discharge of an obligation. The board of directors may borrow a maximum total amount of £250,000 on behalf of the charity for the benefit of the charity at its own discretion. Any borrowings above the £250,000 must be agreed by the members at a general meeting.

d) to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them;

e) to set aside income as a reserve against future expenditure but only in accordance with a written policy;

f) to employ and remunerate such staff as are necessary for carrying out the work of the charity. The charity 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;

g) to deposit or invest funds;

h) to provide indemnity insurance for the directors;

i) to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;

j) to sell, or otherwise dispose of all or any part of the property belonging to the charity, provided that a minimum of 70% of members or 600 members, whichever is the larger number, vote on a resolution at a general meeting, by proxy or by electronic means and agree to the sale. In exercising this power, the charity must comply as appropriate with sections 117 and 122 of the Charities Act 2011;

k) to lease any part of the property provided the use of the property is consistent with the objects of the charity;

l) to acquire, merge with or enter into any partnership or joint venture arrangement with any other charity;

m) to establish or support any charitable trusts, associations or institutions formed for any of the purposes included in the Objects;

n) to pay out of the funds of the charity the cost of forming and registering the charity both as a company and as a charity.

6. Application of Income and Property

6.1 The income and property of the charity shall be applied solely towards the promotion of the Objects.

6.2 a) A director is entitled to be reimbursed reasonable expenses properly incurred by him or her when acting on behalf of the charity.

b) A director may benefit from indemnity insurance cover purchased at the charity's expense in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.

c) A director may not receive any other benefit or payment unless it is authorised by article 7.

6.3 Members who are not directors may be employed by or enter into contracts with the charity and receive reasonable payment goods or services supplied.

7. Benefits and Payments to Charity Directors and Connected Persons

7.1 General Provisions

No director or connected person may:

a) be employed by or receive any remuneration from the charity;

b) sell goods, services, or any interest in land to the charity;

c) receive any other financial benefit from the charity;

unless the payment is permitted under sub-clause 7.2 of this article, or authorised by the court or the prior written consent of the Charity Commission has been obtained.

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

7.2 Scope and Powers Permitting Directors or Connected Persons Benefits

a) A direct or connected person may receive a benefit from the charity in the capacity of a beneficiary of the charity provided that a majority of the directors do not benefit in this way.

b) A director or connected person may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the charity where that is permitted in accordance with, and subject to the conditions in sections 185 and 186 of the Charities Act 2011.

c) Subject to sub-clause 7.3 of this article a director or connected person may provide the charity with goods that are not supplied in connection with services provided to the charity by the director or connected person. In reaching that decision the directors must balance the advantage of contracting with a director or connected person against the disadvantages of doing so.

d) A director or connected person may receive interest on money lent to the charity at reasonable and proper rate which must be not more than the Bank of England base rate.

7.3 Payment and Supply of Goods Only – Controls

The charity and its directors may only rely upon the authority provided by sub-clause 7.2c of this article if each of the following conditions is satisfied:

- a) The amount or maximum amount of the payment for the goods is set out in an agreement in writing between the charity or its directors and the director or connected person supplying the goods under which the supplier is to supply the goods in question to or on behalf of the charity.
- b) The amount or maximum amount of the payment for the goods does not exceed what is reasonable in the circumstances for the supply of the goods in question.
- c) The other directors are satisfied that it is in the best interests of the charity to contract with the supplier rather than with someone who is not a director or connected person.

- d) The supplier is absent from any part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with him or her or it with regard to the supply of goods to the charity.
- e) The supplier does not vote on such matter and is not to be counted when calculating whether a quorum of directors is present at the meeting.
- f) The reason of their decision is recorded by the directors in the minute book.
- g) A majority of the directors then in office are not in receipt of remuneration or payments authorised by article 7.

(a) 'charity' includes any company in which the charity:

(i) holds more than 50% of the shares; or

(ii) controls more than 50% of the voting rights attached to the shares; or

(iii) has the right to appoint one or more directors to the board of the company.

(b) 'connected person' includes any person within the definition in article 61 'Interpretation'.

8. Declaration of Directors' Interests

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

9. Conflicts of Interest and Conflicts of Loyalties

9.1 If a conflict of interest arises for a director because of duty of loyalty owed to another organisation or person the unconflicted directors may authorise such conflict where the following conditions apply:

a) the conflicted director is absent from the part of the meeting at which there is a discussion of any arrangement or transaction affecting that other organisation or person;

b) the conflicted director does not vote on any such matter and is not to be counted when considering whether a quorum of directors is present at the meeting;

c) the unconflicted directors consider it is in the interests of the charity to authorise the conflict if interests in the circumstances applying.

