

# **SCIO CONSTITUTION OF INSH COMMUNITY HOLDINGS**

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## **GENERAL**

### **Type of organisation**

- 1 The organisation will, upon registration, be a Scottish Charitable Incorporated Organisation (SCIO).

### **Scottish principal office**

- 2 The principal office of the organisation will be in Scotland (and must remain in Scotland).

### **Name**

- 3 The name of the organisation is 'Insh Community Holdings'.

### **Purposes**

- 4 The organisation has been formed to benefit the community of Insh as defined by the postcode units PH21 INT and PH21 INU that lie within the area bounded by grid reference points NH 799012, NH 809002, NH 830023, NH 823021 ('the Community') with the following purposes:
  - 4.1 To advance the environmental protection and improvement of the Community's natural habitat, in particular the grazings and woodland, following the principles of sustainable development, by the conservation, management and enhancement of the plant and animal species therein
  - 4.2 To advance education about the history and management of the Community's natural habitat and to enable use of the facilities by schools and other organisations for educational purposes
  - 4.3 To advance citizenship and community development by encouraging voluntary activity and recreation in, and promoting civic responsibility for, the Community's natural habitat.

### **Powers**

- 5 The organisation has power to do anything which is calculated to further its purposes or is conducive or incidental to doing so.
- 6 No part of the income or property of the organisation may be paid or transferred (directly or indirectly) to the members - either in the course of the organisation's existence or on dissolution - except where this is done in direct furtherance of the organisation's charitable purposes.

### **Liability of members**

- 7 The members of the organisation have no liability to pay any sums to help to meet the debts (or other liabilities) of the organisation if it is wound up; accordingly, if the organisation is unable to meet its debts, the members will not be held responsible.
- 8 The members and charity trustees have certain legal duties under the Charities and Trustee Investment (Scotland) Act 2005; and clause 7 does not exclude (or limit) any personal liabilities they might incur if they are in breach of those duties or in breach of other legal obligations or duties that apply to them personally.

### **General structure**

- 9 The structure of the organisation consists of:-
  - 9.1 the MEMBERS - who have the right to attend members' meetings (including any annual or special general meeting) and have important powers under this constitution; in particular, members a) elect people to serve on the Board and b) take decisions on changes to the constitution itself;

9.2 the BOARD of TRUSTEES - which holds regular meetings of not less than two per year, and generally manages the activities of the organisation; for example, the Board is responsible for monitoring and controlling the financial position of the organisation.

10 The people serving on the Board are referred to in this constitution as CHARITY TRUSTEES.

## **MEMBERS**

### **Qualifications for membership**

11 MEMBERSHIP is open to any individual who supports the aims and activities of the organisation under the following categories:

11.1 **Ordinary Members:** any individual aged 16 years or over, resident within the Community as defined in Clause 4. Ordinary Members are eligible to vote at members' meetings and to sit on the Board of Trustees.

11.2 **Associate Members:** any individual residing outwith the Community as defined in Clause 4. Associate Members are admitted to membership subject to clause 12, eligible to vote at members' meetings subject to clause 48, and also eligible to sit on the Board of Trustees subject to clause 60.

11.3 If an Ordinary Member ceases to comply with the criteria at clause 11.1 they will be obliged to inform the organisation and will thereafter have their membership reclassified. If the organisation becomes aware of changes itself, it will so reclassify the member and notify them accordingly.

12 At all times a majority of members shall be Ordinary Members from within the Community. In the event that a majority of the members of the organisation do not consist of Ordinary Members, the Board may conduct essential business to ensure the admission of sufficient members from the Community to achieve the minimum number and/or take steps to maintain the majority.

13 Employees of the organisation are not eligible for membership, nor eligible to sit on the Board of Trustees. If a member becomes an employee of the organisation, their membership will be terminated with immediate effect.

14 All members are subject to the Constitution of the organisation and by joining the organisation will be deemed to accept the regulations and the codes of conduct that the organisation has adopted.

