

THE COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION OF CONWY MIND

Company Number 03630284

1. The name of the company is Conwy Mind and in this document it is called the 'charity'.

**Interpretation**

2. In the Articles

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

'the charity' 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 charity;

The directors are charity trustees as defined by section 177 of the Charities Act 2011;  
'a Trustee' and 'the trustees' means the director and directors of the charity.

'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 United Kingdom' means Great Britain and Northern Ireland;

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

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 charity; and

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.

In article 7, sub-clauses (1 and 2) 'connected person' means:

- (1) a child, parent, grandchild, grandparent, brother or sister of the trustee
- (2) the spouse or civil partner of the trustees or of any person falling within sub-clause (1) above;
- (3) a person carrying on business in partnership with the trustees or with any person falling within sub-clause (1) or (2) above;
- (4) an institution which is controlled –
  - (a) by the trustees or any connected person falling within sub-clause (1), (2), or (3) above; or
  - (b) by two or more persons falling within sub-clause 4(a), when taken together
- (5) a body corporate in which –
  - (a) the trustees or any connected person falling within sub-clauses (1) to (3) has a substantial interest; or
  - (b) two or more persons falling within sub-clause (5)(a) who, when taken together, have a substantial interest.

(c) Sections 350 – 352 of the Charities Act 2011 apply for the purposes of interpreting the terms used in this article. (a) by the trustees or any connected person falling within sub-clause (1), (2), or (3) above.

## **Objects**

3. The charity's objects ('Objects') are specifically restricted to the following, in association with Mind (the National Association for Mental Health):

- (1) To promote the preservation of good mental health in particular by enabling and empowering everyone experiencing mental health problems to live with, manage and recover from their condition.
- (2) To relieve the needs of people with mental health problems by working to increase the understanding of mental health and mental health problems by gathering and disseminating information and working to raise awareness, promote understanding and challenge stigma and discrimination

## **Powers**

4. The charity has power to do anything which is calculated to further its Object(s) or is conducive or incidental to doing so. In particular, the charity has power:

- (1) to raise funds. In doing so, the charity must not undertake any taxable permanent trading activity and must comply with any relevant statutory regulations;
- (2) to buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;
- (3) to sell, lease or otherwise dispose of all or any part of the property belonging to the charity. In exercising this power, the charity must comply as appropriate with sections 117 and 122 of the Charities Act 2011; and
- (4) 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 charity must comply as appropriate with sections 124 - 126 of the Charities Act 2011 if it wishes to mortgage land;
- (5) to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them;
- (6) to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects;
- (7) to acquire, merge with or to enter into any partnership or joint venture arrangements with any other charity;
- (8) to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;
- (9) to employ and remunerate such staff as are necessary for carrying out the work of the charity. The charity may employ or remunerate a trustee only to the extent it is permitted to do so by article 5 and provided it complies with the conditions in that article;

- (10) to:
- (a) deposit or invest funds;
  - (b) employ a professional fund-manager; and
  - (c) arrange for the investments or other property of the charity to be held in 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;
- (11) to provide indemnity insurance for the trustees in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.
- (12) To pay out of the funds of the charity the costs of forming and registering the charity both as a company and as a charity

#### **Application of income and property**

5 (1) The income and property of the charity shall be applied solely towards the promotion of the Objects.

(2) (a) A trustee is entitled to be reimbursed from the property of the charity or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the charity.

(b) A trustee may benefit from trustee 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 trustee may receive an indemnity from the charity in the circumstances specified in article 32.

(d) A trustee may not receive any other benefit or payment unless it is authorised by article 4.

#### **Liability of members**

6. (1) The members of Conwy Mind are the trustees. The only persons eligible to be members of Conwy Mind are its charity trustees. Membership of Conwy Mind cannot be transferred to any- one else.

(2). 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 charity 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:

- payment of the charity's debts and liabilities incurred before he, she or it ceases to be a member;
- payment of the costs, charges and expenses of winding up; and adjustment of the rights of the contributories

### **Benefits and payments to charity trustees and connected persons**

#### **General provisions**

7. (1) No trustee or connected person may:

- (a) buy any goods or services from the charity on terms preferential to those applicable to members of the public;
- (b) sell goods, services, or any interest in land to the charity;
- (c) be employed by, or receive any remuneration from, the charity;
- (d) receive any other financial benefit from the charity;

unless the payment is permitted by sub-clause (2) of this article, or authorised by the court or the prior written consent of the Charity Commission has been obtained.

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

#### **Scope and powers permitting trustees or connected persons' benefits**

7 (2) (a) A trustee 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 trustees do not benefit in this way.