10. Members

- 10.1 The subscribers to the memorandum are the first members of the charity.
- 10.2 Membership is open to other individuals who apply to the charity in the form required by the directors; and
- 10.3 Any person is eligible for full membership provided they are at least 18 years old. No person shall be denied membership of the charity on the grounds of gender, race, ethnic origin, creed, colour, age, disability, sexual orientation, occupation, religion, political or other beliefs.
- 10.4 Persons below the age of 18 may join as junior members without the right to hold office or vote at general meetings.
- 10.5 (a) The directors may only refuse an application for membership if they consider it to be in the best interests of the charity to refuse the application.
- (b) The directors must inform the applicant in writing of the reasons for the refusal within 21 days of the decision.
- (c) The directors must consider any written representations the applicant may make about the decision. The directors' decision following any written representations must be notified to the applicant in writing but shall be final.

10.6 Membership is not transferable.

10.7 The directors must keep a register of names and addresses of the members.

11. Classes of Membership

11.1 The directors may establish classes of membership with different rights and obligations on a fair and non-discriminatory basis.

12. Termination of Membership

12.1 A member may withdraw from membership of the charity on giving written notice to the charity. Membership shall not be transferable in any event and shall cease immediately on death or dissolution or on the failure of the member to comply or to continue to comply with any condition of membership set out in these articles.

12.2 Any member whose subscription has not been paid and no arrangement for payment has been paid shall be deemed to have resigned his membership of the charity.

12.3 The directors shall have the power to expel a member or impose any other sanction they determine to be appropriate when, in their opinion, it is in the best interests of the charity.

12.4 A member shall not be expelled unless he is given 14 days written notice of the meeting of the directors at which his expulsion shall be considered and written details of the

complaint made against him. The member shall be given an opportunity to make written representations and/or to appear before the directors and to be accompanied by a representative at such meeting.

- 12.5 Any person ceasing to be a member forfeits all right to any claim upon the charity, its property and its funds and he has no right to the return of any part of his subscription unless the directors consider it appropriate.

13. Annual General Meetings

- 13.1 The charity must hold its first annual general meeting within eighteen months after the date of its incorporation.
- 13.2 An annual general meeting must be held in each subsequent year and not more than fifteen months may elapse between successive annual general meetings.
- 13.3 The directors may call a general meeting at any time.

14. Extraordinary General Meetings

- 14.1 An extraordinary general meeting may be called at any time by the board and shall be called within 21 days of receipt by the Secretary of a requisition in writing signed by not less than twenty-five members stating the purposes for which the meeting is required and the resolutions proposed. No business other than that specified on the notice convening the meeting shall be transacted thereat.

15. Procedures at the Annual and Extraordinary General Meetings

- 15.1 The Secretary shall display on the main charity notice board written notice of the date of the meeting together with the resolutions to be proposed at least 14 days before the meeting. This information will also be posted on the charity's website and communicated via email to all members. The accidental omission of any details in the notice, other than the date, shall not invalidate the proceedings at the meeting.
- 15.2 The quorum for the annual and extraordinary general meetings shall be twenty-five members who must be either present in person or via electronic means or represented by proxy.
- 15.3 The Chair shall preside at all meetings of the charity but if he is not present within fifteen minutes after the time appointed for the meeting or has signified his inability to be present at the meeting, the members present are entitled to vote may choose one of the other members of the board of directors present to preside and if no other member of the board of directors is present or willing to preside the members present and entitled to vote may choose one of their number to be Chair of the meeting.

- 15.4 Each Member present shall have one vote and resolutions shall be passed by a simple majority of those members present in person or by proxy. In the event of an equality of votes the resolution is not carried.
- 15.5 The Chair of the meeting may permit other persons who are not members to attend and speak at a meeting but they will not be eligible to vote on any resolutions.
- 15.6 Either the charity Administrator or the Secretary, or in their absence a member of the board of directors, shall take minutes at annual and extraordinary general meetings.
- 15.7 At the AGM the Chair shall report on the activities of the charity during the previous year and the Treasurer shall present the accounts of the charity for the previous financial year.
- 15.8 At the AGM it will be confirmed that the Independent Reviewing Accountant will continue in office or a new independent reviewer will be elected either of whom shall be a Chartered Accountant.
- 15.9 The Chairman and directors shall be elected as required.
- 15.10 Any resolution which may be duly submitted in accordance with article 15.11 below shall be decided upon.
- 15.11 Notice of any resolution proposed to be moved at the annual general meeting or extraordinary general meeting shall be given in writing to the Secretary not less than 14 days before the meeting.