### **Application for membership**

15 Any person who wishes to become a member, must complete and sign a written application for membership, accompanied by any required remittance to meet the relevant membership subscription. The application will then be considered by the Board of Trustees at its next meeting and any valid application shall be approved, subject to clause 12 and provided the applicant has not previously been a member and been expelled under clause 29.

16 The Board of Trustees will notify the applicant promptly (in writing or by e-mail) of their admission to and category of membership of the organisation.

### **Minimum number of members**

17 The minimum number of members is 20 (twenty); in the event that the number of members falls below 20, the Charity Trustees may not conduct any business other than to ensure the admission of sufficient members to achieve the minimum number.

## **Membership subscription**

- 18 The members may vary the amount of the annual membership subscription and/or the date on which it falls due in each year, by way of an ordinary resolution to that effect passed at an annual general meeting.
- 19 If a membership subscription is payable by any member, but remains outstanding more than four weeks after the date on which it fell due (and providing they have been given at least one written reminder) the Board may, by resolution to that effect, expel them from membership; for the avoidance of doubt, it will be open to an individual expelled from membership under this article to reapply for membership if they so wish.
- 20 A person who ceases (for whatever reason) to be a member shall not be entitled to any refund of the membership subscription.

## **Register of members**

- 21 The Board must keep a register of members, setting out
- 21.1 for each current member:
    - 21.1.1 their full name and address; and
    - 21.1.2 the date on which they were registered as a member of the organisation; and
    - 21.1.3 the category of membership to which they belong
  - 21.2 for each former member - for at least three years from the date on which they ceased to be a member:
    - 21.2.1 their name; and
    - 21.2.2 the date on which they ceased to be a member; and
    - 21.2.3 the category of membership to which they belonged
- 22 The Board must ensure that the register of members is updated within 28 days of any change:
- 22.1 which arises from a resolution of the Board or a resolution passed by the members of the organisation; or
  - 22.2 which is notified to the organisation.
- 23 If a member or Charity Trustee of the organisation requests a copy of the register of members, the Board must ensure that a copy is supplied to them within 28 days, providing the request is reasonable; if the request is made by a member (rather than a Charity Trustee), the Board may provide a copy which has the addresses blanked out.

## **Withdrawal from membership**

- 24 Any person who wants to withdraw from membership must give a written notice of withdrawal to the organisation. They will cease to be a member as from the time when the notice is received by the organisation.

## **Transfer of membership**

- 25 Membership of the organisation may not be transferred by a member.

## **Re-registration of members**

- 26 The Board may, at any time, issue notices to the members requiring them to confirm that they wish to remain as members of the organisation, and allowing them a period of 14 days (running from the date of issue of the notice) to provide that confirmation to the Board.
- 27 If a member fails to provide confirmation to the Board (in writing or by e-mail) that they wish to remain as a member of the organisation before the expiry of the 14-day period referred to in clause 26, the Board may expel them from membership.
- 28 A notice under clause 26 will not be valid unless it refers specifically to the consequences (under clause 27) of failing to provide confirmation within the 14-day period.

## **Expulsion from membership**

- 29 Any person may be expelled from membership by way of a resolution passed by not less than two thirds of those present and voting at a members' meeting, providing the following procedures have been observed:-
- 29.1 at least 21 (twenty-one) days' notice of the intention to propose the resolution must be given to the member concerned, specifying the grounds for the proposed expulsion;
- 29.2 the member concerned will be entitled to be heard on the resolution at the members' meeting at which the resolution is proposed.
- 30 Notwithstanding clause 29, the Board reserves the right to immediately suspend or terminate the membership of any individual who has acted in a manner contrary to the organisation's and its governing bodies' policy documents. This action should be conducted in line with the organisation's disciplinary procedure.

## **DECISION-MAKING BY THE MEMBERS**

### **Members' meetings**

- 31 The Board must arrange a meeting of members (an annual general meeting or "AGM") in each calendar year.
- 32 The gap between one AGM and the next must not be longer than 15 months.
- 33 Notwithstanding clause 31, an AGM does not need to be held during the calendar year in which the organisation is formed; but the first AGM must still be held within 15 months of the date on which the organisation is formed.
- 34 The business of each AGM must include:-
- 34.1 a report by the Chair on the activities of the organisation;
- 34.2 consideration of the annual accounts of the organisation;
- 34.3 the election/re-election of Charity Trustees, as referred to in clauses 64 to 70
- 35 The Board may arrange a special members' meeting at any time.

