

For the EGM 8th July 2014

Company number: 4729800

Charity number:

COMPANIES ACT 2006

A COMPANY LIMITED BY GUARANTEE

NOT HAVING A SHARE CAPITAL

MEMORANDUM AND ARTICLES

OF ASSOCIATION OF

**NATIONAL ASSOCIATION FOR AREAS OF OUTSTANDING
NATURAL BEAUTY**

(Incorporated on 10th April 2003)

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Companies Act 2006

Company limited by guarantee and not having a share capital

ARTICLES OF ASSOCIATION OF

National Association for Areas of Outstanding Natural Beauty

1. NAME

The name of the Charity is National Association for Areas of Outstanding Natural Beauty

2. LIMITED LIABILITY

The liability of Members is limited.

3. GUARANTEE

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, she or it was a Member.

4. OBJECTS

The Objects are specifically restricted to the following, for the benefit of the public:

- 4.1 to promote the conservation and enhancement of natural beauty including the physical, natural, cultural and built environment in and around Areas of Outstanding Natural Beauty, other Protected Areas, and those areas for which such designation might be pursued.
- 4.2 to advance the education, understanding and appreciation of the public in relation to the conservation and enhancement natural beauty including the physical, natural, cultural and built environment of Areas of Outstanding Natural Beauty, other Protected Areas and those areas for which such designation might be pursued.
- 4.3 to promote the efficiency and effectiveness of those organisations promoting or representing Areas of Outstanding Natural Beauty, other Protected Areas and those areas for which such designation might be pursued,.

"Nothing in the articles shall authorise an application of the property of the charity for purposes which are not charitable in accordance with section 2 of the Charities Act (Northern Ireland) 2008"

5. POWERS

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

- 5.1 To promote or carry out research.
- 5.2 To provide advice.
- 5.3 To publish or distribute information.
- 5.4 To co-operate with other bodies.
- 5.5 To support, administer or set up other charities.
- 5.6 To raise funds (but not by means of Taxable Trading).
- 5.7 To borrow money and give security for loans (but only in accordance with the restrictions imposed by the Charities Act) provided that if the Company is a regulated Company within the meaning of the LGHA, the consent of 75% of the local authority members of the Company shall be required for borrowing over £50,000.
- 5.8 To acquire or hire property of any kind, provided that if the Company is a regulated Company within the meaning of the LGHA, the consent of 75% of the local authority members of the Company shall be required for major items of expenditure (over £50,000).
- 5.9 To let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act).
- 5.10 To make grants or loans of money and to give guarantees.
- 5.11 To set aside funds for special purposes or as reserves against future expenditure.
- 5.12 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).
- 5.13 To delegate the management of investments to a Financial Expert, but only on terms that:
 - 5.13.1 the investment policy is set down in writing for the Financial Expert by the Trustees;
 - 5.13.2 every transaction is reported regularly to the Trustees;

- 5.13.3 the performance of the investments is reviewed regularly with the Trustees;
- 5.13.4 the Trustees are entitled to cancel the delegation arrangement at any time;
- 5.13.5 the investment policy and the delegation arrangement are reviewed regularly;
- 5.13.6 all payments due to the Financial Expert are on a scale or at a level which is agreed in advance and are reported regularly to the Trustees on receipt; and
- 5.13.7 the Financial Expert must not do anything outside the powers of the Trustees.
- 5.14 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.
- 5.15 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.
- 5.16 To insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity when required.
- 5.17 To pay for Indemnity Insurance for the Trustees.
- 5.18 Subject to article 11, to employ paid or unpaid agents, staff or advisers.
- 5.19 To enter into contracts to provide services to or on behalf of other bodies.
- 5.20 To establish or acquire subsidiary companies to assist or act as agents for the Charity.
- 5.21 To acquire, merge with or enter into any partnership or joint venture arrangement with any other charity formed for any of the Objects.
- 5.22 To pay the costs of forming the Charity.
- 5.23 To do anything else within the law which promotes or helps to promote the Objects.

6. MEMBERSHIP

- 6.1 The Charity must maintain a register of Members.

