



Durham Aged Mineworkers' Homes Association

Articles of Association

Company Limited by Guarantee

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Articles of Association of

Durham Aged Mineworkers' Homes Association

1 Objects

The Objects of the Charity are, for the public benefit:

- 1.1 To provide and maintain services and facilities for aged, infirm or disabled persons or those in financial need, with particular regard for the needs of the Original Beneficiaries.
- 1.2 For that purpose to provide and maintain: -
 - 1.2.1 Social housing in the form of almshouses, which may be houses, bungalows, apartments or sheltered homes, for such persons who (except in the case of Original Beneficiaries or in other special cases to be approved by the Trustees) are primarily over the age of 50 at the time of appointment;
 - 1.2.2 Residential homes in which additional care may be provided;
 - 1.2.3 Leasehold accommodation specially adapted for aged, infirm or disabled persons; and
 - 1.2.4 Gardens, common rooms, workshops, garages and other ancillary facilities for the benefit of residents.
- 1.3 To manage or provide advice or assistance in the establishment or management of housing schemes provided or to be provided by other charities.
- 1.4 In this Article, 'the Original Beneficiaries' means needy, aged, infirm or disabled persons who were formerly employed in or about coal mines in the County of Durham as constituted on 31 March 1974 or are, or were, the dependents of persons so employed.
- 1.5 This Article may be amended by special resolution but only with the prior written consent of the Commission.

2 Powers

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

- 2.1 to make regulations to govern the residents in the almshouses and residential homes,
- 2.2 to make it a condition of appointment as a resident in the Association's almshouses, that the person appointed shall abide by any regulations for the time being in force in relation to the almshouses, and to pay such contribution as may be necessary to meet the cost of maintaining the almshouses and essential services therein, provided that:
 - 2.2.1 every resident shall be supplied with a copy of the regulations;
 - 2.2.2 the sum charged shall not be such as to cause hardship to the resident; and

- 2.2.3 the Charity must not grant a tenancy of any almshouse,
- 2.3 to make such charges to the residents in the Charity's residential homes as are necessary to meet the cost of maintaining the homes concerned and the services and facilities provided,
- 2.4 to grant leases to prospective residents of the Charity's leasehold accommodation on such terms as are appropriate to the property concerned (and which require the lease to be surrendered if the property is no longer required as a residence for the lessee),
- 2.5 to make charges to the residents of almshouses, residential homes and leasehold accommodation to meet the cost of heating, lighting, hot water or any other additional services or facilities provided by the Charity,
- 2.6 to remove any resident in an almshouse or a residential home who is:
 - 2.6.1 no longer qualified to be a resident,
 - 2.6.2 unwilling or unable to observe the regulations, or
 - 2.6.3 responsible for serious misconduct or anti-social behaviour,provided that before taking possession of the accommodation occupied by a resident, the Charity shall take such steps as it thinks fit to assist in finding alternative accommodation for the resident,
- 2.7 to provide advice or information,
- 2.8 to carry out research,
- 2.9 to co-operate with other bodies,
- 2.10 to support, administer or set up other charities,
- 2.11 to accept gifts and to raise funds (but not by means of taxable trading),
- 2.12 to borrow money,
- 2.13 to give security for loans or other obligations (but only in accordance with the restrictions imposed by the Charities Act),
- 2.14 to acquire or hire property of any kind,
- 2.15 to construct and manage land, buildings and equipment,
- 2.16 to let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act),
- 2.17 to set aside funds for special purposes or as reserves against future expenditure,
- 2.18 to deposit or invest its 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),

- 2.19 to delegate the management of investments to a financial expert, but only on terms that:
 - 2.19.1 the investment policy is set down in writing for the financial expert by the Trustees,
 - 2.19.2 timely reports of all transactions are provided to the Trustees,
 - 2.19.3 the performance of the investments is reviewed regularly with the Trustees,
 - 2.19.4 the Trustees are entitled to cancel the delegation arrangement at any time,
 - 2.19.5 the investment policy and the delegation arrangement are reviewed at least once a year,
 - 2.19.6 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
 - 2.19.7 the financial expert must not do anything outside the powers of the Charity,
- 2.20 to arrange for investments or other property of the Charity to be held in the name of a nominee company acting under the direction of the Trustees or controlled by a financial expert acting under their instructions, and to pay any reasonable fee required,
- 2.21 to deposit documents and physical assets with any company registered or having a place of business in England or Wales as custodian, and to pay any reasonable fee required,
- 2.22 to insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity when required,
- 2.23 subject to Article 6.3, to employ paid or unpaid agents, staff or advisers,
- 2.24 to enter into contracts to provide services to or on behalf of other bodies,
- 2.25 to establish or acquire subsidiary companies, and
- 2.26 to do anything else within the law which promotes or helps to promote the Objects.