(b) A trustee 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 (3) of this article a trustee or connected person may provide the charity with goods that are not supplied in connection with services provided to the charity by the trustee or connected person.

(d) A trustee or connected person may receive interest on money lent to the charity at a reasonable and proper rate which must be not more than the Bank of England bank rate (also known as the base rate).

(e) A trustee or connected person may receive rent for premises let by the trustee or connected person to the charity. The amount of the rent and the other terms of the lease must be reasonable and proper. The trustee concerned must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.

(f) A trustee or connected person may take part in the normal trading and fundraising activities of the charity on the same terms as members of the public.

#### **Payment for supply of goods only – controls**

7 (3) The charity and its trustees may only rely upon the authority provided by sub-clause (2)(c) 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 trustees (as the case may be) and the trustee or connected person supplying the goods ('the supplier') 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 trustees 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 trustee or connected person. In reaching that decision the trustees must balance the advantage of contracting with a trustee or connected person against the disadvantages of doing so.

(d) The supplier is absent from the 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 any such matter and is not to be counted when calculating whether a quorum of trustees is present at the meeting.

(f) The reason for their decision is recorded by the trustees in the minutes

(g) A majority of the trustees then in office are not in receipt of remuneration or payments authorised by article 7.

#### **Declaration of trustees' interests**

8. A trustee 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 previously been declared. A trustee must absent himself or herself from any discussions of the

charity trustees 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).

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

9. (1) If a conflict of interests arises for a trustee 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 trustees may authorise such a conflict of interests where the following conditions apply:

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

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

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

(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 in trustees direct benefit of any nature to a trustee or connected person

### **Trustees**

10. (1) A trustee must be a natural person aged 16 years or older.

(2) No one may be appointed a trustee if he or she would be disqualified from acting under the provisions of article 17.

11. The minimum number of trustee shall be 3 but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.

12. A trustee may not appoint an alternate trustee or anyone to act on his or her behalf at meetings of the trustees.

(1) The trustees 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 Acts, the articles or any special resolution.

(2) No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the trustees.

- (3) Any meeting of trustees at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the trustees.

### **Appointment of trustees**

13. The charity may by ordinary resolution:

- (1) appoint a person who is willing to act to be a trustee; and
- (2) determine the timescales within which any trustees are to retire.

14. The trustees may appoint a person who is willing to act to be a trustee.

15. Effective from the date of this document, a trustee may serve a maximum of three terms (or nine years) in office.

### **Retirement of trustees**

16. A trustees must retire from office when he or she has served a period of three years in office. Trustees may serve a maximum of three terms (or no more than nine years), effective from the date of this document.

### **Disqualification and removal of trustees**

17. A trustees shall cease to hold office if he or she:

- (1) ceases to be a trustees by virtue of any provision in the Companies Acts or is prohibited by law from being a trustees ;
- (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);
- (3) 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 trustee and may remain so for more than three months;
- (4) resigns as a trustee by notice to the charity (but only if at least three trustees will remain in office when the notice of resignation is to take effect)

or

- (5) is absent without the permission of the trustees from all their meetings held within a period of six consecutive months and the trustees resolve that his or her office be vacated.

### **Remuneration of trustees**

**18.** The trustees must not be paid any remuneration unless it is authorised by article 5.

### **Proceedings of trustees**

**19.** (1) The trustees may regulate their proceedings as they think fit, subject to the provisions of the articles.

(2) Any trustee may call a meeting of the trustees.

(3) Questions arising at a meeting shall be decided by a majority of votes.

(4) In the case of an equality of votes, the person who is chairing the meeting shall have a second or casting vote.

(5) A meeting may be held by suitable electronic means agreed by the trustees in which each participant may communicate with all the other participants.

**20.** (1) No decision may be made by a meeting of the trustees 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 trustees in which a participant or participants may communicate with all the other participants.

(2) The quorum shall be three or the number nearest to one-third of the total number of trustees, whichever is the greater, or such larger number as may be decided from time to time by the trustees.

(3) A trustee shall not be counted in the quorum present when any decision is made about a matter upon which that trustee is not entitled to vote.

**21.** If the number of trustees is less than the number fixed as the quorum, the continuing trustees or trustee may act only for the purpose of filling vacancies.

**22.** (1) The trustees shall appoint a trustee to chair their meetings and may at any time revoke such appointment.

(2) If no-one has been appointed to chair meetings of the trustees or if the person appointed is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, the trustees present may appoint one of their number to chair that meeting.

(3) The person appointed to chair meetings of the trustees shall have no functions or powers except those conferred by the articles or delegated to him or her by the trustees.

