# **Changes to the articles of association of RESTORE**

The trustees of Restore wish to propose the following changes to RESTORE’s articles of association:

1. Objects (article 2): the geographical area in the charity operates is being extended from the city of Oxford and the surrounding district to Oxfordshire and its surrounding areas. This change has been approved by the Charity Commission and will allow RESTORE to help those who live on the Oxfordshire borders as well as to deliver services in neighbouring counties.
2. Benefits to members and trustees (article 4): this has been expanded to allow trustees to supply goods or services to the charity in certain circumstances and to be paid for doing so. This is permitted under the Charities Act 2011 and the proposed change here (which means widening benefits to trustees) has been approved by the Charity Commission. The new wording would not allow a trustee to be employed by RESTORE.
3. Members (article 5): new wording has been added to make it clear that the term “friends” can be used to describe the company members. This is to avoid confusion with the use of the word “Member” to describe the users of Restore’s services.
4. General meeting (article 6): the quorum for meetings of the charity members has been lowered to a more realistic level of 10 members or 5% of the membership if greater.
5. Trustees (article 7): the changes here relate to the circumstances in which a trustee’s term of office and company membership terminate and reflect best practice in charity governance.

The only other change is the way in which the new articles of association are presented. Instead of being contained in two documents, a memorandum of association and articles of association, they are now contained in one set of articles of association. The new format brings the documents into line with modern company law. It does however mean that the layout and numbering of the clauses in the new articles is different from those contained in the previous documents.

The proposed new Articles of Association are shown below, for reference.

Dated: 19th October 2018

Companies Act 2006

 Company limited by guarantee

 Company Number: 1324318

 ARTICLES OF ASSOCIATION

 REHABILITATION SERVICES TRUST FOR

OXFORDSHIRE RE-EMPLOYMENT LIMITED

The Company was originally incorporated on 11 June 1977. A new Memorandum and Articles of Association were adopted by the members at an EGM held on 26 September 2007. These were amended by the members at an Extraordinary General Meeting held on 21 October 2015 and at an AGM held on 2018.

COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE

ARTICLES OF ASSOCIATION OF REHABILITATION SERVICES TRUST FOR OXFORDSHIRE RE-EMPLOYMENT LIMITED

1. NAME

The name of the Charity is Rehabilitation Services Trust for Oxfordshire Re-employment Limited.

1. OBJECTS

2.1 The Objects are for the relief of persons suffering from mental distress and disorder including ~~particularly~~ persons *in Oxfordshire and its surrounding areas* (hereinafter called the "area of benefit") and in particular for the following purposes:

2.1 .1 To provide for the rehabilitation of the disabled;

2.1.2 To provide them with opportunities for therapeutic work, training, work placement and support to gain employment.

1. POWERS
	* 1. The Charity has the following powers, which may be exercised only in promoting the Objects:

3.1.2 to promote or carry out research;

3.1.3 to provide advice;

3.1.4 to publish or distribute information;

3.1.5 to co-operate with other bodies;

3.1.6 to support, administer or set up other charities;

3.1.7 to raise funds (but not by means of taxable trading);

3.1.8 to borrow money and give security for loans (but only in accordance with the restrictions imposed by the Charities Act);

 3.1.9 to acquire or hire property of any kind;

3.1.10 to let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act);

3.1.11 to make grants or loans of money and to give guarantees;

 3.1.12 to set aside funds for special purposes or as reserves against future expenditure;

3.1.13 to deposit or invest in funds in any manner (but to invest only after obtaining such advice from a financial expert as the Trustees consider necessary and having regard to the suitability of investments and the need for diversification);

3.1.14 to delegate the management of investments to a financial expert, but only on terms that:

* + - 1. the investment policy is set down in writing for the financial expert by the Trustees;
			2. every transaction is reported promptly to the Trustees;
			3. the performance of the investments is reviewed regularly with the Trustees;
			4. the Trustees are entitled to cancel the delegation arrangement at any time;
			5. the investment policy and the delegation arrangement are reviewed at least once a year;
			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 Trustees on receipt; and

(f) the financial expert must not do anything outside the powers of the Trustees;

3.1.15 to arrange for investments or other property of the Charity to be held in the name of a nominee company acting under the control of the Trustees or of a financial expert acting under their instructions, and to pay any reasonable fee required;

3.1.16 to deposit documents and physical assets with any company registered or having a place of business in England and Wales as custodian, and to pay any reasonable fee required;

3.1.17 to insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity when required;

 3.1.18 to pay for indemnity insurance for the Trustees; 

 3.1.19 subject to clause 4, to employ paid or unpaid agents, staff or advisers;

 3.1.20 to enter into contracts to provide services to or on behalf of other bodies.