3 **The Trustees**

- 3.1 The Trustees as charity trustees have control of the Charity and its property and funds.
- 3.2 The subscribers to the Memorandum (being the first Members) are also the first Trustees. Subsequent Trustees are elected by the Members or co-opted by the Trustees.
- 3.3 The Trustees when complete consist of at least three and not more than 12 individuals over the age of 18, all of whom must support the Objects.
- 3.4 A Trustee may not act as a Trustee unless he/she
 - 3.4.1 is a Member, and
 - 3.4.2 has signed a written declaration of willingness to act as a charity trustee of the Charity.

- 3.5 Trustees must retire at the AGM at which they will have served for three years since they were last appointed.
- 3.6 A retiring Trustee who is eligible under Article 3.3 may be reappointed for a further term of three years up to a maximum term of six continuous years. After six continuous years, a retiring Trustee may only be appointed for a further term of office of one year up to a maximum term of nine continuous years. A Trustee who has served for nine years' continuous service shall not be eligible for reappointment until three years has elapsed since their last service as a Trustee.
- 3.7 Articles 3.5 and 3.6 shall not apply to the First Trustees, whose terms of office shall instead be subject to the transitional provisions as specified in the schedule to these Articles.
- 3.8 A Trustee's term of office as such automatically terminates if he/she:
- 3.8.1 is disqualified under the Charities Act from acting as a charity trustee,
 - 3.8.2 is incapable, whether mentally or physically, of managing his/her own affairs,
 - 3.8.3 is absent without permission from all meetings of the Trustees in a period of 12 months and is asked by a majority of the other Trustees to resign,
 - 3.8.4 resigns by written notice to the Trustees (but only if at least two Trustees will remain in office), or
 - 3.8.5 is removed by the Members.
- 3.9 The Trustees may at any time co-opt any individual who is eligible under Article 3.3 as a Trustee to fill a vacancy in their number or (subject to the maximum number permitted by Article 3.3) as an additional Trustee, but a co-opted Trustee holds office only until the next AGM.
- 3.10 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.

4 Trustees' proceedings

- 4.1 The Trustees must hold at least three meetings each year.
- 4.2 A quorum at a meeting of the Trustees is a majority of the total number of Trustees.
- 4.3 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.
- 4.4 The Chair or (if the Chair is unable or unwilling to do so) some other Trustee chosen by the Trustees present presides at each meeting.
- 4.5 Any issue may be determined by a simple majority of the votes cast at a meeting, but a resolution in writing agreed by all the Trustees (other than any Conflicted Trustee who has not been authorised to vote) is as valid as a resolution passed at a meeting. For this purpose the resolution may be contained in more than one document.

4.6 Every Trustee has one vote on each issue but, in case of equality of votes the chair of the meeting has a second or casting vote.

4.7 A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

5 **Trustees' powers**

The Trustees have the following powers in the administration of the Charity in their capacity as Trustees:

5.1 To appoint (and remove) any person (who may be a Trustee) to act as company secretary in accordance with the Companies Act.

5.2 To appoint a Chair a Vice-Chair and other honorary officers from among their number.

5.3 To delegate any of their functions to committees consisting of two or more individuals appointed by them. At least one member of every committee must be a Trustee and all proceedings of committees must be reported promptly to the Trustees.

5.4 To make standing orders consistent with the Articles and the Companies Act to govern proceedings at general meetings, their proceedings and proceedings of committees, the administration of the Charity and the use of its seal (if any).

5.5 To establish procedures to assist the resolution of disputes or differences within the Charity.

5.6 To exercise in their capacity as Trustees any powers of the Charity which are not reserved to them in their capacity as Members.

6 **Benefits and Conflicts**

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

6.1.1 Subject to compliance with Article 6.4:

- (a) Members, Trustees and Connected Persons may be paid interest at a reasonable rate on money lent to the Charity,
- (b) Members, Trustees and Connected Persons may be paid a reasonable rent or hiring fee for property let or hired to the Charity, and
- (c) Members, Trustees and Connected Persons may receive charitable benefits on the same terms as any other members of the beneficial class.

