

**The Companies Act 2006**

**Company No: 06209593**

**Incorporation date: 11 April 2007 (Revised Objects 6 June 2013)**

**Memorandum &  
Articles of Association  
of  
Buckland Newton CPT Limited**

**The Companies Act 2006**

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**Company Limited by Guarantee  
and not having a Share Capital**

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**Articles of Association  
of  
Buckland Newton CPT Limited**

- 1 The name of the Company is Buckland Newton CPT Limited ("**the Company**").
- 2 The registered office of the Company is to be in England and Wales.
- 3 The Objects of the Company are within the area of benefit (as defined in Article 19):
  - 3.1 To assist in the provision of affordable housing accommodation and Housing management services for persons who are in conditions of need, poverty or distress. The maintenance, improvement or provision of public amenities.
  - 3.2 The provision of facilities for recreation or other leisure time occupation in the interest of social welfare with the object of improving the conditions of life for the residents of the area of benefit
  - 3.3 The advancement of education and vocational training amongst the residents of the area of benefit and the creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms.
- 4 The Company has the following powers, which may be exercised only in promoting the Objects:
  - 4.1 To hire or acquire property or any land, and in particular acquire and retain interests in land within the area of benefit,
  - 4.2 To actively manage the interests in land referred to in Article 4.1 to retain asset value, maximise asset value and recycle any gains made in dealing with the assets, for the benefit of the community,
  - 4.3 To promote or carry out research,
  - 4.4 To provide advice,

- 4.5 To publish or distribute information,
- 4.6 To co-operate with other bodies,
- 4.7 To support, administer or set up other Companies,
- 4.8 To raise funds,
- 4.9 To borrow money and give security for loans,
- 4.10 To let or dispose of property of any kind,
- 4.11 To make grants or loans of money and to give guarantees,
- 4.12 To set aside funds for special purposes or as reserves against future expenditure,
- 4.13 To deposit or invest funds in any manner (but to invest only after obtaining advice from a financial expert and having regard to the suitability of investments and the need for diversification),
- 4.14 To delegate the management of investments to a financial expert, but only on terms that:
  - 4.14.1 the investment policy is set down in writing for the financial expert by the Directors,
  - 4.14.2 every transaction is reported promptly to the Directors,
  - 4.14.3 the performance of the investments is reviewed regularly with the Directors,
  - 4.14.4 the Directors are entitled to cancel the delegation arrangement at any time,
  - 4.14.5 the investment policy and the delegation arrangement are reviewed at least once a year,
  - 4.14.6 all payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Directors on receipt,
  - 4.14.7 the financial expert must not do anything outside the powers of the Directors.
- 4.15 To arrange for 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 Directors or of a financial expert acting under their instructions and to pay any reasonable fee required.
- 4.16 To insure the property of the Company against any foreseeable risk and take out other insurance policies to protect the Company when required.
- 4.17 To pay for indemnity insurance for the Directors.
- 4.18 Subject to Article 5, to employ paid or unpaid agents, staff or advisers.
- 4.19 To enter into contracts to provide services to or on behalf of other bodies.
- 4.20 To establish subsidiary Companies to assist or act as agents for the Company.
- 4.21 To pay the costs of forming the Company.

- 4.22 To help any charity or other body not trading for profit.
- 4.23 To do anything else within the law which promotes or helps to promote the Objects.

