

The Truro Diocesan Board of Finance Limited

Articles of Association

Adopted by a special resolution dated 13 May 2017 (as amended by special resolutions dated 29 September 2018 and 26th September 2020)

Company Number 00049825

Registered Charity Number 248330

The Companies Acts 1985 to 2006

Company not having a share capital

Articles of Association

Adopted by a special resolution dated 13 May 2017 (as amended by special resolution dated 29 September 2018 and 26th September 2020)

of

The Truro Diocesan Board of Finance Limited

1 Interpretation

1.1 In these Articles:

the Act: means the Companies Act 2006 and any provisions of the Companies Act 1985 for the time being in force

these Articles: means these articles of association

Benefit: means any payment of money or the provision or other application of any other direct or indirect benefit in money or money's worth

Bishop's Diocesan Council: is the term used when the Board, the Standing Committee, the Mission and Pastoral Committee, the Parsonages Board and the Glebe Committee meet together

Bishop's Notice: means a certificate issued by the President from time to time identifying members of the Synod from time to time

the Board: means the board of directors of the Company

Chair of Trustees: has the meaning given in Article 10.6

Chair of the TDBF: means the individual appointed in accordance with Article 12

charity trustee: has the meaning prescribed by section 177 of the Charities Act 2011

Church Representation Rules: means the rules in schedule 3 to the Synodical Government Measure 1969 and any other rules for the time being in force relating to the numbers and composition of and election of members of the Synod

clear day: means 24 hours from midnight following the relevant event

the Commission: means the Charity Commission for England and Wales

the Company: means the company governed by these Articles

Conflict of Interest: means any Interest of a Trustee (or any person Connected to a Trustee) that conflicts, or may conflict, with the interests of the Company and includes a conflict of interest and duty and a conflict of duties

Connected Person: means any person falling within one of the following categories:

- (a) any spouse or civil partner of a Trustee or a Member;

- (b) any parent, child, brother, sister, grandparent or grandchild of a Trustee or Member who is financially dependent on such Trustee or Member or on whom the Trustee or Member is financially dependent;
- (c) the spouse or civil partner of any person in (b);
- (d) any other person in a relationship with a Trustee or Member which may reasonably be regarded as equivalent to that of a spouse or civil partner; or
- (e) any company, LLP or partnership of which a Trustee or Member is a paid director, member, partner or employee or a holder of more than 1% of the share capital or capital; and

any person who is a Connected Person in relation to any Trustee or Member is referred to in these Articles as **Connected** to that Trustee or Member

Diocese: means whatever for the time being shall be the Church of England Diocese called the Diocese of Truro or any name which may be substituted in its place

Diocesan Secretary: means the individual employed by the Company to undertake the role of Diocesan Secretary

Elected Members: means the members of the Standing Committee elected in according with the Standing Orders

Ex-officio Members: means the ex-officio members of the Standing Committee as set out in the Standing Orders

Glebe Committee: means the Glebe Committee of the Diocese established pursuant to the Endowments and Glebe Measure 1976 and whose membership comprises the members of the Standing Committee from time to time

Interest: means any direct or indirect interest (and includes any interest a Trustee or any person Connected to a Trustee may have as a consequence of any duty he or she may owe to any other person) and where a Trustee (or any person Connected to a Trustee) has any such interest in any matter or situation or transaction or arrangement the Trustee is **Interested** in it

Member and Membership refer to the members of the Company for the purposes of, and as defined by, the Act and their membership of the Company

Mission and Pastoral Committee: means the Mission and Pastoral Committee of the Diocese established pursuant to the Mission and Pastoral Measure 2011 and whose membership comprises the members of the Standing Committee from time to time

month: means calendar month

Nominated Members: means the individuals elected by the Board after nomination by the President to serve as members of the Standing Committee in accordance with the Standing Orders

Parsonages Board: means the Parsonages Board of the Diocese constituted pursuant to the Repair of Benefice Buildings Measure 1972 and whose membership comprises the members of the Standing Committee from time to time

President: means the Lord Bishop of the Diocese of Truro from time to time

Secretary: means the secretary of the Company or if no secretary has been appointed, the person to carry out the duties of the secretary of the Company

Standing Committee: means the Bishop's Council and Standing Committee of the Synod from time to time

Standing Orders: means the Standing Orders of the Synod from time to time

Subsidiary Company: means any company in which the Company holds:

- (a) more than 50% of the shares; or
- (b) more than 50% of the voting rights attached to the shares; or
- (c) the right to appoint one or more of the directors.

Synod: means the Diocesan Synod of the Diocese from time to time

taxable trading: means carrying on a trade or business in such manner or on such a scale that some or all of the profits are subject to tax

Triennial Election: means the periodic election of members of the Synod provided by the Church Representation Rules

Trustee: means each of the directors of the Company under the Act (and **Trustees** means all of the directors)

Vice-President: means a vice-president of the Company being a Vice-President of the Synod elected in accordance with the Standing Orders

written or in writing: refers to a legible document on paper (including a fax message) or in electronic form (including an email)

year: means calendar year.

1.2 Expressions defined in the Act have the same meaning.

1.3 References to an Act of Parliament are to the relevant Act as amended or re-enacted from time to time and to any subordinate legislation made under it.