### **Power to request the Board to arrange a special members' meeting**

- 36 The Board must arrange a special members' meeting if they are requested to do so by a notice from at least 5% or 20 (twenty) of the Members, whichever is the greatest, providing:
- 36.1 the notice states the purposes for which the meeting is to be held; and

36.2 those purposes are not inconsistent with the terms of this constitution, the Charities and Trustee (Investment) Scotland Act 2005 or any other statutory provision.

37 If the Board receive a notice under clause 36, the date for the meeting which they arrange in accordance with the notice must not be later than 28 days from the date on which they received the notice.

### **Notice of members' meetings**

38 At least 28 (twenty-eight) clear days' notice must be given of any AGM or any special members' meeting.

39 The notice calling a members' meeting must specify in general terms what business is to be dealt with at the meeting; and

39.1 in the case of a resolution to alter the constitution, must set out the exact terms of the proposed alteration(s); or

39.2 in the case of any other resolution falling within clause 50 (requirement for two-thirds majority) must set out the exact terms of the resolution.

40 The reference to "clear days" in clause 38 shall be taken to mean that, in calculating the period of notice,

40.1 the day after the notices are posted (or sent by e-mail) should be excluded; and

40.2 the day of the meeting itself should also be excluded.

41 Notice of every members' meeting must be given to all the members of the organisation, and to all the Charity Trustees; but the accidental omission to give notice to one or more members will not invalidate the proceedings at the meeting.

42 Any notice which requires to be given to a member under this constitution must be: -

42.1 sent by post to the member, at the address last notified by them to the organisation; or

42.2 sent by e-mail to the member, at the e-mail address last notified by them to the organisation.

### **Procedure at members' meetings**

43 No valid decisions can be taken at any members' meeting unless a quorum is present.

44 The quorum for a members' meeting is 11 (eleven) persons entitled to vote, each being a member or a proxy for a member.

45 If a quorum is not present within 15 minutes after the time at which a members' meeting was due to start - or if a quorum ceases to be present during a members' meeting - the meeting cannot proceed; and fresh notices of meeting will require to be sent out, to deal with the business (or remaining business) which was intended to be conducted.

46 The Chair of the organisation should act as chairperson of each members' meeting.

47 If the Chair of the organisation is not present within 15 minutes after the time at which the meeting was due to start (or is not willing to act as chairperson), the Charity Trustees present at the meeting must elect (from among themselves) the person who will act as chairperson of that meeting.

### **Voting at members' meetings**

48 Every Ordinary and Associate Member has one vote, which (whether on a show of hands or on a secret ballot) may be given either personally or by proxy. Of those present (including proxies) and voting, residents who are Ordinary Members, must always be in the majority.

- 48.1 A member who wishes to appoint a proxy to vote on their behalf at any meeting must lodge with the organisation, prior to the time when the meeting commences, a written proxy form, signed by themselves and indicating whether they are an Ordinary or Associate Member.
- 48.2 A proxy need not be a member of the organisation.
- 48.3 A member shall not be entitled to appoint more than one proxy to attend the same meeting.
- 48.4 A proxy appointed to attend and vote at any meeting instead of a member shall have the same right as the member who appointed them to speak at the meeting.
- 49 All decisions at members' meetings will be made by majority vote - with the exception of the types of resolution listed in clause 50.
- 50 The following resolutions will be valid only if passed by not less than two thirds of those voting on the resolution at a members' meeting (or if passed by way of a written resolution under clause 54):
- 50.1 a resolution amending the constitution;
- 50.2 a resolution expelling a person from membership under article 29;
- 50.3 a resolution directing the Board to take any particular step (or directing the Board not to take any particular step);
- 50.4 a resolution approving the amalgamation of the organisation with another SCIO (or approving the constitution of the new SCIO to be constituted as the successor pursuant to that amalgamation);
- 50.5 a resolution to the effect that all of the organisation's property, rights and liabilities should be transferred to another SCIO (or agreeing to the transfer from another SCIO of all of its property, rights and liabilities);
- 50.6 a resolution for the winding up or dissolution of the organisation.
- 51 If there is an equal number of votes for and against any resolution, the chairperson of the meeting will be entitled to a second (casting) vote.
- 52 A resolution put to the vote at a members' meeting will be decided on a show of hands – unless the chairperson (or at least two other persons present at the meeting and entitled to vote whether as members or as proxies for members) ask for a secret ballot.
- 53 The chairperson will decide how any secret ballot is to be conducted, and they will declare the result of the ballot at the meeting.