## 5

- 5.1 The property and funds of the Company must be used only for promoting the Objects and in accordance with Articles 5.5 to 5.8 below and do not belong to the members of the Company but:
  - 5.1.1 members who are not Directors may be employed by or enter into contracts with the Company and receive reasonable payment for goods or services supplied,
  - 5.1.2 members (including Directors) may be paid interest at a reasonable rate on money lent to the Company,
  - 5.1.3 members (including Directors) may be paid a reasonable rent or hiring fee for property let or hired to the Company,
  - 5.1.4 individual members (including Directors) may be granted tenancies or other form of accommodation.
- 5.2 Directors must not receive any payment of money or other material benefit (whether directly or indirectly) from the Company except:
  - 5.2.1 as mentioned in Articles 4.17, 5.1.1, 5.1.3 or 5.3,
  - 5.2.2 reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in running the Company,
  - 5.2.3 an indemnity in the circumstances specified in Article 18,
  - 5.2.4 payment to any company in which a Director has no more than a 1 per cent shareholding,
  - 5.2.5 reasonable and proper remuneration to any Director of the Company,
  - 5.2.6 in exceptional cases, other payments or benefits (but only with the written approval of the Directors in advance).
- 5.3 Any Director (or any firm or company of which a Director is a member of employee) may enter into a contract with the Company to supply goods or services, or to dispose of land to the Company, in return for a payment or other material benefit but only if:
  - 5.3.1 the goods or services or land are actually required by the Company,
  - 5.3.2 the nature and level of the remuneration or consideration is no more than is reasonable in relation to the value of the goods, services or land and is set in accordance with the procedure in Article 5.4,
  - 5.3.3 no more than one third of the Directors are subject to such a contract in any financial year.
- 5.4 Whenever a Director has a personal interest in a matter to be discussed at a meeting of the Directors or a committee the Director concerned must:

- 5.4.1 declare an interest at or before discussion begins on the matter,
- 5.4.2 withdraw from the meeting for that item unless expressly invited to remain in order to provide information,
- 5.4.3 not be counted in the quorum for that part of the meeting,
- 5.4.4 withdraw during the vote and have no vote on the matter.
- 5.5 The Company shall not transfer any of its assets other than for full consideration.
- 5.6 Provided the conditions in Article 5.7 are satisfied, Article 5.5 shall not apply to:
  - 5.6.1 the transfer of assets to any asset-locked body; and
  - 5.6.2 the transfer of assets made pursuant to Article 3 other than by way of a transfer of assets into an asset-locked body.
- 5.7 The conditions are that the transfer of assets must comply with any restrictions on the transfer of assets for less than full consideration which may be set out elsewhere in the Memorandum and Articles of the Company.
- 5.8 If the Company is wound up under the Insolvency Act 1986 and all its liabilities have been satisfied, any residual assets shall be given or transferred to an Asset-Locked Body.
- 6 The liability of members is limited.
- 7 Every member promises, if the Company is dissolved while he, she or it remains a member or within 12 months afterwards, to pay up to £1 towards the costs of dissolution and the liabilities incurred by the Company while he or she was a member.
- 8 If the Company is dissolved the assets (if any) remaining after provision has been made for all its liabilities must be applied in one or more of the following ways:
  - 8.1 By transfer to one or more other bodies established for purposes with the same as or similar to the Objects, and
  - 8.2 Directly for the Objects or purposes within or similar to the Objects.
- 9 References to an Act of Parliament are references to the Act as amended or re-enacted from time to time and to any subordinate legislation made under it.
- 10 **Membership**
  - 10.1 The number of members with which the company proposes to be registered is unlimited.
  - 10.2 The Company must maintain a register of members.
  - 10.3 Membership of the Company is open to any individual or organisation interested in promoting the Objects who:
    - 10.3.1 applies to the Company in the form required by the Directors,
    - 10.3.2 is approved by the Directors,

- 10.3.3 pays any subscription required by the Directors, and
- 10.3.4 signs the Register of members or consents in writing to become a member either personally or (in the case of a member organisation) through an authorised representative.
- 10.4 Members shall be designated Resident Members, Community Members and Stakeholder Members by the Directors.
- 10.5 The number of members who are local authorities (as defined by Section 67 of the Local Government and Housing Act 1989) and local authority persons shall not exceed one third of the total number of members. The Directors shall use all reasonable endeavours to ensure that there are sufficient other members to avoid breach of this rule.
- 10.6 Membership is terminated if the member concerned:
  - 10.6.1 gives written notice of resignation to the Company,
  - 10.6.2 dies or (in the case of an organisation) ceases to exist,
  - 10.6.3 is six months in arrears in paying the relevant subscription (if any) (but in such a case the member may be reinstated on payment of the amount due), or
  - 10.6.4 is removed from membership by resolution of the Directors on the ground that in their reasonable opinion the member's continued membership is harmful to the Company (but only after notifying the member in writing and considering the matter in the light of any written representations which the member concerned puts forward within 14 clear days after receiving notice).
- 10.7 Membership of the Company is not transferable.