2 Name

2.1 The name of the company is The Truro Diocesan Board of Finance Limited (**Company**).

3 Registered office

3.1 The registered office of the Company is in England and Wales.

4 Objects

4.1 The objects for which the Company (**Objects**) is established are to promote and assist the work, objects and purposes of the Church of England for the advancement of the Christian religion in the Diocese, and in particular to organise and provide funds in aid of the work of the Church including:

4.1.1 training for ministry;

4.1.2 maintenance and financial support and assistance of ministry;

- 4.1.3 provision of pensions for the clergy and for lay workers;
- 4.1.4 provision of sites for, and the erection, equipment, improvement, endowment, maintenance and repair of church buildings, mission rooms, church halls, church houses, parsonage houses, hostels, clergy houses, institutes, halls, refuges, clubs, houses and any other buildings, whether temporary or otherwise, to be used for or in connection with any of the objects of the Company;
- 4.1.5 religious education in all its branches, including the provision of sites for and the building, equipment, improvement and repair of Church of England schools and colleges;
- 4.1.6 provision of expenses of diocesan and central organisation;
- 4.1.7 such other objects and purposes as from time to time may be expedient for the better carrying forward of the Church's work and to aid and further (in such manner as may from time to time be approved by a resolution of the Synod) the objects and work of the Church of England in any part of England and Wales outside the Diocese or beyond the borders of England and Wales or any mission or church or body of Christians in communion with the Church of England beyond such borders.

5 Powers

- 5.1 The Company has the power to do anything within the law which may promote or may help to promote the Objects or any of them including (but without limitation) the power:
 - 5.1.1 to hold festivals, seminars, conferences, lectures, tours and courses;
 - 5.1.2 to promote or carry out research and to disseminate such research;
 - 5.1.3 to provide advice;
 - 5.1.4 to promote or oppose, or join in promoting or opposing, legislative and other measures affecting or likely to affect any of the Objects or work of the Company, or any body or persons, the aid or benefit of which is within the objects of the Company;
 - 5.1.5 to publish or distribute information in any form;
 - 5.1.6 to co-operate with and to enter into joint ventures, collaborations and partnerships with charitable and non-charitable bodies;
 - 5.1.7 to enter into agreements with any associations in connection with the Church of England carrying out in the Diocese, or elsewhere, any objects similar to the Objects;
 - 5.1.8 to enter into any arrangements with any diocesan bodies or societies of the Diocese, or any other body having power to administer or apply any funds within the Diocese, or any part thereof (whether as part of a larger area or not), for any of the purposes for which the Company has power to administer or apply funds, with reference to any of the funds, or property held by them respectively, or any of their powers, duties or trusts, and in particular to take over, carry on or continue any of the powers, duties or trusts of any of the bodies or societies;
 - 5.1.9 to support, administer or set up charities and to act as trustee of any charitable funds, endowments or trusts;
 - 5.1.10 to affiliate with and where appropriate merge with any charity having similar objects to the Objects;

- 5.1.11 to raise, expend, invest and accumulate funds and income;
- 5.1.12 to act as the executors of any deceased person and to accept property of any kind and in any form, whether real or personal, to be held by the Company either alone or jointly with another or others, upon any trusts, whether already existing or newly created, connected with the Church of England;
- 5.1.13 to borrow money, including entering into any derivative arrangement relating to that borrowing provided that the derivative arrangement is an integral part of managing the Company's debt and not a speculative venture;
- 5.1.14 to give security for loans, grants and other obligations over the assets of the Company (but only in accordance with the restrictions imposed by any statutory enactments which may impose restrictions on the Company to deal with its assets in such a manner);
- 5.1.15 to acquire, rent or hire property of any kind;
- 5.1.16 to sell, let, license, mortgage or dispose of property of any kind (but only in accordance with the restrictions imposed by any statutory enactments which may impose restrictions on the Company to deal with its property in such a manner);
- 5.1.17 to make grants, awards, prizes, donations or payments to any association or body having any objects in connection with the Church of England similar to any of those of the Company including to any churches in communion with the Church of England, and whether in the Diocese or elsewhere;
- 5.1.18 to make loans of money and give credit and to give guarantees or security for the performance of any obligations by any person or company;
- 5.1.19 to set aside funds for special purposes or as reserves against future expenditure, but only in accordance with a written policy on reserves;
- 5.1.20 to deposit or invest funds in any manner (but to invest only after taking such advice as the trustees consider is reasonably necessary from such person as is reasonably believed by the trustee to be qualified to give it by his or her ability in and practical experience of financial and other relevant matters);
- 5.1.21 to enter into any derivative arrangement in connection with any investment provided that the derivative arrangement is ancillary to the investment (being entered into in order to manage the risk and / or transaction costs associated with the investment) and is not a speculative venture;
- 5.1.22 to delegate the management of investments to any person provided that:
 - (a) the delegate is authorised to carry on investment business under the provisions of the Financial Services and Markets Act 2000;
 - (b) the investment policy is set out in writing by the Trustees;
 - (c) the performance of the investments is reviewed regularly with the Trustees;
 - (d) the investment policy and the delegation arrangements are reviewed at least once a year;
 - (e) all payments due to the delegate are on a scale or at a level which is agreed in advance and are notified promptly to the Trustees on receipt by the delegate; and