16. Content of Proxy Notices

- 16.1 Proxies may only validly be appointed by a notice in writing which:
- a) states the name and address of the member appointing the proxy;
 - b) identifies the person appointed to be that member's proxy;
 - c) is signed by the member appointing the proxy; and
 - d) is delivered to the charity in accordance with the articles.
- 16.2 Proxy notices may specify how the proxy appointed under them is to vote on one or more resolutions.
- 16.3 Unless a proxy indicated otherwise, it must be treated as 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.

17. Delivery of Proxy Notices

17.1 An appointment under a proxy notice may be revoked by delivering to the charity a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

17.2 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting it relates to.

18. Written Resolutions

18.1 A resolution in writing agreed by a simple majority of the members who would have been entitled to vote upon it had it been proposed at a general meeting shall be effective provided that:

a) a copy of the proposed resolution has been sent to every eligible member;

b) a simple majority of members has signified its agreement to the resolution;

c) it is contained in an authenticated document which has been received at the registered office within the period of 28 days beginning with the circulation date.

18.2 A resolution in writing may comprise several copies to which one or more members have signified their agreement.

19. Votes of Members

19.1 Every member shall have one vote.

19.2 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.

20. Directors

20.1 A director must be a natural person aged 18 years or older and no one may be appointed a director if he or she would be disqualified from acting under the provisions of article 23.

20.2 A director may not appoint an alternative director or anyone to act on his or her behalf at meetings of the directors.

20.3 The minimum number of directors shall be 3 but shall not be subject to a maximum.

20.4 The first directors shall be those persons notified to Companies House as the first directors of the charity.

21. Powers of Directors

21.1 The directors shall manage the business of the charity and may exercise all the powers of the charity unless they are subject to any restrictions imposed by the Companies Act, the articles or any special resolution.

21.2 No alterations of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the directors.

22. Appointment and Retirement of Directors

22.1 Directors shall be appointed for a three year term by election at the annual general meeting. They may be reappointed to a maximum of three terms unless there are good reasons for re-election.

22.2 At the first annual general meeting all the directors must retire from office unless by the close of the meeting the members have failed to elect sufficient directors to hold a quorate meeting of the directors. At each subsequent annual general meeting one-third of the directors or, if their number is not three or a multiple of three, the number nearest to one-third, must retire from office.

The directors to retire by rotation shall be those who have been longest in office since their last appointment. If any directors became or were appointed directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.

If a director is required to retire at an annual general meeting by a provision of the articles the retirement shall take effect upon the conclusion of the meeting.

22.3 Nominations for the position of Chairman and the other positions on the board of directors duly proposed and seconded by members shall be delivered to the Secretary in writing at least 48 hours before the annual general meeting and the Secretary shall as soon as practicable thereafter cause notice of the nominations to be exhibited prominently on the main charity notice board and website.

22.4 Any person nominated as Chairman or a member of the board of directors must be a member eligible to vote as stated in article 15.4.

22.5 If there is only one candidate nominated to fill any particular vacancy, that candidate shall be declared elected unopposed for that particular vacancy at the annual general meeting. If there is more than one candidate for any particular vacancy there shall be an election ballot at the annual general meeting for that position. In the event of a tie the candidate to be elected shall (unless the candidates agree otherwise) be determined by lot.

22.6 The directors may co-opt additional members to the board at their discretion. Those additional members may only sit on the board up until the next AGM at which point they must stand down or stand for election.

23. Disqualification and Removal of Directors

23.1 A director shall cease to hold office if he or she:

a) ceases to be a member of the charity;

b) a registered medical practitioner who is treating that person gives a written opinion to the board of directors stating that that person has become physically or mentally incapable of acting as a member of the board and may remain so for more than three months;

c) resigns as a director by notice to the charity;

d) is absent without sufficient reason from more than three consecutive meetings of the board of directors;

e) ceases to be a director by virtue of any provision in the Companies Act or is prohibited by law from being a director;

f) 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).

24. Remuneration of Directors

24.1 The directors must not be paid any remuneration unless it is authorised by article 7.

25. Proceedings of the Directors

25.1 Board meetings shall be held as often as the board thinks fit provided that there shall not be less than six meetings each year. The quorum for such meetings shall be two 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. The Secretary shall give all the members of the board not less than seven days' notice of a meeting.

25.2 Decisions of the board shall be made by a simple majority and in the event of an equality of votes the Chair (or the acting Chair of that meeting) shall have a casting or additional vote but shall always vote in favour of the status quo. Any member of the board filling more than one position on the board shall only be entitled to one vote.