### **Written resolutions by members**

- 54 A resolution agreed to in writing (or by e-mail) by all the members will be as valid as if it had been passed at a members' meeting; the date of the resolution will be taken to be the date on which the last member agreed to it.

### **Minutes**

- 55 The Board must ensure that proper minutes are kept in relation to all members' meetings.
- 56 Minutes of members' meetings must include the names of those present; and (so far as possible) should be signed by the chairperson of the meeting.
- 57 The Board shall make available copies of the minutes referred to in clause 55 to any member of the public requesting them; but on the basis that the Board may exclude confidential material to the extent permitted under clause 105.

## **BOARD**

### **Number of charity trustees**

- 58 The maximum number of Charity Trustees is 11 (eleven).
- 59 The minimum number of Charity Trustees is 5 (five).
- 60 At all times, Charity Trustees who are Ordinary Members must make up the majority of the Board.

### **Eligibility**

- 61 A person will not be eligible for election or appointment to the Board unless they are a member of the organisation and aged 16 years or over.
- 62 A person will not be eligible for election or appointment to the Board if they are disqualified from being a charity trustee under the Charities and Trustee Investment (Scotland) Act 2005.

### **Initial charity trustees**

- 63 The individuals who signed the charity trustee declaration forms which accompanied the application for incorporation of the organisation shall be deemed to have been appointed by the members as Charity Trustees with effect from the date of incorporation of the organisation.

### **Election, retiral, re-election**

- 64 At each AGM, the members may elect any member (unless they are debarred from membership under clauses 61 or 62) to be a Charity Trustee.
- 65 The Board may at any time appoint any member (unless they are debarred from membership under clauses 61 or 62) to be a Charity Trustee.
- 66 At each AGM, one-third of the Elected Charity Trustees (rounding upwards if this is not a whole number) shall retire from office at that meeting.
- 67 Elected Charity Trustees must be nominated in writing on the relevant form by at least two Members. Such nominations must contain confirmation from the nominee that they are willing to act as an Elected Charity Trustee and must be delivered to the registered office of the Organisation at least seven days before the AGM.
- 68 A retiring Charity Trustee shall be eligible for re-election after one term of office. A retiring Charity Trustee shall not be eligible for re-election after two consecutive terms of office until a period of one year in which they have not been a Charity Trustee has passed. For the avoidance of doubt, a “term of office” is the period between election and retiral – usually 3 years. This means that Trustees can have up to 6 years on the Board before they have to step away for a year.
- 69 The Elected Charity Trustee(s) to retire at an AGM shall be those who have been longest in office since their election/re-election (unless other Elected Charity Trustee(s) have agreed to retire at that AGM). As between Individuals who were appointed as Elected Charity Trustees on the same date, the Elected Charity Trustee(s) to retire shall be agreed between the Individuals appointed on the same date or determined by lot.
- 70 At each AGM, all Co-opted Charity Trustees appointed under clause 65 shall retire from office. They will then be eligible for re-election, subject to clause 68.