- (f) the delegate must not do anything outside the powers of the Trustees;
- 5.1.23 to arrange for the investments or other property of the Company to be held in the name of a nominee (being a corporate body registered or having an established place of business in England and Wales) under the control of the Trustees or of any person to whom the management of investments is delegated and to pay any reasonable fee required;
- 5.1.24 to make social investments (but only in accordance with the Charities Act 2011 or any other statutory enactments imposing restrictions on the Company to deal with its property in such a manner);
- 5.1.25 to insure the property of the Company against any foreseeable risk and take out other insurance policies to protect the Company when required;
- 5.1.26 to take out indemnity insurance to insure the Trustees against the costs of a successful defence to criminal proceedings brought against them as charity trustees or against personal liability incurred in respect of any act or omission which is or is alleged to be in breach of trust or breach of duty, unless the Trustee concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty;
- 5.1.27 subject to Article 14, to employ paid or unpaid agents, staff or advisers, to make payments of insurance on their behalf, and to make provision for any person, or the dependants of any person, who is or has been in the employment of the Company;
- 5.1.28 to enter into contracts to provide services to or on behalf of other bodies;
- 5.1.29 to establish, support or acquire subsidiary companies;
- 5.1.30 to pay the costs of forming the Company;
- 5.1.31 to open and operate bank accounts and banking facilities;
- 5.1.32 to solicit and accept grants, donations, endowments, gifts, legacies and bequests of assets on any terms;
- 5.1.33 to enter into any licence or sponsorship agreement;
- 5.1.34 to enter into any contract or agreement (including any finance lease);
- 5.1.35 to carry on any trade in so far as the trade is;
 - (a) exercised in the course of the actual carrying out of the Objects of the Company; or
 - (b) ancillary to the carrying out of the Objects; or
 - (c) not taxable trading; and
- 5.1.36 to do all such other things permitted by law as are incidental or conducive to the attainment of the Objects.

6 Limited liability and guarantee

- 6.1 The liability of the Members is limited.
- 6.2 Every Member of the Company undertakes to contribute to the assets of the Company in the event of the same being wound up during the time that he is a Member, or within one year

afterwards, for payment of the debts and liabilities of the Company contracted before the time at which he or she ceased to be a Member, and of the costs, charges and expenses of winding up the same, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding £10.

7 Membership

- 7.1 The number of Members with which the Company is registered is unlimited.
- 7.2 The Company must maintain a register of Members.
- 7.3 Subject to Articles 7.4, 7.5 and 7.6, the Members of the Company shall be the members of Synod from time to time.
- 7.4 The appointment of any Member shall be void insofar as it contravenes the provisions of the Diocesan Boards of Finance Measure 1925 (or any statutory modification thereof for the time being in force) and in particular the provisions requiring that not less than two-thirds of the Company elected by the Synod shall be members of the Synod and that a majority of the Members of the Company shall be laypersons.
- 7.5 Every Member shall either sign a written consent to become a Member (which may be contained in the written consent signed by him or her upon nomination as a member of the Synod) or sign the register of Members on becoming a Member of the Company.
- 7.6 Except in the case of the ex-officio members of Synod, all members of Synod shall hold office until their successors are elected at the first meeting of the Synod next following each subsequent Triennial Election, provided that any such person shall be eligible for re-election.
- 7.7 Membership is terminated if the Member concerned:
 - 7.7.1 ceases to be a member of the Synod; or
 - 7.7.2 dies.
- 7.8 Membership of the Company is not transferable.

8 General meetings

- 8.1 Members are entitled to attend general meetings either personally or by proxy.
- 8.2 Subject to Article 8.3, general meetings are called on at least 14 clear days' written notice specifying the business to be discussed. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.
- 8.3 A general meeting may be called on shorter notice than the notice period stated in Article 8.2 if it is agreed:
 - 8.3.1 in the case of an annual general meeting, by all the Members entitled to attend and vote;
 - 8.3.2 in the case of any other general meeting, by 90% of the Members having the right to attend and vote at the meeting of all of the Members.
- 8.4 The Secretary, at the request of the President or upon the requisition of any 30 Members shall convene a general meeting. Any requisition made by the Members shall confirm the purpose of the meeting proposed and shall be left at the Company's registered office. Upon receipt of a request to convene a general meeting, the Secretary shall proceed to convene

the general meeting, and if this is not done within 21 days from the date of receipt of the requisition, the Members may themselves convene the general meeting.

- 8.5 The notice of general meeting shall specify the time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.
- 8.6 The notice shall be given in the manner described in these Articles or in such manner as may be prescribed by the Company in general meeting to such persons (including the auditors) as are entitled to receive the same under these Articles or the Act.

Quorum

- 8.7 There is a quorum at a general meeting if one bishop together with one-third of the total number of lay Members and one-third of the total number of clergy Members entitled to attend and vote at that meeting are present in person or by proxy.
- 8.8 If within 30 minutes from the time appointed for the holding of a general meeting a quorum is not present, the meeting if called on the requisitions of Members, shall be dissolved, and in any other case will be adjourned to such other day and at such time as the President (or such other person who may be chosen to chair the general meeting) may determine. If at such adjourned meeting a quorum is not present within 30 minutes from the time appointed for holding the meeting the Members present in person or by proxy shall be a quorum.

Chair of general meetings

- 8.9 Subject to Article 8.10, the chair of a general meeting shall be the President, provided that the President may instead nominate one or both Vice-Presidents to chair the general meeting.
- 8.10 If the President (or one or both of the Vice-Presidents nominated to chair the general meeting as the case may be) is not present within 15 minutes after the time appointed for the meeting to start or is unwilling or unable to preside or has an Interest in a matter to be decided, a Member chosen by the Members present shall chair the general meeting.
- 8.11 The chair of the general meeting may, with the consent of a meeting at which a quorum is present, and shall if so directed by the meeting, adjourn any meeting from time to time and from place to place as the chair of the general meeting shall determine, but no business may be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not have taken place. When a meeting is adjourned for 30 days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Otherwise it shall not be necessary to give any such notice.