## 11 **General meetings**

- 11.1 Members are entitled to attend general meetings either personally, by proxy or (in the case of a member organisation) by an authorised representative. Proxy forms must be delivered to the Secretary at least 24 hours before the meeting. General meetings are called on at least 14 clear days written notice specifying the business to be discussed.
- 11.2 There is a quorum at a general meeting if the number of members or authorised representatives personally present is at least three (or ten per cent of the members if greater)
- 11.3 The Chairman or (if the Chairman is unable or unwilling to do so) some other member elected by those present presides at a general meeting.
- 11.4 Except where otherwise provided by the Act, every issue is decided by a majority of the votes cast.
- 11.5 Subject to Article 11.7 except for the chairman of the meeting, who has a second or casting vote, every member present in person (or through an authorised representative) has one vote on each issue.
- 11.6 A poll may be demanded by the Chairman or at least two Members having the right to vote at the meeting.

11.7 On a poll the Members present in person or by proxy shall be entitled to vote in accordance with the following percentages of the total votes cast:

11.7.1 The Resident Members: 20% of the total votes,

11.7.2 The Community Members: 60% of the total votes,

11.7.3 The Stakeholder Members: 20% of the total votes.

11.8 A written resolution signed by all those entitled to vote at a general meeting 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 and will be treated as passed on the date of the last signature).

11.9 The Company must hold an AGM in every year which all members are entitled to attend. The first AGM may be held within 18 months after the Company's incorporation.

11.10 At an AGM the members:

11.10.1 receive the accounts of the Company for the previous financial year,

11.10.2 receive the Directors' report on the Company's activities since the previous AGM,

11.10.3 accept the retirement of those Directors who wish to retire or who are retiring by rotation,

11.10.4 elect persons to be Directors to fill the vacancies arising,

11.10.5 appoint auditors for the Company,

11.10.6 may confer on any individual (with his or her consent) the honorary title of Patron, President or Vice-President of the Company, and

11.10.7 discuss and determine any issues of policy or deal with any other business put before them.

11.11 A general meeting can be called by short notice if it is so agreed by a majority in number of the members having a right to attend and vote at the meeting, being a majority who together hold not less than 90 per cent of the total voting rights.

## 12 **Directors**

12.1 The Directors have control of the Company and its property and funds.

12.2 The directors listed in Form 10 are the first Directors of the Company.

12.3 The Directors when complete shall consist of at least three and not more than twelve individuals, all of whom must be members. The number of local authority persons shall not exceed one third of the total number of Directors.

12.4 Up to two Directors shall be elected by the Resident Members.

12.5 Up to two Directors shall be elected by the Stakeholder Members.

12.6 The remainder of the Directors shall be elected by the Community Members.

- 12.7 Directors shall be elected by the different classes of member in such a manner and numbers as approved by the Directors from time to time.
- 12.8 Every Director must sign a declaration of willingness to act as a company director of the Company before he or she is eligible to vote at any meeting of the Directors.
- 12.9 One third (or the number nearest one third) of the Directors must retire at each AGM, those longest in office retiring first and the choice between any Directors of equal service being made by drawing lots (where not agreed between them).
- 12.10 A Director's term of office automatically terminates if he or she:
- 12.10.1 is disqualified under the Companies Act from acting as a company director,
- 12.10.2 is incapable, whether mentally or physically, of managing his or her own affairs,
- 12.10.3 is absent from four consecutive meetings of the Trustees (or such larger number of meetings as the Trustees may from time to time agree),
- 12.10.4 ceases to be a member (but such a person may be reinstated by resolution passed by all the other Directors on resuming membership of the Company before the next AGM),
- 12.10.5 resigns by written notice to the Directors (but only if at least two Directors will remain in office),
- 12.10.6 is or becomes a local authority person leading to a breach of the limit in Article 12.3,
- 12.10.7 is removed by resolution passed by at least 75% of the Directors present and voting at a meeting after the meeting has invited the views of the Directors concerned and considered the matter in the light of any such views,
- 12.10.8 is removed by notice in writing served by the class of Member by which he is elected and signed by a majority of the persons comprising that class of Member.
- 12.11 The Directors may at any time co-opt any person duly qualified to be appointed as a Director to fill a vacancy in their number or as an additional Director, but a co-opted Director holds office only until the next AGM (and shall be eligible for co-option again thereafter). The number of such co-opted Directors shall not exceed two at any time.
- 12.12 A technical defect in the appointment of a Director of which the Directors are unaware at the time does not invalidate decisions taken at a meeting.
- 12.13 The Directors shall nominate from its number two Directors to be appointed at the AGM as authorised signatories; one of whom must be the Chair, Company Secretary or Treasurer.