3.1.21 to establish or acquire subsidiary companies to assist or act as agents for the Charity;

 3.1.22 to pay the costs of forming the Charity;

3.1.23 to do anything else within the law which promotes or helps to promote the Objects.

4. BENEFITS TO MEMBERS AND TRUSTEES

4.1 The property and funds of the Charity must be used only for promoting the Objects and do not belong to the Members but:

(1) Members who are not Trustees or ConnectedPersons may be employed by or enter into contracts with the Charity and receive reasonable payment for goods or services supplied;

subject to compliance with Article 4.4:

(2) Members, Trustees and ConnectedPersons may be paid interest at a reasonable rate on money lent to the Charity;

(3) Members, Trustees and Connected Persons may be paid a reasonable rent or hiring fee for property let or hired to the Charity; and

(4) Members, Trusteesand Connected Persons may receive charitable benefits on the same terms as any other beneficiaries of the Charity.

4.2 A Trustee must not receive any payment of money or other materialbenefit (whether directly or indirectly) from the Charity except:

(1) as mentioned in Articles 4.1 or 4.3;

(2) reimbursement of reasonable out-of-pocket expenses (including accommodation and travel costs) actually incurred in running the Charity;

1. the benefit of indemnityinsurance as permitted by the Charities Act;
2. an indemnity in respect of any liabilities properly incurred in running the Charity (including the costs of a successful defence to criminal proceedings);
3. In exceptional cases, other payments or benefits (but only with the written consent of the Commission in advance and where required by the Companies Act the approval or affirmation of the Members).

4.3 *A Trustee or Connected Person may enter into a written contract with the Charity, as permitted by the Charities Act, to supply goods or services in return for a payment or other material benefit but only if:*

*(1) the goods or services are actually required by the Charity, and the Trustees decide that it is in the best interests of the Charity to enter into such a contract;*

*(2) the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods or services and is set in accordance with the procedure in Article 4.4; and*

*(3) no more than half of the Trustees are subject to such a contract in any financial year.*

4.4 Subject to Clause 4.5, any Trustee who becomes a ConflictedTrustee in relation to any matter must:

(1) declare the nature and extent of his or her interest before discussion begins on the matter;

(2) withdraw from the meeting for that item after providing any information requested by the Trustees;

(3) not be counted in the quorum for that part of the meeting; and

(4) be absent during the vote and have no vote on the matter.

4.5 When any Trustee is a Conflicted Trustee, the Trustees who are not Conflicted Trustees, if they form a quorum without counting the Conflicted Trustee and are satisfied that it is in the best interests of the Charity to do so, may by resolution passed in the absence of the Conflicted Trustee authorise the Conflicted Trustee, notwithstanding any conflict of interest or duty which has arisen or may arise for the Conflicted Trustee, to:

1. continue to participate in discussions leading to the making of a decision and/or to vote, or
2. disclose to a third party information confidential to the Charity, or
3. take any other action not otherwise authorised which does not involve the receipt by the Conflicted Trustee or a Connected Person of any payment or material benefit from the Charity or
4. refrain from taking any step required to remove the conflict.

4.6 This article may be amended by special resolution but, where the result would be to permit any material benefit to a Trustee or Connected Person, only with the prior written consent of the Commission.

5 MEMBERSHIP

5 .1 The Charity must maintain a register of members.

5 .2 Membership of the Charity is open to any individual interested in promoting the Objects who:

 5.2.1 applies to the Charity in the form required by the Trustees;

 5.2.2 is approved by the Trustees; and

 5.2.3 signs the register of members or consents in writing to become a member

5.3 The Trustees may establish different classes of membership (including informal membership), prescribe their respective privileges and duties and set the amounts of any subscriptions.

5.4 *The Charity may refer to members as “friends of the Charity”. For the avoidance of doubt friends of the Charity in this context means members of the Charity who have been formally admitted to membership in accordance with this article and who have the rights (and obligations) conferred on them elsewhere in these articles and in law*.

5.5 Membership of the Charity is for a fixed period of two years. 

5.6 After a fixed membership period of two years has elapsed, membership may be renewed on a rolling basis for an indefinite number of two year periods, subject to the member providing written consent at the end of each two year period of membership. 

5 .7 The Charity will contact members at their last known address at the end of each two year period of membership to notify the member of the expiry of the membership and to arrange renewal as required. If the Charity is unable to contact any member in this way, the membership will be deemed to have lapsed on the expiry of the relevant period.

5 .8 Membership is terminated if the member concerned:

5.8.1 gives written notice of resignation to the Charity;

5.8.2 dies;

5.8.3 is more than 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

5.8.4 is removed from membership by resolution of the Trustees on the ground that in their reasonable opinion the member's continued membership is harmful to the Charity. The Trustees may only pass such a resolution 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.