Voting

- 8.12 Subject to Article 8.13 below, a resolution put to the vote of a meeting will be decided on a show of hands unless before or upon the declaration of the result of the show of hands a poll is demanded by:
- 8.12.1 the chair of the general meeting;
- 8.12.2 at least five Members entitled to vote on the resolution present in person or by proxy; or
- 8.12.3 a Member or Members representing at least ten percent of the total voting rights of all of the Members entitled to vote on the resolution present in person or by proxy.

- 8.13 If a general meeting is held by electronic means, including telephone conference, video conference, live webcast and live interactive streaming, voting may take place at such meeting by such electronic method of voting as may be determined by the Board.
- 8.14 Unless a poll is duly demanded a declaration by the chair of the general meeting that a resolution has been carried unanimously or by a particular majority or lost or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 8.15 The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chair of the general meeting and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 8.16 A poll shall be taken as the chair of the general meeting directs. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 8.17 A poll demanded on the election of a chair of the general meeting or on a question of adjournment will be taken forthwith. A poll demanded on any other question will be taken either forthwith or at such time and place as the chair of the general meeting directs not being more than 30 days after the poll is demanded. The demand for a poll will not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting will continue as if the demand had never been made.
- 8.18 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least 7 clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 8.19 Except for the chair of the general meeting, who in the event of an equality of votes has a second or casting vote, on a show of hands or a poll every Member present in person or by proxy shall have one vote.
- 8.20 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid. Any such objection must be referred to the chair of the general meeting whose decision is final and conclusive.
- 8.21 At every general meeting, all matters which come under the consideration of such meeting (except such matters as must be dealt with by special resolution, or as by the regulations, standing orders or by-laws for the time being in force, require some other majority) shall be decided by a simple majority of votes of the Members present in person or by proxy.

Proxy notices

- 8.22 Proxies may only validly be appointed by a notice in writing (a **proxy notice**) which:
- 8.22.1 states the name and address of the Member appointing the proxy;
 - 8.22.2 identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
 - 8.22.3 is signed by or on behalf of the Member appointing the proxy or is authenticated in such manner as the Trustees may determine; and

- 8.22.4 is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which they relate.
- 8.23 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 8.24 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.
- 8.25 Unless a proxy notice indicates otherwise, it must be treated as:
- 8.25.1 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
- 8.25.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates, as well as to the meeting itself.
- 8.26 A person who is entitled to speak, attend 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.
- 8.27 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.
- 8.28 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.
- 8.29 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.

Written resolutions

- 8.30 A written resolution passed in accordance with the Act is as valid as a resolution actually passed at a general meeting (and for this purpose the written resolution may be set out in more than one document). A written resolution passed under this Article will lapse if not passed before the end of six calendar months beginning with the circulation date (as defined in section 290 of the Companies Act 2006).

Interpretation of terms used in Article 8

- 8.31 References to a "general meeting" in this Article 8 shall include reference to a meeting which persons may attend, speak at, vote or otherwise participate in without all of the persons, or without any of the persons, being together in the same place.
- 8.32 References to a "place" where a general meeting is held, or to be held, includes a reference to more than one place, including electronic, digital or virtual locations, web addresses or conference call telephone numbers.
- 8.33 References to being "present" at a general meeting includes a reference to being present by electronic means, including telephone conference, video conference, live webcast and live interactive streaming and a person is present at a general meeting if they are able to hear and be heard and, where practicable, see and be seen, by the other persons present.

9 The Board of Trustees

9.1 The Trustees are the charity trustees of the Company and have control of the Company and its property and funds, and accordingly comprise the Board of the Company.

Appointment of Trustees

9.2 The members of the Standing Committee from time to time appointed in accordance with the Standing Orders (including the Ex-officio Members, Elected Members and Nominated Members of the Standing Committee) shall be the Trustees of the Company.

9.3 From the adoption of these Articles, the existing Trustees shall continue to hold office on their existing terms.

9.4 Subject to Articles 9.3, the term of office of a Trustee who is also an Elected Member shall be 3 years, such term of office to begin from the date of the first meeting of the Standing Committee following his or her election and to expire at the beginning of the first meeting of the Standing Committee following the election of his or her successor. A Trustee who is also an Elected Member shall be eligible to serve for one further term of 3 years.

9.5 After a Trustee who is also an Elected Member has served two consecutive terms in office, he or she shall only be eligible to serve any further term of office after a year has elapsed since he or she retired as a Trustee (and Elected Member).

9.6 Subject to Article 9.3, the term of office of a Trustee who is also a Nominated Member shall be 1 year, such term of office to begin from the date of the first meeting of the Standing Committee following his or her appointment and to expire at the beginning of the first meeting of the Standing Committee 1 year following his or her appointment. A Trustee who is also a Nominated Member shall be eligible to serve for further terms of 1 year each.

9.7 Every Trustee shall either sign a written consent to become a Trustee, which may be contained in the written consent signed by him or her upon appointment as a member of the Standing Committee or such separate consent form as the Synod may determine from time to time.

Vacation of office

9.8 Every Trustee will hold office until his or her term of office expires or (if earlier) he or she vacates office in accordance with Article 9.9.