- 6.2 Membership of the Charity is open to any individual or organisation interested in promoting the Objects who:
- 6.2.1 applies to the Charity in the form required by the Trustees;
 - 6.2.2 is approved by the Trustees; and
 - 6.2.3 signs the register of Members or consents in writing to become a Member either personally or (in the case of an organisation) through an authorised representative.
- 6.3 The Trustees may establish different classes and rates of Membership (including Full and Associate Membership), prescribe their respective privileges and duties and set the amounts of any subscriptions.
- 6.4 Membership is terminated if the Member concerned:
- 6.4.1 gives written notice of resignation to the Charity;
 - 6.4.2 dies, or in the case of an organisation ceases to exist;
 - 6.4.3 is more than six months in arrear in paying the relevant subscription, if any (but in such a case the Member may be reinstated on payment of the amount due); or
 - 6.4.4 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.
- 6.5 Membership of the Charity is not transferable.

7. GENERAL MEETINGS

- 7.1 A meeting may be called at any time by the Trustees and must be called within 28 clear days of a written request from at least one third of the Members. Meetings are called on at least 14 clear days' written notice specifying the business to be discussed.
- 7.2 Members are entitled to attend meetings either personally, (in the case of a Member organisation) by an authorised representative, by proxy or by suitable means agreed by the Trustees. In which all participants may communicate with all the other participants. Proxy forms must be delivered to the Secretary at least 24 hours before the meeting.
- 7.3 There is a quorum at a meeting if the number of Members present in person or by proxy is at least ten or one third of the Members if greater.

- 7.4 The Chairman or (if the Chairman is unable or unwilling to do so) some other Member elected by those present presides at a meeting.
- 7.5 Except where otherwise provided by the Articles or the Companies Acts, every issue is decided by a majority of the votes cast.
- 7.6 Every Member present in person or through an authorised representative or by proxy has one vote on each issue.
- 7.7 A written resolution signed by a majority of those entitled to vote at a meeting (or, where the Companies Acts require, a greater majority) is as valid as a resolution actually passed at that 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 required to reach the relevant majority.
- 7.8 Except when first incorporated, the Charity must hold an AGM in every year. The first AGM must be held within 18 months after the Charity's incorporation.
- 7.9 At an AGM, the Members:
- 7.9.1 receive the accounts of the Charity for the previous financial year;
 - 7.9.2 receive the Trustees' report on the Charity's activities for the previous financial year;
 - 7.9.3 elect Trustees to fill any vacancies;
 - 7.9.4 appoint auditors for the Charity;
 - 7.9.5 may confer on any individual (with his or her consent) the honorary title of Patron, President or Vice-President of the Charity; and
 - 7.9.6 may discuss and determine any issues of policy or deal with any other business put before them by the Trustees.

8. THE TRUSTEES

- 8.1 The Trustees as Charity Trustees have control of the Charity and its property and funds.
- 8.2 The Trustees when complete consist of at least five and not more than nine individuals. If the number of Trustees shall fall below five, the remaining Trustees may act (and in default the Members may act) to appoint further Trustees as required. .
- 8.3 The subscribers to the Memorandum are the first Trustees. Subject to article 8.8, subsequent Trustees are to be appointed by the Members.

- 8.4 Every Trustee after appointment 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.
- 8.5 One third (or the number nearest one third) of the Trustees must retire at each AGM, those longest in office retiring first and the choice between any of equal service being made by drawing lots.
- 8.6 A retiring Trustee who remains qualified may be reappointed for a maximum of two consecutive three year terms of office.
- 8.7 A Trustee's term of office automatically terminates if he or she:
- 8.7.1 is disqualified under the Charities Act from acting as a Charity Trustee or is prohibited by law from being a director of a company;
 - 8.7.2 is, in the opinion of the other Trustees, at any time incapable, whether mentally or physically, of managing his or her own affairs;
 - 8.7.3 is absent from three consecutive meetings of the Trustees and is asked by a majority of the other Trustees to resign;
 - 8.7.4 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);
 - 8.7.5 resigns by written notice to the Trustees (but only if at least two Trustees will remain in office); or
 - 8.7.6 is removed by resolution of the Members present and voting at a general meeting (but only if at least two Trustees will remain in office) after the meeting has invited the views of the Trustee concerned and considered the matter in the light of any such views.
- 8.8 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.
- 8.9 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.

9. TRUSTEES' PROCEEDINGS

- 9.1 The Trustees must hold at least three meetings each year.
- 9.2 A quorum at a meeting of the Trustees is three or one third of the Trustees if greater.