### **Termination of office**

- 71 A Charity Trustee will automatically cease to hold office if: -
- 71.1 they become disqualified from being a Charity Trustee under the Charities and Trustee Investment (Scotland) Act 2005;

- 71.2 they become incapable for medical reasons of carrying out their duties as a Charity Trustee - but only if that has continued (or is expected to continue) for a period of more than six months;
  - 71.3 they cease to be a member of the organisation;
  - 71.4 they give the organisation a notice of resignation, signed by themselves;
  - 71.5 they are absent (without good reason, in the opinion of the Board) from more than three consecutive meetings of the Board - but only if the Board resolves to remove them from office;
  - 71.6 they are removed from office by resolution of the Board on the grounds that they are considered to have committed a material breach of the code of conduct for Charity Trustees (as referred to in clause 88);
  - 71.7 they are removed from office by resolution of the Board on the grounds that they are considered to have been in serious or persistent breach of their duties under section 66(1) or (2) of the Charities and Trustee Investment (Scotland) Act 2005; or
  - 71.8 they are removed from office by a resolution of the members passed at a members' meeting.
- 72 A resolution under paragraph 71.6, 71.7 or 71.8 shall be valid only if: -
- 72.1 the Charity Trustee who is the subject of the resolution is given reasonable prior written notice of the grounds upon which the resolution for their removal is to be proposed;
  - 72.2 the Charity Trustee concerned is given the opportunity to address the meeting at which the resolution is proposed, prior to the resolution being put to the vote; and
  - 72.3 (in the case of a resolution under paragraph 71.6 or 71.7) at least two thirds (to the nearest round number) of the Charity Trustees then in office vote in favour of the resolution.

### **Register of charity trustees**

- 73 The Board must keep a register of Charity Trustees, setting out
- 73.1 for each current Charity Trustee:
    - 73.1.1 their full name and address;
    - 73.1.2 the date on which they were appointed as a Charity Trustee; and
    - 73.1.3 any office held by them in the organisation;
  - 73.2 for each former Charity Trustee - for at least 6 (six) years from the date on which they ceased to be a Charity Trustee:
    - 73.2.1 the name of the Charity Trustee;
    - 73.2.2 any office held by them in the organisation; and
    - 73.2.3 the date on which they ceased to be a Charity Trustee.
- 74 The Board must ensure that the register of Charity Trustees is updated within 28 days of any change:
- 74.1 which arises from a resolution of the Board or a resolution passed by the members of the organisation; or
  - 74.2 which is notified to the organisation.

- 75 If any person requests a copy of the register of Charity Trustees, the Board must ensure that a copy is supplied to them within 28 days, providing the request is reasonable; if the request is made by a person who is not a Charity Trustee of the organisation, the Board may provide a copy which has the addresses blanked out - if the SCIO is satisfied that including that information is likely to jeopardise the safety or security of any person or premises.

### **Office-bearers**

- 76 The Charity Trustees must elect (from among themselves) a Chair, who must be an Ordinary Member, a Secretary and a Treasurer.
- 77 In addition to the office-bearers required under clause 76, the Charity Trustees may elect (from among themselves) further office-bearers if they consider that appropriate.
- 78 All of the office-bearers will cease to hold office at the conclusion of each AGM, but may then be re-elected under clause 76 or 77.
- 79 A person elected to any office will automatically cease to hold that office: -
- 79.1 if they cease to be a Charity Trustee; or
  - 79.2 if they give to the organisation a notice of resignation from that office, signed by them.

### **Powers of board**

- 80 Except where this constitution states otherwise, the organisation (and its assets and operations) will be managed by the Board; and the Board may exercise all the powers of the organisation.
- 81 A meeting of the Board at which a quorum is present may exercise all powers exercisable by the Board.
- 82 The members may, by way of a resolution passed in compliance with clause 50 (requirement for two-thirds majority), direct the Board to take any particular step or direct the Board not to take any particular step; and the Board shall give effect to any such direction accordingly.

