

The Companies Act 2006

Articles of Association

of

CVCLT Enterprise Ltd

A Company Limited by Guarantee

Company no. 14902739

Incorporated 30th May 2023

A wholly-owned subsidiary of Calder Valley Community Land Trust Limited

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THE COMPANIES ACT 2006

Articles of Association of

CVCLT ENTERPRISE LTD

*A Company Limited by Guarantee
& not having a share capital*

Company no. 14902739

1. Defined Terms

Terms and expressions used in these Articles shall have the meanings given to them in Part 8. References to “the Company” mean CVCLT ENTERPRISE LTD.

PART 1 – MEMBERSHIP: THE PARENT SOCIETY

2. Member

The Company is a single member company further to section 123 of the Companies Act 2006 and a subsidiary within the meaning of section 1159 of the Act. The only member of the Company shall be the Community Benefit Society CALDER VALLEY COMMUNITY LAND TRUST LIMITED, society number 7038 (referred to as the “parent society”).

PART 2 – OBJECTS & POWERS

3. Objects

The objects of the Company are—

- (a) To maintain and manage an enterprise centre and engage in other commercial activities.
- (b) To promote for the benefit of the public the conservation, protection and improvement of the physical and natural environment.
- (c) To carry on for the benefit of the community the business of providing housing and any associated amenities for persons in necessitous circumstances upon terms appropriate to their means.
- (d) To support the work of the charitable society Calder Valley Community Land Trust Limited.

4. Powers

The Company has the power to do anything which is incidental or conducive to the furtherance of its objects, including—

- (a) to seek and apply for funds, and to receive grants, donations, endowments, sponsorship fees, subscriptions and legacies;
- (b) to borrow or raise or secure the payment of any money for the purposes of the Company and to mortgage or charge any part of the Company’s property as security for borrowed money;
- (c) to enter into contracts with development partners and others;
- (d) to enter into any contract with the parent society which is considered beneficial to the Company, provided that any such contract (other than one entered into in the ordinary course of the Company's business) shall be committed to writing.

5. Obligations

In carrying out its business, the Company shall ensure that it—

- (a) operates in compliance with all statutory regulations;
- (b) obtains all licences as required by law;
- (c) submits periodic reports to the parent society as may be required;
- (d) does not engage in any activities which could bring the parent society into disrepute.

PART 3 – LIMITATION OF LIABILITY

6. Limited liability

- (a) The liability of the parent society is limited.
- (b) The parent society guarantees to pay up to one pound (£1) towards the costs of dissolution and the debts and liabilities of the Company.

PART 4 – DIRECTORS

7. Number of Directors

The Company shall have a Board of Directors comprising no fewer than three persons appointed by the parent society.

8. People who may not serve as Directors

Under no circumstances shall any of the following be appointed as a Director—

- (a) a person aged less than 16 years;
- (b) anyone who is an undischarged bankrupt, or has made any arrangement with her or his creditors generally, or who is otherwise disqualified by law from serving as a company director.

9. Retirement and removal of Directors

The office of a Director shall be immediately vacated if he or she—

- (a) resigns as a director of, or is removed or replaced by, the parent society;
- (b) resigns in writing to the Company;
- (c) becomes bankrupt, or makes any composition with her or his creditors, or is otherwise disqualified by law from serving as a director of a company.

10. Directors' general authority

Subject to the Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

11. Member's reserve power

- (a) The parent society may direct the Directors to take, or refrain from taking, a specified action.
- (b) No such direction shall invalidate anything which the Directors have done before the direction was issued.

12. Directors' duties

Directors of the Company must comply with sections 171–177 of the Act to—

- (a) act within their powers;
- (b) promote the success of the Company;
- (c) exercise independent judgement, reasonable care, skill and diligence;
- (d) not accept benefits from third parties;
- (e) avoid conflicts of interest;
- (f) declare an interest in a proposed transaction or arrangement.

13. Directors' expenses

The Company may reimburse any reasonable expenses which a Director properly incurs while acting on behalf of the Company, but otherwise Directors shall receive no remuneration and an employee of the Company may not serve as a Director.

14. Directors may delegate

- (a) Subject to the Articles, the Directors may delegate any of their functions to any person or committee as they think fit.
- (b) Any delegation under paragraph (a) may authorise further delegation of the Directors' functions by any person or committee to whom they are delegated.
- (c) The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

15. Directors to take decisions collectively

The general rule about decision-making by Directors is that any decision of the Directors must be either (a) a majority decision taken at a meeting or (b) a unanimous decision taken in accordance with Article 16.

16. Unanimous decisions

A decision of the Directors is taken in accordance with this Article when all Directors indicate to each other by any means that they share a common view on a matter.

17. Calling a directors' meeting

- (a) Any Director may call a Directors' meeting by giving notice of the meeting to the Directors. Notice of a Directors' meeting must be given to each Director, but need not be in writing.
- (b) Notice of any Directors' meeting must indicate—
 - i) its proposed date and time;
 - ii) where it is to take place; and
 - iii) if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

18. Participation in directors' meetings

- (a) Subject to the Articles, Directors participate in a Directors' meeting, or part of a meeting, when—
 - i) the meeting has been called and takes place in accordance with the Articles, and

- ii) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (b) In determining whether Directors are participating in a meeting, it is irrelevant where any Director is or how they communicate with each other.
- (c) If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

19. Quorum for directors' meetings

- (a) At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (b) The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors or of the parent society, but it must never be less than two and – unless otherwise fixed – it is two.
- (c) If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than to request the parent society to appoint further Directors.