9.9 A Trustee's term of office automatically terminates if he or she:

9.9.1 is disqualified under the Charities Act 2011 from acting as a charity trustee;

9.9.2 has become physically or mentally incapable of acting as a Trustee and may remain so for more than 3 months, based on a written opinion to that effect given to the Trustees by a registered medical practitioner who is treating that person;

9.9.3 being a Trustee who is also an Elected Member or a Nominated Member, is absent without the permission of the Board from all of its meetings held within a period of 12 months and the Board resolves that his or her office be vacated;

9.9.4 resigns by written notice to the Secretary;

9.9.5 becomes bankrupt, has an interim receiving order made against him or her, makes any arrangement or compounds with his or her creditors generally or applies to the court for an interim order in respect of a voluntary arrangement;

- 9.9.6 is convicted of an offence and the Trustees shall resolve that it is undesirable in the interests of the Company that he or she remains a Trustee of the Company; or
- 9.9.7 ceases to be a member of the Standing Committee or ceases to be eligible to be a member of the Standing Committee in accordance with the Standing Orders and/or the Church Representation Rules.
- 9.10 A technical defect in the appointment of a Trustee of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting of the Board.

10 Proceedings of the Board

- 10.1 The Board may meet for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 10.2 The President may, and the Secretary on the requisition of any Trustee shall, call a meeting of the Board at any time by giving notice of the meeting to the Trustees provided that:
 - 10.2.1 such notice must indicate the proposed date, time and location of the meeting and, if it is anticipated that Trustees 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;
 - 10.2.2 such notice must be given to each Trustee, but need not be in writing; and
 - 10.2.3 such notice need not be given to Trustees who waive their entitlement to notice of that meeting by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held (and where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it).
- 10.3 It shall not be necessary to give notice of a meeting of the Board to any Trustee for the time being absent from the United Kingdom.
- 10.4 The quorum necessary at a meeting of the Board shall be one-third of the total number of Trustees. If the number of Trustees present at a meeting of the Board is less than the quorum required, the Trustees must not take any decision other than a decision to appoint an administrator, administrative or other receiver or a licensed insolvency practitioner or any other role relating to the Company recognised by the relevant insolvency, company, property or charity legislation as from time to time in force, provided always that in all other respects, the provisions of these Articles in relation to the calling of meetings of the Board shall be complied with.
- 10.5 A meeting of the Board may be held either in person or by suitable electronic means (including by video or telephone conferencing) agreed by the Trustees in which all Trustees participating in the meeting may communicate with all the other participants. If all the Trustees 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.
- 10.6 The chair of a meeting of the Board (the "**Chair of Trustees**") shall be:
 - 10.6.1 the President; or
 - 10.6.2 if he or she is unable or unwilling to preside, any suffragan bishop of the Diocese; or
 - 10.6.3 if he or she is unable or unwilling to preside, the Trustees present shall choose one of their number to be chair of a meeting of the Board.

- 10.7 Subject to Article 10.11, every decision of the Board shall be by a simple majority of the votes cast at a meeting.
- 10.8 Every Trustee has 1 vote on each issue except for the Chair of Trustees, who in the event of an equality of votes has a second or casting vote (unless the Chair of Trustees is in accordance with these Articles not to be counted as participating in the decision-making process for quorum or voting purposes).
- 10.9 The Company has been designated by a scheme under the Endowments and Glebe Measure 1976 to manage the glebe of the Diocese and by a scheme under the Repair of Benefices Measure 1972 as the parsonages board of the Diocese.
- 10.10 The Board may meet at the same time as a meeting of the Standing Committee and the Mission and Pastoral Committee, the Parsonages Board and the Glebe Committee and the joint meeting shall be called the "Bishop's Diocesan Council".

Decisions without a meeting

- 10.11 The Trustees may take a unanimous decision without holding a Trustees' meeting by indicating to each other by any means, including without limitation by electronic means, that they share a common view on a matter. Such decisions may, but need not, take the form of a resolution in writing, copies of which have been signed by each Trustee or to which each Trustee has otherwise indicated agreement in writing. A decision made in accordance with this Article 10.11 shall be as valid and effectual as if it has been passed at a meeting duly convened and held, provided the following conditions are complied with:
- 10.11.1 approval from each Trustee must be received by the Chair of Trustees, or if the Chair of Trustees is unable or unwilling to do so, some other Trustee nominated in advance by the Trustees for that purpose (**Recipient**);
- 10.11.2 following receipt of the response from all of the Trustees, the Recipient shall communicate to all of the Trustees by any means whether the resolution has been formally approved by the Trustees in accordance with this Article 10.11;
- 10.11.3 the date of the decision shall be the date of the communication from the Recipient confirming formal approval; and
- 10.11.4 the Recipient prepares a minute of the decision and circulates it to the Trustees and the Secretary.
- 10.12 A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting or in writing by the Trustees.

11 Powers of Trustees

- 11.1 The Trustees have the following powers in the administration of the Company:
- 11.1.1 at their absolute discretion, to appoint (and remove) (in accordance with Article 13) any person or corporate entity (who may also be a Trustee) to act as Secretary to the Company in accordance with the Act;
- 11.1.2 to appoint a treasurer, patron and other honorary offices;
- 11.1.3 to make standing orders consistent with these Articles, the Act and the Standing Orders to govern proceedings at general meetings;
- 11.1.4 to make rules consistent with these Articles, the Act and the Standing Orders to govern proceedings at meetings of the Board and of committees;

11.1.5 to make regulations consistent with these Articles, the Act and the Standing Orders to govern the administration of the Company; and

11.1.6 to exercise any powers of the Company which are not reserved to a general meeting (or some other person or persons in accordance with the Standing Orders).

12 Chair of the TDBF¹

12.1 Subject to Article 12.2, at the first meeting of the Members of the Company immediately following a Triennial Election, the Company shall elect an individual (who may, but need not be a Member) to hold office as the Chair of the TDBF and who shall hold office until his or her successor shall be elected for the subsequent Triennium, but he or she shall be eligible for re-election for such further terms in office as the Company shall deem fit.