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

6.2.1 as mentioned in Articles 6.1 or 6.3,

- 6.2.2 reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in running the Charity,
 - 6.2.3 the benefit of indemnity insurance as permitted by the Charities Act,
 - 6.2.4 an indemnity in respect of any liabilities properly incurred in running the Charity (including the costs of a successful defence to criminal proceedings),
 - 6.2.5 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).
- 6.3 No Trustee or Connected Person may be employed by the Charity except in accordance with Article 6.2.5, but any 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:
- 6.3.1 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,
 - 6.3.2 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 6.4, and
 - 6.3.3 no more than half of the Trustees are subject to such a contract in any financial year.
- 6.4 Subject to Clause 6.5, any Trustee who becomes a Conflicted Trustee in relation to any matter must:
- 6.4.1 declare the nature and extent of his or her interest before discussion begins on the matter,
 - 6.4.2 withdraw from the meeting for that item after providing any information requested by the Trustees,
 - 6.4.3 not be counted in the quorum for that part of the meeting, and
 - 6.4.4 be absent during the vote and have no vote on the matter.
- 6.5 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:
- 6.5.1 continue to participate in discussions leading to the making of a decision and/or to vote, or
 - 6.5.2 disclose to a third party information confidential to the Charity, or

6.5.3 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

6.5.4 refrain from taking any step required to remove the conflict.

6.6 This provision 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.

7 **Records and Accounts**

7.1 The Trustees must comply with the requirements of the Companies Act and of the Charities Act as to keeping records, the audit or independent examination of accounts and the preparation and transmission to the Registrar of Companies and the Commission of information required by law including:

7.1.1 annual returns,

7.1.2 annual reports, and

7.1.3 annual statements of account.

7.2 The Trustees must also keep records of:

7.2.1 all proceedings at meetings of the Trustees,

7.2.2 all resolutions in writing,

7.2.3 all reports of committees, and

7.2.4 all professional advice obtained.

7.3 Accounting records relating to the Charity must be made available for inspection by any Trustee at any time during normal office hours.

7.4 A copy of the Charity's Articles of Association and latest available statement of account must be supplied on request to any Trustee. Copies of the latest accounts must also be supplied in accordance with the Charities Act to any other person who makes a written request and pays the Charity's reasonable costs.

8 **Membership**

8.1 The Charity must maintain a register of Members.

8.2 The subscribers to the Memorandum are the first Members.

8.3 Membership is open only to the Trustees and is terminated if the Member concerned ceases to be a Trustee.

8.4 Membership is not transferable.

8.5 The Trustees may establish different classes of Members and recognise one or more classes of supporters who are not Members (but who may nevertheless be termed 'members') and set out their respective rights and obligations.

9 **General Meetings**

9.1 Trustees in their capacity as Members are entitled to attend general meetings in person or by proxy (but only if the appointment of a proxy is in writing and notified to the Charity before the commencement of the meeting).

9.2 General meetings are called on at least 14 and not more than 28 clear days' written notice indicating the business to be discussed and (if a special resolution is to be proposed) at least 28 clear days' written notice setting out the terms of the proposed special resolution.

9.3 There is a quorum at a general meeting if the number of Members present in person or by proxy is a majority of the total number of Members.

9.4 The chair at a general meeting is elected by the Members present in person or by proxy in his/her capacity as a Member and not as proxy for another Member.

9.5 Except where otherwise provided by the Articles or the Companies Act, every issue is decided by ordinary resolution.

9.6 Every Member present in person or by proxy has one vote on each issue.

9.6 Except where otherwise provided by the Articles or the Companies Act, a written resolution (whether an ordinary or a special resolution) is as valid as an equivalent resolution passed at a general meeting. For this purpose the written resolution may be set out in more than one document.

9.7 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.

9.8 Members must annually at the AGM:

9.8.1 receive the accounts of the Charity for the previous financial year,

9.8.2 receive a written report on the Charity's activities,

9.8.3 be informed of the retirement of those Trustees who wish to retire or who are retiring by rotation,

9.8.4 elect Trustees to fill the vacancies arising,

9.8.5 appoint reporting accountants or auditors for the Charity,

9.9 Members may also from time to time

9.9.1 establish honorary positions including those of Patron, President or Vice-President of the Charity, and set out the functions of that position and subsequently amend the functions or abolish the position;

9.9.2 appoint any individual (with his/her consent) to any honorary position established and subsequently remove any individual from such position; and

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

9.10 A general meeting may be called by the Trustees at any time and must be called within 21 days of a written request from one or more Trustees.

9.11 A technical defect in the appointment of a Member of which the Members are unaware at the time does not invalidate a decision taken at a general meeting or a Written Resolution.

10 **Limited Liability**

The liability of Members is limited.

11 **Guarantee**

Every Member promises, if the Charity is dissolved while he/she remains a Member or within one year after he/she ceases to be a member, to pay up to £1 towards:

11.1 payment of those debts and liabilities of the Charity incurred before he/she ceased to be a Member,

11.2 payment of the costs, charges and expenses of winding up, and

11.3 the adjustment of rights of contributors among themselves.

12 **Communications**

12.1 Notices and other documents to be served on Members or Trustees under the Articles or the Companies Act may be served:

12.1.1 by hand,

12.1.2 by post,

12.1.3 by suitable electronic means, or

12.1.4 through publication in the Charity's newsletter or on the Charity's website.