### **Charity trustees - general duties**

- 83 Each of the Charity Trustees has a duty, in exercising functions as a Charity Trustee, to act in the interests of the organisation; and, in particular, must:-
- 83.1 seek, in good faith, to ensure that the organisation acts in a manner which is in accordance with its purposes;
  - 83.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;
  - 83.3 in circumstances giving rise to the possibility of a conflict of interest between the organisation and any other party:
    - 83.3.1 put the interests of the organisation before that of the other party;
    - 83.3.2 where any other duty prevents them from doing so, disclose the conflicting interest to the organisation and refrain from participating in any deliberation or decision of the other Charity Trustees with regard to the matter in question;
  - 83.4 ensure that the organisation complies with any direction, requirement, notice or duty imposed under or by virtue of the Charities and Trustee Investment (Scotland) Act 2005.
- 84 In addition to the duties outlined in clause 83, all of the Charity Trustees must take such steps as are reasonably practicable for the purpose of ensuring: -

84.1 that any breach of any of those duties by a Charity Trustee is corrected by the Charity Trustee concerned and not repeated; and

84.2 that any Charity Trustee who has been in serious and persistent breach of those duties is removed as a Charity Trustee.

85 Provided that the Charity Trustee has declared their interest and has not voted on the question of whether or not the SCIO should enter into the arrangement, a Charity Trustee will not be debarred from entering into an arrangement with the organisation in which they have a personal interest; and (subject to clause 86 and to the provisions relating to remuneration for services contained in the Charities and Trustee Investment (Scotland) Act 2005), they may retain any personal benefit which arises from that arrangement.

86 Where a Charity Trustee provides professional services to the charity (or might benefit from any remuneration paid to a connected party for such services), the services delivered and the maximum amount of the remuneration must be specified in a written agreement. The other Charity Trustees must also agree and be satisfied that the arrangement is reasonable and in the interests of the charity.

87 During any one financial year, such remuneration may only be paid to less than half the Charity Trustees. The Charity Trustees may be paid all travelling and other expenses reasonably incurred by them in connection with carrying out their duties; this may include expenses relating to their attendance at meetings.

#### **Code of conduct for charity trustees**

88 Each of the Charity Trustees shall comply with the code of conduct (incorporating detailed rules on conflict of interest) prescribed by the Board from time to time.

89 The code of conduct referred to in clause 88 shall be supplemental to the provisions relating to the conduct of Charity Trustees contained in this constitution and the duties imposed on Charity Trustees under the Charities and Trustee Investment (Scotland) Act 2005; and all relevant provisions of this constitution shall be interpreted and applied in accordance with the provisions of the code of conduct in force from time to time.

### **DECISION-MAKING BY THE CHARITY TRUSTEES**

#### **Notice of board meetings**

90 Any Charity Trustee may call a meeting of the Board *or* ask the secretary to call a meeting of the Board.

91 At least 7 (seven) days' notice must be given of each Board meeting to all members, unless (in the opinion of the person calling the meeting) there is a degree of urgency which makes that inappropriate.

#### **Procedure at board meetings**

92 No valid decisions can be taken at a Board meeting unless a quorum is present; the quorum for Board meetings is 3 (three) Charity Trustees, present in person. At all times, trustees who are Ordinary Members must be in the majority at Board meetings.

93 If at any time the number of Charity Trustees in office falls below the number stated in clause 59, the remaining Charity Trustee(s) will have power to fill the vacancies or call a members' meeting - but will not be able to take any other valid decisions.

94 The chair of the organisation should act as chairperson of each Board meeting.

95 If the chair is not present within 15 minutes after the time at which the meeting was due to start (or is not willing to act as chairperson), the Charity Trustees present at the meeting must elect (from

among themselves) the person who will act as chairperson of that meeting. At all times, the chairperson of the meeting, must be a trustee who is an Ordinary Member of the charity.

- 96 Every Charity Trustee has one vote, which must be given personally. Of those present and voting, resident trustees, ie trustees who are Ordinary Members, must always be in the majority.
- 97 All decisions at Board meetings will be made by majority vote.
- 98 If there is an equal number of votes for and against any resolution, the chairperson of the meeting, who must be a trustee who is an Ordinary Member of the charity, will be entitled to a second (casting) vote.
- 99 The Board may, at its discretion, allow any person to attend and speak at a Board meeting notwithstanding that they are not a Charity Trustee - but on the basis that they must not participate in decision-making.
- 100 A Charity Trustee must not vote at a Board meeting (or at a meeting of a sub-committee) on any resolution which relates to a matter in which they have a personal interest which conflicts (or may conflict) with the interests of the SCIO. In such event, they must withdraw from the meeting for as long as the conflicted matter is dealt with by the other Charity Trustees.
- 101 For the purposes of clause 100, a person is taken to have a personal interest if a member of that person's close family, or an organisation with which that person (or a member of that person's close family) is affiliated would stand to benefit from, or otherwise have an interest in, the arrangement.