12.2 The President shall nominate an individual for election as the Chair of the TDBF after consultation with the Trustees to determine the skills and expertise required.

12.3 In the event that the individual elected as the Chair of the TDBF is not at the time of their election a member of Synod, the President shall nominate him or her as an additional member of Synod in accordance with rule 30(6) of the Church Representation Rules.

12.4 In the event of a vacancy in the office of Chair of the TDBF, the Trustees shall elect an individual to fill the vacancy who has been nominated by the President.

12.5 The Chair of the TDBF shall advise the Board on financial matters and assist in policy making including the development of the Company's financial policies.

12.6 For the avoidance of doubt, the Chair of the TDBF is not the Chair of Trustees and accordingly shall not chair meetings of the Board and, except to the extent that the Chair of the TDBF is also a Trustee, he or she shall not engage in the day-to-day management of the Company.

13 Secretary

13.1 Subject to the provisions of the Act and these Articles, the Secretary shall be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any Secretary appointed may be removed by the Board.

13.2 The Secretary shall usually be the individual employed by the Company as the Diocesan Secretary.

13.3 If the Secretary appointed by the Board is also a Trustee, he or she shall not receive any remuneration except in accordance with Article 15 and provided that the terms of Articles 16 to 18 are complied with.

13.4 The Board may also appoint an assistant or deputy secretary and any person appointed may act in place of the Secretary if there is no Secretary capable of acting.

14 Delegation

14.1 Subject to these Articles, any statute, measure, and to any regulation, scheme or rule made pursuant to any statute or measure, the Board may from time to time by resolution appoint or remove and delegate any of its powers to any 1 or more committees for the purpose of making any inquiry or supervising or performing any function or duty which in the opinion of the Board would be more effectively undertaken or carried out by a committee, provided that:

¹ Amended by special resolution dated 29 September 2018

- 14.1.1 all proceedings of every committee must be reported promptly to the Trustees; and
- 14.1.2 every committee must act in accordance with the terms of reference or other rules on which any function is delegated to it (but, subject to that, the proceedings of the committee will be governed by such of these Articles as regulate the proceedings of the Board so far as they are capable of applying).
- 14.2 The Board may at any time revoke any delegation in whole or part or alter its terms.
- 15 Benefits to Members and Trustees**
- 15.1 Subject to Articles 15.2 and 15.3, the income and property of the Company must only be applied to promote the Objects and no part of that income or property may be paid, transferred or applied by way of Benefit to any Member or Trustee (and any reference to a Member or a Trustee in this Article includes references to any person who is Connected to that Member or Trustee).
- 15.2 In relation to the Members:
 - 15.2.1 a Member (who is not also a Trustee) may be employed by or enter into contracts with the Company and receive reasonable payment for goods or services supplied;
 - 15.2.2 a Member (including a Member who is also a Trustee) may be paid interest at a reasonable rate on money lent to the Company;
 - 15.2.3 a Member (including a Member who is also a Trustee) may be paid a reasonable rent or hiring fee for property let or hired to the Company;
 - 15.2.4 a payment may be made by the Company to any company in which a Member (who is not also a Trustee) has no more than a 1% shareholding;
 - 15.2.5 a Member (including a Member who is also a Trustee) may receive any Benefit in their capacity as a beneficiary of the Company; and
 - 15.2.6 another charity of which a Member (including a Member who is also a Trustee) is a charity trustee or member may receive any Benefit which is in furtherance of the Objects and does not confer any Benefit on the Member.
- 15.3 A Trustee may receive the following Benefits from the Company:
 - 15.3.1 reasonable and proper premiums in respect of indemnity insurance provided in accordance with these Articles;
 - 15.3.2 reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) properly incurred in the management and administration of the Company;
 - 15.3.3 an indemnity in accordance with these Articles;
 - 15.3.4 payment to any company in which a Trustee has no more than a 1% shareholding;
 - 15.3.5 other payments or benefits permitted by charity law or with the prior consent of the Commission;
 - 15.3.6 interest at a reasonable rate on money lent to the Company;
 - 15.3.7 a reasonable rent or hiring fee for property let or hired to the Company;
 - 15.3.8 any Benefit provided to a Trustee in his or her capacity as a beneficiary of the Company; and

- 15.3.9 in respect of the provision of goods or services in accordance with Article 15.5;
- provided that where any Benefit is provided by the Company to any Trustee under Article 15.3, the Trustees must comply with the provisions of Article 16 (Declaration of Interests) and Article 18 (Participation in decision-making).
- 15.4 For the avoidance of doubt, nothing in this Article 15 shall prevent the Company, in furtherance of the Objects, from conferring a Benefit on another charity of which a Trustee is a charity trustee or member, provided that it does not confer any Benefit on that Trustee.
- 15.5 Any Trustee may enter into a written contract with the Company to supply goods or services to the Company in return for a Benefit but only if:
- 15.5.1 the goods or services are actually required by the Company;
- 15.5.2 the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services supplied;
- 15.5.3 the Trustee has declared his or her Interest in accordance with Article 16 and the Trustees have complied with the procedure in Article 18;
- 15.5.4 fewer than half of the Trustees are subject to or affected by such a contract in any financial year (and this provision will apply to a Trustee if this Article 15.5 applies to a person who is Connected to that Trustee); and
- 15.5.5 the services supplied are not services supplied by the Trustee in his / her capacity as a Trustee.
- 15.6 For the avoidance of doubt, nothing in this Article 15 shall prevent the Company, in furtherance of the Objects, from providing a stipend to a Member or Trustee who is a clerk in holy orders or from making payments into his or her pension fund, providing housing or paying associated housing costs to such a Member or Trustee.
- 15.7 A Trustee or Member shall not receive a Benefit from any Subsidiary Company except in accordance with Article 15.2 for a Member or Article 15.3 for a Trustee (all of which apply as if references to the Company were references to the Subsidiary Company and references to the Articles were to the articles of association of the Subsidiary Company).
- 15.8 Any change to this Article which is or would be a regulated alteration for the purposes of section 198 of the Charities Act 2011 must only be made with the prior written consent of the Commission.