25.3 No decision may be made by a meeting of the directors unless a quorum is present at the time of 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.)

26. Delegation

26.1 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 minutes.

26.2 All acts and proceedings of any committees must be fully and promptly reported to the directors.

27. Validity of Directors' Decisions

27.1 All acts done by a meeting of directors, or of a committee of directors shall be valid subject to the decision being made by a majority of the directors at a quorate meeting and only the votes of those directors who are qualified to vote being counted.

28. Minutes

28.1 The directors must keep minutes of all:

- a) appointments of officers made by the directors;
- b) proceedings at meetings of the charity;
- c) meetings of the directors and committees of directors including;
 - i) the names of directors present at the meeting;
 - ii) the decisions made at the meeting; and
 - iii) where appropriate the reasons for the decision.

29. Accounts

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

29.2 The directors must keep accounting records as required by the Companies Act and charity legislation.

29.3 The directors must comply with the requirements as regards preparation and transmission of the statements of account, an Annual report and an Annual Return to the Charity Commission and Companies House.

29.4 The directors must notify the Charity Commission promptly of any changes to the charity's entry on the Central register of Charities.

30. Indemnity

30.1 The charity may indemnify a relevant director against any liability incurred in that capacity, to the extent permitted by sections 232 and 234 of the Companies Act 2006.

30.2 In this article a 'relevant director' means any director or former director of the charity.

31. Means of Communication

31.1 Any notice to be given to or by any pursuant to the articles:

a) must be in writing; or

b) must be given on electronic form.

32. Rules

32.1 The directors may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the charity.

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

a) the admission of members of the charity and the rights and privileges of such members, and the entrance fees, subscriptions and other fees or payments to be made by members;

b) the conduct of members of the charity in relation to one another, and to the charity's employees and volunteers;

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

d) the procedure at general meetings and meetings of the directors in so far as such procedure is not regulated by the Companies Acts or by the articles;

e) generally, all such matters as are commonly the subject matter of charity rules.

32.3 The directors have the power to alter, add to or repeal the rules or bye laws.

32.4 The directors must adopt such means as they think sufficient to bring the rules and bye laws to the notice of members of the charity.

32.5 The rules or bye laws shall be binding on all members of the charity. No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, the articles.

33. Alterations to these Articles

33.1 These rules may be altered by resolution at an annual or extraordinary general meeting provided that the resolution shall not be passed unless carried by a majority of at least two-thirds of the members present and voting at the general meeting, the notice of which contains particulars of the proposed alteration or addition.

- 33.2 A proposal for the alteration or extension of the rules may be made by the board of directors or by any ten or more members of the charity. In the latter case, it shall be made in writing and addressed to the Secretary.
- 33.3 The Secretary shall make known the proposed rule change to the sections and upon receipt of the views of the sections, in writing, shall call a meeting of the board of directors to consider the proposal.
- 33.4 As soon as possible and in any case within 28 days after the General Meeting vote to any alteration or addition to these rules the Secretary must give written notice of the alteration or addition to the proper Licensing Authority, and the Chief Officer of the local police.
- 33.5 Any alteration of clause 4 (Objects), clause 35 (Dissolution), this clause, or of any provision where the alteration would provide authorisation for any benefit to be obtained by charity trustees or members of the company or persons connected with them, requires the prior written consent of the Charity Commission.

34. Disputes

- 34.1 If a dispute arises between members of the charity about the validity or propriety of anything done by the members of the charity under there 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.

35. Dissolution

On dissolution the funds and assets can only be applied for charitable purposes.

- 35.1 The members of the charity may at any time before, and in expectation of, its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the charity be applied or transferred in any of the following ways:
- (a) directly for the Objects;
 - or
 - (b) by transfer to any charity or charities for purposes similar to the Objects;
 - or
 - (c) to any charity or charities for use for particular purposes that fall within the Objects.
- 35.2 Subject to any such resolution of the members of the charity, the directors of the charity may at any time before and in expectation of its dissolution resolve that any net assets of the charity after all its debts and liabilities have been paid, or provision made for them, shall on or before dissolution of the charity be applied or transferred:
- (a) directly for the Objects;
 - or
 - (b) by transfer to any charity or charities for purposes similar to the Objects;

or

(c) to any charity or charities for use for particular purposes that fall within the Objects.

- 35.3 In no circumstances shall the net assets of the charity be paid to or distributed among the members of the charity (except to a member that is itself a charity) and if no resolution in accordance with article 60(1) is passed by the members or the directors the net assets of the charity shall be applied for charitable purposes as directed by the Court or the Commission.