- 9.3 A meeting of the Trustees may be held either in person or by suitable means agreed by the Trustees. in which all participants may communicate with all the other participants.
- 9.4 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.
- 9.5 Every issue may be determined by a simple majority of the votes cast at a meeting, but a written resolution signed by a majority of 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.
- 9.6 Except for the Chairman of the meeting, who has a casting vote, every Trustee has one vote on each issue.
- 9.7 A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

10. TRUSTEES' POWERS

The Trustees have the following powers in the administration of the Charity:

- 10.1 To appoint (and remove) any person, who may, or may not, be a Member and who may be a Trustee to act as Secretary in accordance with the Companies Acts.
- 10.2 To appoint a Chairman, Treasurer and other honorary officers from among their number.
- 10.3 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 regularly to the Trustees.
- 10.4 To make standing orders consistent with the Memorandum, the Articles and the Companies Acts to govern proceedings at general meetings and to prescribe a form of proxy.
- 10.5 To make rules consistent with the Memorandum, the Articles and the Companies Acts to govern their proceedings and proceedings of committees.
- 10.6 To make regulations consistent with the Memorandum, the Articles and the Companies Acts to govern the administration of the Charity and the use of its seal (if any).
- 10.7 To establish procedures to assist the resolution of disputes or differences within the Charity.

- 10.8 To exercise any powers of the Charity which are not reserved to a meeting of the Members.

11. BENEFITS TO MEMBERS AND TRUSTEES

- 11.1 The property and funds of the Charity must be used only for promoting the Objects and do not belong to the Members but:
- 11.1.1 Members who are not Trustees may be employed by or enter into contracts with the Charity and receive reasonable payment for goods or services supplied;
 - 11.1.2 Members (including Trustees) may be paid interest at a reasonable rate on money lent to the Charity;
 - 11.1.3 Members (including Trustees) may be paid a reasonable rent or hiring fee for property or equipment let or hired to the Charity; and
 - 11.1.4 Members (including Trustees) who are also beneficiaries may receive charitable benefits in that capacity.
- 11.2 A Trustee must not receive any payment of money or other Material Benefit (whether directly or indirectly) from the Charity except:
- 11.2.1 as mentioned in articles 5.17 (indemnity insurance), 11.1.2 (interest), 11.1.3 (rent), 11.1.4 (charitable benefits) or 11.3 (contractual payments);
 - 11.2.2 reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in the administration of the Charity;
 - 11.2.3 an indemnity in respect of any liabilities properly incurred in running the Charity (including the costs of a successful defence to criminal proceedings);
 - 11.2.4 payment to any company in which a Trustee has no more than a 1 per cent shareholding; and
 - 11.2.5 in exceptional cases, other payments or benefits (but only with the written approval of the Commission in advance).
- 11.3 A Trustee may not be an employee of the Charity, but a Trustee or a Connected Person may enter into a contract with the Charity to supply goods or services in return for a payment or other Material Benefit if:
- 11.3.1 the goods or services are actually required by the Charity;
 - 11.3.2 the nature and level of the benefit is no more than reasonable in relation to the value of the goods or services and is set at a meeting of the Trustees in accordance with the procedure in article 11.5; and

- 11.3.3 no more than one half of the Trustees are interested in such a contract in any financial year.
- 11.4 Whenever a Trustee has a personal interest in a matter falling within articles 11.1, 11.2 or 11.3 which is to be discussed at a meeting of the Trustees or a committee, he or she must comply with the procedure in article 11.5.
- 11.5 Where this article applies, a Trustee must:
- 11.5.1 declare an interest before the meeting or at the meeting before discussion begins on the matter;
- 11.5.2 be absent from the meeting for that item unless expressly invited to remain in order to provide information;
- 11.5.3 not be counted in the quorum for that part of the meeting; and
- 11.5.4 have no vote on the matter and be absent during the vote if so requested by the other Trustees.
- 11.6 This article may not be amended without the written consent of the Commission in advance.