16 Declaration of Interests

- 16.1 Every Trustee has a duty to declare to the Trustees the nature and extent of any Interest which he or she (or any Connected Person) has in any proposed or existing transaction or arrangement with the Company or any situation or matter in relation to the Company that is, or possibly may be, a Conflict of Interest.
- 16.2 In the case of any proposed transaction or arrangement with the Company in which a Trustee (or any Connected Person) is Interested, he or she must declare the nature and extent of the Interest to the Trustees before the Company enters into the transaction or arrangement.
- 16.3 In the case of any existing transaction or arrangement that has been entered into by the Company or any situation or matter in relation to the Company in which a Trustee (or any Connected Person) is Interested, he or she must declare the nature and extent of the Interest to the Trustees as soon as is reasonably practicable.

- 16.4 Any declaration must be made in accordance with the provisions of the Act:
- 16.4.1 at a meeting of the Board; or
 - 16.4.2 by notice in writing to the Trustees; or
 - 16.4.3 by general notice to the Trustees.
- 16.5 A Trustee is not required to declare an Interest:
- 16.5.1 where the Trustee is not aware of the Interest (but the Trustee is treated as being aware of matters of which he ought reasonably to be aware); or
 - 16.5.2 where the Trustee is not aware of the transaction or arrangement or situation or matter (but the Trustee is treated as being aware of matters of which he ought reasonably to be aware); or
 - 16.5.3 if, or to the extent that, the other Trustees are already aware of the Interest (or ought reasonably to be aware of the Interest).
- 16.6 The Company will maintain a register of all of the Interests declared by the Trustees in accordance with this Article 16. The Trustees will prepare (and from time to time review) a policy in relation to the declaration and management of Conflicts of Interest.

17 Conflicts of Interest

- 17.1 Subject to Articles 17.2 and 18, a Trustee has a duty under the Act to avoid a transaction or arrangement (including a transaction or arrangement with the Company), situation or matter in which he or she has, or may have, a Conflict of Interest. This duty applies to the exploitation of any property, information or opportunity (and it is immaterial whether the Company could take advantage of the property, information or opportunity).
- 17.2 Pursuant to section 181(3) of the Companies Act 2006, the duty referred to in Article 17.1 does not apply to a Conflict of Interest arising in relation to any situation or matter or any transaction or arrangement:
- 17.2.1 between the Company and any Trustee which is mentioned in Articles 15.3.1 to 15.3.5, or Article 15.6 of these Articles;
 - 17.2.2 arising generally throughout the Diocese (or part thereof) or with regard to relations between the Diocese and any other organisation or institution of the Church of England, provided that the effects of this Article 17.2.2 shall not extend to any situation, matter, transaction or arrangement which will or may directly or indirectly Benefit a Trustee to an extent greater than is permitted under Articles 15.3.1 to 15.3.5.

18 Participation in decision-making

- 18.1 Subject to Article 18.2, if a Trustee's Interest cannot reasonably be regarded as likely to give rise to a Conflict of Interest with or in respect of the Company, he or she may participate in the decision-making process, be counted in the quorum and vote in relation to the matter.
- 18.2 Any uncertainty about whether a Trustee's Interest can or cannot reasonably be regarded as likely to give rise to a Conflict of Interest with or in respect of the Company shall be determined by a majority decision of those Trustees who are not so subject to the same Conflict of Interest (the "**unconflicted Trustees**") and the relevant Trustee shall withdraw from that part of the meeting at which the determination is to be made and shall not be counted in the quorum or vote on the determination.

- 18.3 If a Trustee's Interest gives rise (or could reasonably be regarded as likely to give rise) to a Conflict of Interest with or in respect of the Company, he or she must comply with Article 18.4 in relation to the transaction, arrangement, situation or matter, unless:
- 18.3.1 the Trustee will or may receive a Benefit permitted by Articles 15.3.1 to 15.3.5 or Article 15.6 of these Articles; or
 - 18.3.2 the transaction, arrangement, situation or matter is of the type described in Article 17.2.2 (and the Trustee will or may receive a Benefit (either directly or indirectly) only to the extent permitted under Articles 15.3.1 to 15.3.5); or
 - 18.3.3 a majority of the unconflicted Trustees decide that it would be in the best interests of the Company to allow the conflicted Trustee to participate in the decision-making process, be counted in the quorum or vote in relation to the transaction, arrangement, situation or matter;
- and in all other circumstances he or she must comply with Article 18.4.
- 18.4 If a Trustee with a Conflict of Interest or duty is required to comply with this Article 18.4, he or she must:
- 18.4.1 withdraw from that part of any meeting at which the relevant transaction, arrangement, situation or matter is to be discussed unless expressly invited to remain in order to provide information;
 - 18.4.2 not be counted in the quorum for that part of any meeting at which the relevant transaction, arrangement, situation or matter is discussed;
 - 18.4.3 withdraw during the vote and have no vote on the relevant transaction, arrangement, situation or matter; and
 - 18.4.4 not sign any written resolution in relation to the relevant transaction, arrangement, situation or matter (except where required to do so to confirm a resolution of the other Trustees).
- 18.5 The unconflicted Trustees may also exclude the Trustee from the receipt of information in relation to the relevant transaction, arrangement, situation or matter.
- 18.6 In this Article, references to a Trustee include references to any person who is Connected to that Trustee.