5.9 Membership of the Charity is not transferable.

6 GENERAL MEETINGS

6.1 Members are entitled to attend general meetings personally or by proxy. Proxy forms must be delivered to the Secretary at least 24 hours before the meeting signed by the member or his attorney. General meetings are called on at least 21 clear days' written notice specifying the business to be discussed.

6.2 There is a quorum at a general meeting if the number of members present in person or by proxy is at least *10, or 5%* per cent of the members if greater.

6.3 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.

6.4 Except where otherwise provided by the Articles or the Companies Act, every issue is decided by a majority of the votes cast.

6.5 Except for the Chairman of the meeting, who has a second or casting vote, every member present in person or by proxy has one vote on each issue. A proxy need not be a member 

6.6 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. 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.

6.7 Except at first, the Charity must hold an AGM in every year. The first AGM must be held within 18 months after the Charity's incorporation.

6.8 At an AGM the members:

 6.8.1 receive the accounts of the Charity for the previous financial year;

 6.8.2 receive the Trustees' report on the Charity's activities since the previous AGM;

 6.8.3 accept the retirement of those Trustees who wish to retire or who are retiring by rotation;

 6.8.4 elect Trustees to fill the vacancies arising;

 6.8.5 appoint auditors for the Charity;

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

6.8.7 may discuss and determine any issues of policy or deal with any other business put before them by the Trustees.

6.9 Any general meeting which is not an AGM is an EGM.

6.10 An EGM may be called at any time by the Trustees and must be called within 21 clear days on a written request from at least 15 members or 10 per cent of the members if greater.

1. THE TRUSTEES

7.1 The Trustees as charity trustees have control of the Charity and its property and funds.

* 1. The Trustees consist of at least four and not more than 15 individuals, all of whom must be members
	2. The subscribers to the Memorandum are the first Trustees.
	3. Every Trustee after appointment or reappointment must sign a declaration of willingness to act as a charity trustee of the Charity before he or she may vote at any meeting of the Trustees.
	4. Each Trustee is appointed at an AGM for a maximum period of nine years.
	5. During the nine year appointment period, renewal breaks will take place on the expiry of three years and six years.
	6. At each renewal stage, the Trustee must confirm to the Board, either orally or in writing, if they wish to continue in their role as Trustee.
	7. Existing Trustees are subject to the maximum appointment period of nine years and subject to clause 3.5.4, will retire on the expiry of that term.
	8. Trustees may extend their nine year appointment period for one year at a time on a rolling basis for up to a maximum of three years, subject to the agreement of the Board in accordance with clause 4.5.
	9. A Trustee's term of office automatically terminates if he or she:

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

7.10.2 *in the written opinion, given to the Charity, of a registered medical practitioner treating that person, has become physically or mentally incapable of acting as a Trustee and is likely to remain so for more than three months;*

7.10.3 is absent without the permission of the Trustees from 3 consecutive meetings of the Trustees

7.10.4 ceases to be a member (but such a person may be reinstated by resolution passed by all the other Trustees on resuming membership of the Charity before the next AGM);

7.10.5 resigns by written notice to the Trustees (but only if at least four Trustees will remain in office);

7.10.6 is removed by resolution of the members present and voting at a general meeting after the meeting has invited the views of the Trustee concerned and considered the matter in the light of any such views;

* 1. The Trustees may at any time co-opt any individual who is qualified to be appointed as a Trustee to fill a vacancy in their number or as an additional Trustee, but a co-opted Trustee holds office only until the next AGM.
	2. 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.
	3. *A Trustee who is removed from office or who resigns automatically ceases to be a member unless the remaining Trustees agree to his/her membership continuing*.
1. TRUSTEES' PROCEEDINGS
	1. The Trustees must hold at least 4 meetings each year.
	2. A quorum at a meeting of the Trustees is 3 Trustees.
	3. A meeting of the Trustees may be held either in person or by suitable electronic means agreed by the Trustees in which all participants may communicate with all the other participants.
	4. The Chairman or (if the Chairman is unable or unwilling to do so) some other Trustee chosen by the Trustees present presides at each meeting.
	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 Trustees is as valid as a resolution passed at a meeting. 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.
	6. Except for the chairman of the meeting, who has a casting vote, every Trustee has one vote on each issue.
	7. A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.
2. TRUSTEES' POWERS
	* 1. The Trustees have the following powers in the administration of the Charity:
		2. to appoint (and remove) any member (who may be a Trustee) to act as Secretary in accordance with the Companies Act;
		3. to appoint a Chairman, Treasurer and other honorary officers from among their number;
		4. to delegate any of their functions to committees consisting of two or more individuals appointed by them. At least two members of every committee must be Trustees and all proceedings of committees must be reported promptly to the Trustees;

9.1.5 to make standing orders consistent with the Memorandum, the Articles and the Companies Act to govern proceedings at general meetings and to prescribe a form of proxy;

9.1.6 to make rules consistent with the Articles and the Companies Act to govern their proceedings and proceedings of committees;

9.1.7 to make regulations consistent with the Articles and the Companies Act to govern the administration of the Charity and the use of its seal (if any);

9.1.8 to establish procedures to assist the resolution of disputes or differences within the Charity;

9.1.9 to exercise any powers of the Charity which are not reserved to a general meeting.