### 13 **Proceedings of Directors**

- 13.1 The Directors must hold at least four meetings each year.
- 13.2 A quorum at a meeting of the Directors is three Directors or such higher number as set out in Rules adopted by the Directors.

- 13.3 A meeting of the Directors may be held either in person or by suitable electronic means agreed by the Directors in which all participants may communicate with all the other participants.
- 13.4 The Chairman or (if the Chairman is unable or unwilling to do so) some other Director chosen by the Directors present presides at each meeting.
- 13.5 Every issue may be determined by a simple majority of the votes cast at a meeting but a written resolution signed by all the Directors is as valid as a resolution passed at a meeting (and for this purpose the resolution may be contained in more than one document and will be treated as passed on the date of the last signature).
- 13.6 Except for the chairman of the meeting, who has a second or casting vote, every Director has one vote on each issue.
- 13.7 A procedural defect of which the Directors are unaware at the time does not invalidate decisions taken at a meeting.

#### 14 **Powers of Directors**

- 14.1 Subject to the provisions of the Act, the Memorandum and the Articles and to any directions given by special resolution, the business of the Company shall be managed by the Board who may exercise all the powers of the Company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the Board. The powers given by this Article shall not be limited by any special power given to the Board by the Articles and a meeting of the Board at which a quorum is present may exercise all powers exercisable by the Board.
- 14.2 Without limiting the ambit of Article 14.1, the Directors have the following powers in the administration of the Company:
- 14.2.1 To appoint (and remove) any member (who may be a Director) to act as Secretary to the Company in accordance with the Act,
- 14.2.2 To appoint a Chairman, Treasurer and other honorary officers from among their number,
- 14.2.3 To delegate any of their functions to committees consisting of two or more individuals appointed by them (but at least one member of every committee must be a Director and all proceedings of committees must be reported promptly to the Directors),
- 14.2.4 To make Standing Orders consistent with the Memorandum, these Articles and the Act to govern proceedings at general meetings,
- 14.2.5 To make Rules consistent with the Memorandum, these Articles and the Act to govern proceedings at their meetings and at meetings of committees,
- 14.2.6 To make Regulations consistent with the Memorandum, these Articles and the Act to govern the administration of the Company and the use of its seal (if any),
- 14.2.7 To establish procedures to assist the resolution of disputes within the Company,
- 14.2.8 To exercise any powers of the Company which are not reserved to a general meeting.

14.2.9 To pay reasonable and proper remuneration to Directors in accordance with Article 5.2.5.

14.3 The Board may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as it thinks fit, and to grant any mortgage, fixed or floating charge or other security over its present and future undertaking property and assets (including cash and investments), or any part thereof, and to issue any debenture, whether outright or as security for any debt, liability or obligation of the Company.

## 15 **Records & Accounts**

15.1 The Directors must comply with the requirements of the Act as to keeping financial records, the audit of accounts and the preparation and transmission to the Registrar of Companies of:

15.1.1 annual reports,

15.1.2 annual returns,

15.1.3 annual statements of account.

15.2 The Directors must keep proper records of:

15.2.1 all proceedings at general meetings,

15.2.2 all proceedings at meetings of the Directors,

15.2.3 all reports of committees, and

15.2.4 all professional advice obtained.

15.3 Accounting records relating to the Company must be made available for inspection by any Director at any reasonable time during normal office hours and may be made available for inspection by members who are not Directors if the Directors so decide.