12. CONFLICTS OF INTEREST

- 12.1 Trustees must avoid Conflicts of Interest and wherever a Conflict of Interest arises in a matter to be discussed at a meeting of the Trustees or a committee, a Conflicted Trustee must comply with the procedure set out in article 11.5.
- 12.2 Subject to article 11, if a Conflict of Interest matter is proposed to the Trustees, the Unconflicted Trustees may agree to:
- 12.2.1 authorise that matter; or
- 12.2.2 authorise a Conflicted Trustee to act in their ordinary capacity as a Trustee and carry out all their duties and powers as a Trustee in relation to that matter.
- 12.3 Where the Unconflicted Trustees consider an authorisation to act notwithstanding a Conflict of Interest, the Conflicted Trustee must comply with the procedure set out in article 11.5.

13. RECORDS AND ACCOUNTS

- 13.1 The Trustees must comply with the requirements of the Companies Acts 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:

- 13.1.1 annual returns;
 - 13.1.2 annual reports; and
 - 13.1.3 annual statements of account.
- 13.2 The Trustees must keep proper records of:
- 13.2.1 all proceedings at Member meetings;
 - 13.2.2 all proceedings at meetings of the Trustees;
 - 13.2.3 all reports of committees; and
 - 13.2.4 all professional advice obtained.
- 13.3 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.
- 13.4 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.

14. NOTICES

- 14.1 Notices under the Articles may be sent by hand, by post or by suitable electronic means or any journal distributed by the Charity.
- 14.2 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.
- 14.3 Any notice given in accordance with these Articles is to be treated for all purposes as having been received:
- 14.3.1 24 hours after being sent by electronic means or delivered by hand to the relevant address;
 - 14.3.2 two clear days after being sent by first class post to that address;
 - 14.3.3 three clear days after being sent by second class or overseas post to that address;
 - 14.3.4 on the date of publication of a newspaper containing the notice;
 - 14.3.5 on being handed to the Member personally; or, if earlier,
 - 14.3.6 as soon as the Member acknowledges actual receipt.

- 14.4 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.

15. DISSOLUTION

- 15.1 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:

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

15.1.2 directly for the Objects or for charitable purposes which are within or similar to the Objects;

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

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

16. INTERPRETATION

In the Memorandum and in the Articles, unless the context indicates another meaning:

‘AGM’ means an annual general meeting of the Charity;

‘AONB’ means an Area of Outstanding Natural Beauty, designated under the National Parks and Access to the Countryside Act 1949 (as amended), Countryside and Rights of Way Act (2000);

‘the Articles’ means the Charity’s articles of association;

‘Chairman’ means the chairman 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 section 177 of the Charities Act;

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

‘the Commission’ means the Charity Commission for England and Wales;

‘the Companies Acts’ means the Companies Acts (as defined in section 2 of the Companies Act 2006) insofar as they apply to the Charity;

'Conflict of Interest' includes a conflict of interest and duty and a conflict of duties;

'Conflicted Trustee' means any Trustee who has a Conflict of Interest in relation to a matter to be discussed or voted upon at a meeting of the Trustees;

'Connected Person' means any spouse, civil partner, parent, child, brother, sister, grandparent or grandchild of a Trustee, any Firm of which a Trustee is a Member, director, employee or shareholder having a beneficial interest in more than 1 per cent of the capital;

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

'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 and company;

'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;

'LGHA' means the Local Government and Housing Act 1989 (as amended).

'Material Benefit' means a benefit which may not be financial but has a monetary value;

'Member' and 'Membership' refer to company Membership of the Charity;

'Memorandum' means the Charity's Memorandum of Association;

'month' means calendar month;

'National Park' means an area designated as a National Park under the National Parks and Access to the Countryside Act 1949 (as amended);

'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 article 4;

'Protected Areas' means Areas of Outstanding Natural Beauty and National Parks;

‘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;

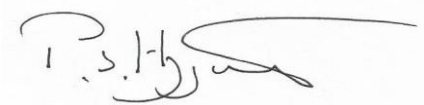
‘Trustee’ means a director of the Charity and ‘Trustees’ means the directors;

‘Unconflicted Trustee’ means any Trustee who has no Conflict of Interest in relation to a matter to be discussed or voted upon at a meeting of the Trustees;

‘written’ or ‘in writing’ refers to a legible document on paper including a fax message or in electronic format;

‘year’ means calendar year.

- 16.1 Expressions defined in the Companies Acts have the same meaning.
- 16.2 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.



Philip Hygate, NAAONB Chairman