10 RECORDS AND ACCOUNTS

10.1 The Trustees must comply with the requirements of the Companies Act and of the Charities Act as to keeping financial records, the audit of accounts and the preparation and transmission to the Registrar of Companies and the Commission of:

 10.1 .1 annual returns;

 10.1 .2 annual reports; and

 10.1 .3 annual statements of account.

10.2 The Trustees must keep proper records of:

10.2.1 all proceedings at general meetings;

 10.2.2 all proceedings at meetings of the Trustees;

 10.2.3 all reports of committees; and

 10.2.4 all professional advice obtained.

10.3 Accounting records relating to the Charity must be made available for inspection by any Trustee at any time during normal office hours and may be made available for inspection by members who are not Trustees if the Trustees so decide.

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

1. NOTICES
	1. Notices under the Articles may be sent by hand, by post or by suitable electronic means or (where applicable to members generally) may be published in any suitable journal or newspaper circulating in area of benefit or any journal distributed by the Charity.
	2. The only address at which a member is entitled to receive notices sent by post is an address in the IJ.K. shown in the register of members.
	3. Any notice given in accordance with these Articles is to be treated for all purposes as having been received:
		1. 24 hours after being sent by electronic means or delivered by hand to the relevant address;
		2. two clear days after being sent by first class post to that address;
		3. three clear days after being sent by second class or overseas post to that address;
		4. on the date of publication of a newspaper containing the notice;
		5. on being handed to the member personally; or, if earlier,
		6. as soon as the member acknowledges actual receipt.
	4. A technical defect in the giving of notice of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

12 LIMITED LIABILITY

12.1 The liability of members is limited.

13 GUARANTEE

13.1 Every member promises, if the Charity 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 Charity while he or she was a member.

14 DISSOLUTION

14.1 If the Charity 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:

14.1 .1 by transfer to one or more other bodies established for exclusively charitable purposes with the same or similar Objects;

14.1 .2 directly for the Objects or for charitable purposes which are within or similar to the Objects;

14.1.3 in such other manner consistent with charitable status as the Commission approve in writing in advance.

14.2 A final report and statement of account must be sent to the Commission.

15 INTERPRETATION

15.1 In the Articles, unless the context indicates another meaning:

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

**the Articles** means the Charity's articles of association;

**beneficiaries** means persons suffering from mental distress and disorder

**Chairman** means the chairman of the Trustees;

**the Charity** means the company governed by the Articles;

**the Charities Act** means the Charities Acts 1992 to 2011;

**charity trustee** has the meaning prescribed by section 177 of the Charities Act;

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

**the Commission** means the Charity Commissioners for England and Wales;

 **the Companies Act** means the Companies Acts 1985 to 2006;

 **Conflicted trustee** means a Trustee in respect of whom a conflict of interest arises or may reasonably arise because the Conflicted Trustee or a Connected Person is receiving or stands to receive a benefit (other than payment of a premium for indemnity insurance) from the Charity, or has some separate interest or duty in a matter to be decided, or in relation to information which is confidential to the Charity;

 **Connected person** means any spouse, partner, parent, child, brother, sister, grandparent or grandchild of a Trustee, any firm of which a Trustee is a member or employee, and any company of which a Trustee is a director, employee or shareholder having a beneficial interest in more than 1 per cent of the share capital;

**custodian** means a person or body who undertakes safe custody of assets or of documents or records relating to them;

**EGM** means an extraordinary general meeting of the Charity;

**financial expert** means an individual, company or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000; financial year means the Charity's financial year; firm includes a limited liability partnership;

**indemnity insurance** means insurance against personal liability incurred by any Trustee for an act or omission which is or is alleged to be a 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;

**informal membership** refers to a supporter who may be called a 'member' but is not a company member of the Charity.

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

 **month** means calendar month;

**nominee company** means a corporate body registered or having an established place of business in England and Wales;

**the Objects** means the Objects of the Charity as defined in clause 2 of the Articles;

**Secretary** means the company secretary of the Charity;

**taxable trading** means carrying on a trade or business for the principal purpose of raising funds and not for the purpose of actually carrying out the Objects, the profits of which are subject to corporation tax;

**Trustee** means a director of the Charity and Trustees means the directors.

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

**year** means calendar year.

15.2 Expressions defined in the Companies Act have the same meaning.

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