20. Appointment of a Chair

- (a) The Directors may appoint one of their number to be the Chair of the Directors for such term of office as they determine, and may at any time remove her or him from office.
- (b) The person appointed to the post of Chair shall preside at all meetings of the Directors but, if there is no Chair, or she or he is not present at a meeting, the Directors present shall appoint one of their number to chair the meeting.

21. Voting

Questions arising at any meetings shall be decided by a majority of votes. In the case of an equality of votes, the person chairing the meeting shall not have a second or casting vote and the issue shall be remitted to the directors of the parent society for resolution.

22. Conflicts of interest

- (a) Directors must avoid situations in which they have, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. This applies in particular to the exploitation of any property, information or opportunity.
- (b) A Director shall declare an interest in and shall not vote in respect of any contract in which she or he has a personal financial or material interest, either directly or indirectly.
- (c) Nothing concerning the relationship between the Company and the parent society shall give rise to any conflict of interest, even though a Director may be an employee or director of the parent society.
- (d) The parent society may decide, in particular circumstances, to disapply the provision of these Articles which would otherwise prevent a Director from participating in the decision-making process.

PART 5 – DECISIONS OF THE PARENT SOCIETY

23. Written resolutions

- (a) Any decision that could be made at a general meeting of the Company may be made by written resolution. A proposed written resolution shall be sent to the parent society for approval or rejection.
- (b) The document indicating the parent society's approval of a written resolution may be sent to the Company in hard copy form or in electronic form.
- (c) A written resolution is passed as soon as the parent society has signified agreement to it.
- (d) A written resolution lapses if approval has not been received 28 days after the day on which the resolution was sent to the parent society.

24. General meetings

- (a) A general meeting may be called by the Directors or by the parent society at any time.
- (b) At least 14 days' notice of a general meeting shall be given to the parent society, to the Directors, to the auditor (if any), and to any other persons who are entitled to receive notice.
- (c) At any general meeting the parent society may be represented by any such person or persons as it may choose. Any decisions taken at a general meeting shall be committed to writing and copies shall be supplied as soon as is practicable to all Directors for the time being.
- (d) Directors shall receive notice of and may attend general meetings of the Company, but a Director shall not have voting rights unless acting as a duly appointed representative of the parent society.
- (e) The quorum for a general meeting shall be one, being the parent society as represented by such persons as may have been appointed for this purpose.

PART 6 – ADMINISTRATIVE ARRANGEMENTS

25. Secretary

The Directors may appoint a Secretary of the Company for such term at such remuneration and upon such conditions as they think fit, and any Secretary so appointed may be removed by them.

26. Accounts and reports

- (a) The Directors shall comply with the requirements of the Act and any other applicable law as to keeping financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies of annual reports and accounts.
- (b) Copies of accounts and reports shall be supplied to the parent society as required by the Act.
- (c) The Company's statutory books and accounting records shall be open to inspection by the parent society's representatives during usual business hours.

27. Means of communication

Anything that needs to be sent by or to the Company under the Articles may be sent or delivered—

- (a) in person;
- (b) by sending it by post to the recipient's registered address, or by leaving it at that address;
- (c) by fax or in electronic form to an address provided for that purpose; or

- (d) by posting it on a website, where the recipient has been notified of such posting in a manner agreed by that person.

28. Minutes

- (a) The Directors must keep minutes of all—
- i) appointments of officers made by the Directors;
 - ii) written resolutions of the Company;
 - iii) proceedings at any general meetings of the Company;
 - iv) meetings of the Directors and committees of Directors including:
 - the names of the Directors present at the meeting;
 - the decisions made at the meetings; and
 - where appropriate, the reasons for the decisions.
- (b) Minutes of meetings shall be kept for a minimum of 10 years.

29. Indemnity

The Company may indemnify any Director, auditor, or other officer of the Company against any liability incurred by her or him in that capacity to the extent permitted by sections 232 to 234 of the Act.

30. Insurance

- (a) The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant Director in respect of any relevant loss.
- (b) In this Article—
- i) a “relevant Director” means any Director or former Director of the Company or an associated company,
 - ii) a “relevant loss” means any loss or liability which has been or may be incurred by a relevant Director in connection with that Director’s duties or powers in relation to the Company, any associated company or any pension fund or employees’ share scheme of the Company or associated company, and
 - iii) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

PART 7 – DISSOLUTION

31. Disposal of assets

If the Company is dissolved, any assets remaining after the satisfaction of its debts and liabilities shall be transferred to the Community Benefit Society CALDER VALLEY COMMUNITY LAND TRUST LIMITED, society number 7038, or, if for any reason this should prove impossible, to some other charitable institution(s) having objects similar to or compatible with those of the parent society as may be decided at or before the time of winding up.

PART 8 – DEFINITIONS AND INTERPRETATION

32. Definitions

In these Articles the following terms shall have the following meanings.

<i>Term</i>	<i>Meaning</i>
“the Act”	the Companies Act 2006
“address”	in relation to electronic communications, includes any number or address used for the purposes of such communications
“Articles”	the Company’s Articles of Association
“Company”	The Company to which these Articles apply
“Director”	a director of the Company, including any person occupying the position of director, by whatever name called
“document”	includes any document sent or supplied in hard copy form or electronic form
“electronic form”	the meaning given in section 1168 of the Act
“hard copy form”	the meaning given in section 1168 of the Act
“in writing”	the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise
“subsidiary”	the meaning given in section 1159 of the Act

33. Interpretation

Unless the context otherwise requires, other words or expressions contained in these Articles bear the same meaning as in the Act as in force on the date when these Articles become binding on the Company.