12.2 The only address at which a Member is entitled to receive notices sent by post is an address in the U.K. shown in the register of Members.

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

12.3.1 24 hours after being sent by electronic means, posted on the Charity's website or delivered by hand to the relevant address,

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

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

12.3.4 immediately on being handed to the recipient personally, or, if earlier,

12.3.5 as soon as the recipient acknowledges actual receipt.

12.4 A technical defect in service of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

13 **Dissolution**

13.1 If the Charity is dissolved, the assets (if any) remaining after providing for all its liabilities must be applied in one or more of the following ways:

13.1.1 by transfer to one or more other bodies established for exclusively charitable purposes within, the same as or similar to the Objects,

13.1.2 directly for the Objects or for charitable purposes which are within or similar to the Objects,

13.1.3 in such other manner consistent with charitable status as the Commission approves in writing in advance.

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

13.3 This provision may be amended by special resolution but only with the prior written consent of the Commission.

14 **Interpretation**

14.1 The Articles are to be interpreted without reference to the model articles under the Companies Act, which do not apply to the Charity.

14.2 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 and 'Article' refers to a particular Article,

Chair means the chair of the Trustees,

the Charity means the company governed by the Articles,

the Charities Act means the Charities Act 2011,

charity trustee has the meaning prescribed by the Charities Act,

clear day does not include the day on which notice is given or the day of the meeting or other event,

the Commission means the Charity Commission for England and Wales or any body which replaces it,

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, in relation to a Trustee, a person with whom the Trustee shares a common interest such that he/she may reasonably be regarded as benefiting directly or indirectly from any material benefit received by that person, being either a member of the Trustee's family or household or a person or body who is a business associate of the Trustee, and (for the avoidance of doubt) does not include a company with which the Trustee's only connection is an interest consisting of no more than 1% of the voting rights,

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

electronic means refers to communications addressed to specified individuals by telephone, fax or email or, in relation to meetings, by telephone conference call or video conference,

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,

First Trustee means those individuals who are Trustees on the date of incorporation of the Charity as specified in the schedule to these Articles,

indemnity insurance has the meaning prescribed by the Charities Act,

material benefit means a benefit, direct or indirect, which may not be financial but has a monetary value,

Member and **Membership** refer to company Membership of the Charity,

month means calendar month,

nominee company means a corporate body registered or having an established place of business in England and Wales which holds title to property for another,

the Objects means the Objects of the Charity as defined in Article 1,

resolution in writing means a written resolution of the Trustees,

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 corporation tax,

Trustee means a director of the Charity and 'Trustees' means the directors,

Unincorporated Charity means the registered charity called the Durham Aged Mineworkers' Homes Association charity number 222673,

written or **in writing** refers to a legible document on paper or a document sent by electronic means which is capable of being printed out on paper,

written resolution refers to an ordinary or a special resolution which is in writing,

year means calendar year.

14.3 Expressions not otherwise defined which are defined in the Companies Act have the same meaning.

14.4 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.

Schedule

Transitional provisions applying to First Trustees

Name	Next retirement date	Eligible for re-election?	Agreed latest retirement date under transition
Steve Fergus	2021 AGM	N	Sep 21
Cyril Smith	2020 AGM	N	Sep 20
Barbara Christie (Chair)	2021 AGM	N	Sep 21
Lesley Armstrong	2022 AGM	N	Sep 22
Una Mack	2020 AGM	N	Sep 20
Ray Gibson (Vice Chair)	2022 AGM	N	Sep 22
Paul Hewitson	2021 AGM	N	Sep 21
Stephen Guy	2021 AGM	Y	Sep 27
Gillian Bramfitt	2023 AGM	Y	Sep 28
Mark Reid	2023 AGM	Y	Sep 28
Paul Nilsen	2023 AGM	Y	Sep 28

N.B.

- 1 The First Trustees shall serve in office until the date specified in the table above as their next retirement date.
- 2 A First Trustee who is retiring and is eligible for re-election may be reappointed for a further term of up to three years up to the agreed latest retirement date as specified in the table above.
- 3 The fact that a First Trustee is listed as being eligible for re-election does not guarantee that they will be re-elected or that they will serve until the agreed latest retirement date.
- 4 When a First Trustee, who was listed above as not being eligible for re-election, serves continuously until the agreed latest retirement date as specified in the table above they shall not be eligible for reappointment again in the future.
- 5 When a First Trustee, who was listed above as being eligible for re-election, serves continuously until the agreed latest retirement date as specified in the table above they shall not be eligible for reappointment until three years has elapsed since their last service as a Trustee.