(4) The trustee appointed to chair meetings shall serve a maximum tenure of three years in office whereupon the chair shall resign. The outgoing chair shall not be re-elected to office as chair, though may be re-elected or remain as a trustee pursuant to articles 13 and 14

**23.** (1) A resolution in writing or in electronic form agreed by all of the trustees entitled to receive notice of a meeting of the trustees and to vote upon the resolution shall be as valid and effectual as if it had been passed at a meeting of the trustees duly convened and held.

(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 trustees has signified their agreement.

### **General Meetings of member**

**24** (1) The trustees may designate any of their meetings as a general meeting. The purpose of a general meeting is to discharge any business which must by law be discharged by a resolution of the members of the charity.

(2) Decisions which must be made at a general meeting are;

(a) amend the articles of the charity

(b) amalgamate the charity with, or transfer its undertakings to one or more other charities, in accordance with the charities act 2011

(c) wind up or dissolve the charities (including transferring business to any other charity)

(d) appoint new trustees

(3) calling a general meeting

(a) The minimum period of notice required to hold a general meeting is 7 days

### **Execution of a document**

**25** .A document is validly executed by signature if it is signed by at least two of the charity trustees.

### **Delegation**

**26.** (1) The trustees may delegate any of their powers or functions to a committee of two or more trustees but the terms of any delegation must be recorded in the minutes.

(2) The trustees may impose conditions when delegating as they see fit.

(3) The trustees may revoke or alter a delegation.

(4) All acts and proceedings of any committees must be fully and promptly reported to the trustees.

#### **Validity of trustees' decisions**

**27.** (1) All acts done by a meeting of trustees, or of a committee of trustees, shall be valid notwithstanding the participation in any vote of a trustees.

(a) who was disqualified from holding office;

(b) who had previously retired or who had been obliged by the constitution to vacate office;

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

If without:

(d) the vote of that trustees; and

(e) that trustee being counted in the quorum;

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

(2) Article 27(1) does not permit a trustee or a connected person to keep any benefit that may be conferred upon him or her by a resolution of a committee of trustees except for article 7.2 and the resolution would have been void if or if the trustees had not complied with article 5.

#### **Minutes**

**28.** The trustees must keep minutes of all:

(1) appointments of officers made by the trustees;

(2) proceedings at meetings of the charity;

(3) meetings of the trustees and committees of trustees including:

(4) the names of the trustees present at the meeting;

(5) the decisions made at the meetings; and

(6) where appropriate the reasons for the decisions.

## **Accounts**

29. (1) The trustees 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.

(2) The trustees must keep accounting records as required by the Companies Acts.

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

30. (1) The trustees must comply with the requirements of the Charities Act 2011 with regard to the:

- (a) transmission of a copy of the statements of account to the Commission;
- (b) preparation of an Annual Report and the transmission of a copy of it to the Commission;
- (c) preparation of an Annual Return and its transmission to the Commission.

(2) The trustees must notify the Commission promptly of any changes to the charity's entry on the Central Register of Charities.

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

31. (1) Subject to the articles, anything sent or supplied by or to the charity 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 charity.

(2) Subject to the articles, any notice or document to be sent or supplied to a trustee in connection with the taking of decisions by trustees may also be sent or supplied by the means by which that trustee has asked to be sent or supplied with such notices or documents for the time being.

32. Any notice to be given to or by any person pursuant to the articles:

- (1) must be in writing; or
- (2) must be given in electronic form (email or similar).

## **Indemnity**

33. (1) The charity shall indemnify a relevant trustee against any liability incurred in that

capacity, to the extent permitted by sections 232 to 234 of the Companies Act 2006

(2) In this article a 'relevant trustees' means any trustees or former trustees of the charity.

(3) The charity may indemnify an auditor against any liability incurred by him or her or it

(4) in defending proceedings (whether civil or criminal) in which judgment is given in his or her or its favour or he or she or it is acquitted; or

Or

(5) in connection with an application under section 1157 of the Companies Act 2006 (power of Court to grant relief in case of honest and reasonable conduct) in which relief is granted to him or her or it by the Court.

### **Rules**

**34.** (1) The trustees 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.

(2) The bye laws may regulate the following matters but are not restricted to them:

- (a) 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;
- (b) the procedure at meetings of the trustees in so far as such procedure is not regulated by the Companies Acts or by the articles;
- (c) generally, all such matters as are commonly the subject matter of company rules.

### **Dissolution**

**35.** The trustees 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.

**36.** Subject to any such resolution of the associates of the charity, the trustees 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.

37. In no circumstances shall the net assets of the charity be paid to or distributed among the trustees of the charity, and if no resolution is passed by the trustees the net assets of the charity shall be applied for charitable purposes as directed by the Court or the Commission.