## **Minutes**

- 102 The Board must ensure that proper minutes are kept in relation to all Board meetings and meetings of sub-committees.
- 103 The minutes to be kept under clause 102 must include the names of those present; and (so far as possible) should be signed by the chairperson of the meeting.
- 104 The Board shall (subject to clause 105) make available copies of the minutes referred to in clause 102 to all members and any other member of the public requesting them.
- 105 The Board may exclude from any copy minutes made available to members or a member of the public under clause 104 any material which the Board considers ought properly to be kept confidential - on the grounds that allowing access to such material could cause significant prejudice to the interests of the organisation or on the basis that the material contains reference to employee or other matters which it would be inappropriate to divulge.

## **ADMINISTRATION**

### **Delegation to sub-committees**

- 106 The Board may delegate any of their powers to sub-committees; a sub-committee must include at least one Charity Trustee, but other members of a sub-committee need not be Charity Trustees.
- 107 The Board may also delegate to the chair of the organisation (or the holder of any other post) such of their powers as they may consider appropriate.
- 108 When delegating powers under clause 106 or 107, the Board must set out appropriate conditions (which must include an obligation to report regularly to the Board).
- 109 Any delegation of powers under clause 106 or 107 may be revoked or altered by the Board at any time.

- 110 The rules of procedure for each sub-committee, and the provisions relating to membership of each sub-committee, shall be set by the Board.

### **Operation of accounts**

- 111 Subject to clause 112, the signatures of two out of three signatories appointed by the Board will be required in relation to all operations (other than the lodging of funds) on the bank and building society accounts held by the organisation; at least one out of the two signatures must be the signature of a Charity Trustee.
- 112 Where the organisation uses electronic facilities for the operation of any bank or building society account, the authorisations required for operations on that account must be consistent with the approach reflected in clause 111 where possible.

### **Accounting records and annual accounts**

- 113 The Board must ensure that proper accounting records are kept, in accordance with all applicable statutory requirements.
- 114 The Board must prepare annual accounts, complying with all relevant statutory requirements; if an audit is required under any statutory provisions (or if the Board consider that an audit would be appropriate for some other reason), the Board should ensure that an audit of the accounts is carried out by a qualified auditor.

## **MISCELLANEOUS**

### **Winding-up**

- 115 If the organisation is to be wound up or dissolved, the winding-up or dissolution process will be carried out in accordance with the procedures set out under the Charities and Trustee Investment (Scotland) Act 2005.
- 116 Any surplus assets available to the organisation immediately preceding its winding up or dissolution must be used for purposes which are the same as - or which closely resemble - the purposes of the organisation as set out in this constitution.

### **Alterations to the constitution**

- 117 This constitution may (subject to clause 118) be altered by resolution of the members passed at a members' meeting (subject to achieving the two thirds majority referred to in clause 50) or by way of a written resolution of the members.
- 118 The Charities and Trustee Investment (Scotland) Act 2005 prohibits taking certain steps (eg change of name, an alteration to the purposes, amalgamation, winding-up) without the consent of the Office of the Scottish Charity Regulator (OSCR).

### **Interpretation**

- 119 References in this constitution to the Charities and Trustee Investment (Scotland) Act 2005 should be taken to include: -
- 119.1 any statutory provision which adds to, modifies or replaces that Act; and
- 119.2 any statutory instrument issued in pursuance of that Act or in pursuance of any statutory provision falling under paragraph 119.1 above.

120 In this constitution: -

- 120.1 “charity” means a body which is either a “Scottish charity” within the meaning of section 13 of the Charities and Trustee Investment (Scotland) Act 2005 or a “charity” within the meaning of section 1 of the Charities Act 2006, providing (in either case) that its objects are limited to charitable purposes;
- 120.2 “charitable purpose” means a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of the Taxes Acts.