19 **Records and accounts**

- 19.1 The Trustees must comply with the requirements of the Act and of the Charities Act 2011 as to keeping financial records, the audit of accounts and the preparation and transmission to the Registrar of Companies and the Commission of:
- 19.1.1 annual reports;
 - 19.1.2 annual returns and confirmation statements; and
 - 19.1.3 annual statements of account.
- 19.2 The Trustees must keep proper records, in accordance with any legal requirements and best practice from time to time, of:
- 19.2.1 all proceedings at general meetings;

- 19.2.2 all proceedings at meetings of the Board (including a record of all unanimous or majority decisions taken by the Board for at least 10 years from the date of the decision recorded);
- 19.2.3 all reports of committees; and
- 19.2.4 all professional advice obtained.
- 19.3 Accounting records relating to the Company must be made available for inspection by any Trustee at any reasonable time during normal office hours.
- 19.4 The Board shall in every year prepare an annual report for submission to the annual general meeting and shall present the same to the Synod together with copies of the Company's audited accounts and shall also once or more often in each year, submit to the Synod an estimate or estimates of necessary diocesan expenditure for the forthcoming year. It shall be part of the work of the Board acting on behalf of the Company to take such steps as may be deemed necessary with the authority of the Synod to raise such money as may be required to meet the funding required for the Diocese set out in such estimate or estimates.
- 19.5 A copy of the Company's latest available statement of account must be supplied on request to any Trustee or Member, or to any other person who makes a written request and pays the Company's reasonable costs, within 2 months of such request.

20 Notices

- 20.1 Notices, documents, resolutions or information under these Articles may be sent or supplied to Trustees by hand, or by post or by suitable electronic means.
- 20.2 A technical defect in the giving of notice of a meeting of which the Trustees are unaware at the time does not invalidate decisions taken at that meeting.
- 20.3 The Company may deliver a notice or other document to a Member by:
 - 20.3.1 delivering it personally to the Member;
 - 20.3.2 post or hand delivery to the Member's address shown in the register of Members;
 - 20.3.3 electronic mail to an address notified by the Member in writing; or
 - 20.3.4 by means of a website in accordance with Articles 20.4 and 20.5.
- 20.4 Notices, resolutions, documents or information may be sent or supplied to Members by means of a website provided that a Member has consented to receive notices, resolutions, documents or information in that way. A Member will be deemed to have agreed to receive notices, resolutions, documents and information in this way where they have been asked individually by the Company to agree to receive notices, resolutions, documents and information through a website and the Company has not received a response within the period of 28 days beginning with the date on which the Company's request was sent. A Member is not taken to have so agreed if the Company's request did not state clearly what the effect of a failure to respond would be, or was sent less than 12 months after a previous request was made.
- 20.5 Where any notice, resolution, document or other information is to be sent or supplied by means of a website, a Member shall be notified in accordance with Articles 20.3.1, 20.3.2 or 20.3.3 of:
 - 20.5.1 its presence on the website;

- 20.5.2 the address of the website;
 - 20.5.3 the place on the website where it may be accessed; and
 - 20.5.4 how to access it.
- 20.6 Any notice, resolution, document or other information sent or supplied by means of a website shall be deemed to have been received by the Member when the notice, resolution, document or other information is first made available on the website or, if later, when the Member is deemed to have received the notification given under Article 20.5 in accordance with the relevant provisions of 20.7.
- 20.7 Subject to Article 20.6, any notice, resolution, document or other information sent or supplied to Members in accordance with these Articles is to be treated for all purposes as having been received:
- 20.7.1 24 hours after being sent by electronic means or delivered by hand to the relevant address;
 - 20.7.2 2 clear days after being sent by first class post to that address;
 - 20.7.3 3 clear days after being sent by second class or overseas post to that address;
 - 20.7.4 on being handed to the Member (or, in the case of a member organisation, its authorised representative) personally; or, if earlier
 - 20.7.5 as soon as the Member acknowledges actual receipt.

21 **Indemnity**

- 21.1 The Company may indemnify any Trustee against any liability incurred by him or her in that capacity, to the extent permitted by the Act.

22 **Dissolution**

- 22.1 If upon the winding up or dissolution of the Company there remains after the satisfaction of all its debts and liabilities any property whatsoever, the same shall not be paid to or distributed among the Members of the Company, but if and so far as effect can be given to the next provision shall be given or transferred to some other institution or institutions having objects similar or cognate to the objects of the Company and which shall prohibit the distribution of its or their income and property amongst its Members to an extent as least as great as imposed on the Company under or by virtue of Article 15 hereof, such institution or institutions to be determined by the Members of the Company at or before the time of dissolution and if and so far as effect cannot be given to such provision then to some charitable object in connection with the Church of England determined by the Members of the Company.

23 **Synod**

- 23.1 A resolution of the Synod shall be treated by the Company as sufficiently proved if a copy or what purports to be a copy thereof is delivered to the Secretary of the Company signed or purporting to be signed by the person who is or appears to be the secretary of the Synod for the time being.

24 **Model articles**

- 24.1 The model articles for private companies limited by guarantee contained in schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall not apply to the Company.