15.4 A copy of the Company's latest available statement of account must be supplied on request to any Director or member, or to any other person who makes a written request and pays the Company's reasonable costs, within two months.

## 16 **Notices**

16.1 Notices under these Articles may be sent by hand, or by post or by suitable electronic means.

16.2 The only address at which a member is entitled to receive notices is the address shown in the register of members.

16.3 Any notice given in accordance with these Articles is to be treated for all purposes as having been received:

16.3.1 24 hours after being sent by electronic means or delivered by hand to the relevant address,

16.3.2 two clear days after being sent by first class post to that address,

16.3.3 three clear days after being sent by second class or overseas post to that address,

16.3.4 on the date of publication of a newspaper containing the notice,

16.3.5 on being handed to the member (or, in the case of a member organisation, its authorised representative) personally or, if earlier,

16.3.6 as soon as the member acknowledges actual receipt.

16.4 A technical defect in the giving of notice of which the Directors are unaware at the time does not invalidate decisions taken at a meeting.

## 17 **Indemnity**

The Company may indemnify any Director against every liability incurred by him or her in that capacity to the extent permitted by the Act.

## 18 **Dissolution**

The provisions of the Memorandum relating to dissolution of the Company take effect as though repeated here.

## 19 **Interpretation**

In the Memorandum in and in these Articles:

**The Act** means the Companies Act 2006;

**AGM** means an annual general meeting of the Company;

**area of benefit** means the area comprising Buckland Newton in the District of West Dorset (being the administrative boundaries of the Local Authority at the date of incorporation of the Company);

**these Articles** means these articles of association;

**Asset Locked Body** means

a a community interest company; or

b a charity; or

c a Permitted Industrial and Provident Society;

**authorised representative** means an individual who is authorised by a member organisation to act on its behalf at meetings of the Company and whose name is given to the Secretary;

**Chairman** means the chairman of the Directors;

**the Company** means the company governed by these Articles;

**clear day** means 24 hours from midnight following the relevant event;

**Community Member** means a member of the Company who is not a Resident Member or a Stakeholder Member;

**financial expert** means an individual, company or firm who is an authorised person or an exempted person within the meaning of the Financial Services Act 1986;

**houses** and **hostels** shall have the meanings given by Section 106 of the Housing Associations Act 1985 and shall include blocks of flats within the meaning of Section 4 of the Housing Associations Act 1985;

**indemnity insurance** means insurance against personal liability incurred by any Director for an act or omission which is or is alleged to be a breach of trust or breach of duty. Unless the Director concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty;

**Local Authority** means West Dorset District Council;

**local authority person** means any person:

- a who is or has been an elected member of a relevant local authority in the preceding four years,
- b who is an officer of a relevant local authority, or
- c who is or has been both an employee and either a director, manager, secretary or other similar officer of a company which is under control of a relevant local authority;

**material benefit** means a benefit which may not be financial but has a monetary value;

**member** and **membership** refer to membership of the Company;

**Memorandum** means the Company's Memorandum of Association;

**month** means calendar month;

**the Objects** means the Objects of the Company as defined in Article 3;

**Parish Council** means the Council of the Parish of Buckland Newton;

**Permitted Industrial and Provident Society** means an industrial and provident society which has a restriction on the use of its assets in accordance with Regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations 2006 or Regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations (Northern Ireland) 2006;

**relevant local authority** shall mean a local authority as defined in Section 67 of the Local Government and Housing Act 1989;

**Resident Member** means a member of the Company who is a resident or potential resident of the Company's property;

**Secretary** means the Secretary of the Company;

**Stakeholder Member** means a member of the Company which is the Local Authority, the Parish Council and any other relevant local authority, or who is an individual representative of such organisations;

**taxable trading** means carrying on a trade or business on a continuing basis for the principal purpose of raising funds and not for the purpose of actually carrying out the Objects;

**Trustee** means a director of the Company and "Directors" means all of the directors;

**written** or **in writing** refers to a legible document on paper including a fax message;

**year** means calendar year;

19.2 Expressions defined in the Act have the same meaning.

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