

The Companies Acts
PRIVATE COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL

Articles of Association for a Charitable Company

Articles of Association of

The Guildford Diocesan Board of Finance

(Company Number 225289)

(Registered charity number 248245)

Adopted by special resolution on 15 March 2025

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1. NAME

The company's name is THE GUILDFORD DIOCESAN BOARD OF FINANCE (and in this document it is called the 'Company').

2. INTERPRETATION

2.1 In these articles:

actual communicant has the meaning referred to in the Church Representation Rules;

address means a postal address or, for the purposes of electronic communication, an e-mail or postal address or a telephone number for receiving text messages in each case registered with the Company;

articles means these articles of association of the Company;

Bishop means the Bishop of Guildford or, where the see is vacant, the person nominated by the previous Bishop or otherwise to carry out the functions of the Bishop of Guildford;

Bishop's Council means the Bishop's Council and standing committee of the Diocesan Synod, as constituted under the Standing Orders;

clear days in relation to the period of a notice means a period excluding both the day when the notice is given or deemed to be given; and the day for which it is given or on which it is to take effect;

Clergy Member means a Member who is a clerk in Holy Orders (as referred to in the Church Representation Rules);

Church or Church of England means the Church of England or any successor organisation;

Church Representation Rules means the Church Representation Rules in force from time to time, being part of the Synodical Government Measure 1969;

Commission means the Charity Commission for England and Wales;

Companies Acts	means the Companies Acts (as defined in section 2 of the Companies Act 2006) insofar as they apply to the Company;
connected person	has the meaning in article 34;
Deanery Synod	means a deanery synod of the Diocese established in accordance with the Church Representation Rules;
Diocesan Synod	means the Diocesan Synod of the Diocese established in accordance with the Church Representation Rules; and the 'lifetime' of a Diocesan Synod means the period (which will normally be three years) from 1 August following the triennial elections until 31 July following the next triennial elections or otherwise as computed in accordance with the Church Representation Rules;
director	means a director of the Company. Each director is a charity trustee as defined by section 177 of the Charities Act 2011;
Diocese or Diocese of Guildford	means the Church of England episcopal area known as the Diocese of Guildford;
document	includes, unless otherwise specified, any document sent or supplied in electronic form;
Elected Member	means a Member (either a Lay Member or Clergy Member) who is elected by (i) a Deanery Synod to Diocesan Synod; or (ii) by Diocesan Synod under article 10.5;
electronic form	has the meaning given in section 1168 of the Companies Act 2006;
Excluded Person	means any person who is employed by the Company or a subsidiary of the Company;
First Diocesan Synod meeting	means the first meeting of Diocesan Synod in the lifetime of a Diocesan Synod;
Lay Member	means a Member who is lay (as referred to in the Church Representation Rules);

Measure	means a measure of the General Synod of the Church of England;
Member	means a member of the Company;
Memorandum	means the memorandum of association of the Company;
Objects	means the charitable objects of the Company as set out in article 4;
Officer	means an officer of the Company and includes the directors and the Secretary;
seal	means the common seal of the Company if it has one;
Secretary	means the person appointed to perform the duties of the secretary of the Company and includes any assistant secretary to whom the relevant duties have been delegated or who is authorised to carry them out under article 22.9;
Special resolution	has the meaning given in the Companies Act 2006;
Standing Orders	means the Standing Orders of the Diocesan Synod in force from time to time;
the United Kingdom	means Great Britain and Northern Ireland.

2.2 Words importing one gender shall include all genders, and the singular includes the plural and vice versa.

2.3 Unless the context otherwise requires words or expressions contained in the articles have the same meaning as in the Companies Acts but excluding any statutory modification not in force when this constitution becomes binding on the Company.

2.4 Apart from the exception mentioned in the previous paragraph, a reference to an Act of Parliament or a Measure includes any statutory modification or re-enactment of it for the time being in force.

2.5 A reference to a **subsidiary** means a subsidiary as defined in section 1159 of the Companies Act 2006.

3. LIABILITY OF MEMBERS

The liability of the Members is limited to a sum not exceeding £1, being the amount that each person who becomes a Member undertakes to contribute to the assets of the Company in the event of its being wound up while that person is a Member or within one year after that person ceases to be a Member, for payment of the Company's debts and liabilities incurred before that person ceases to be a Member; payment of the costs, charges and expenses of winding up; and adjustment of the rights of the contributories among themselves.

4. OBJECTS

The Company's objects ("Objects") are specifically restricted to the following:

- 4.1 **To promote and assist the work, objects and purposes of the Church of England (hereinafter called "the Church") for the advancement of the Christian religion in the Diocese; and**
- 4.2 **To aid and further (in such manner as may from time to time be approved by resolution of Diocesan Synod) the objects and work of the Church of England outside the Diocese or of any other body of Christians whether inside or outside the Diocese.**

5. POWERS

In pursuance of the Objects, but not further or otherwise, the Company has the power:

- 5.1 to raise, expend or accumulate funds. In doing so, the Company may trade in the course of carrying out the Objects and carry on any other trade which is not expected to give rise to taxable profits;
- 5.2 to hold, buy, take on lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use;
- 5.3 to sell, lease or otherwise dispose of all or any part of the property belonging to the Company. In exercising this power, the Company must comply as appropriate with sections 117 and 122 of the Charities Act 2011.
- 5.4 to borrow money and to charge the whole or any part of the property belonging to the Company as security for repayment of the money borrowed or as security for a grant or the discharge of an obligation. The Company must comply as appropriate with sections 124 - 126 of the Charities Act 2011 if it wishes to mortgage land;
- 5.5 to co-operate with other charities, voluntary bodies and statutory authorities and to enter into agreements and arrangements with them, and exchange information and advice with them;

- 5.6 to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects and to administer or act as trustee (including as a custodian trustee) of any such charity or charitable property;
- 5.7 to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity;
- 5.8 to make grants or loans to any charity or body having purposes consistent with the Objects, whether within or outside the Diocese;
- 5.9 should any part of the present Diocese cease to be within the Diocese, the Company may (in the absolute discretion of the trustees) apportion funds accordingly and give an appropriate portion to be used for the work of the Church of England in that part which is no longer in the Diocese;
- 5.10 to act as a committee of Diocesan Synod;
- 5.11 if directed so to do by Diocesan Synod, to carry out any functions of the Bishop's Council and standing committee of Diocesan Synod in accordance with the Standing Orders;
- 5.12 to be and act as the Diocesan Board of Finance for the Diocese in accordance with the Diocesan Boards of Finance Measure 1925 and for the purpose of any Act of Parliament or Measure or Scheme of the Church Commissioners where a Diocesan Board of Finance is defined or mentioned;
- 5.13 to be the Diocesan Authority for the Diocese for the purpose of any Act of Parliament or Measure or Scheme of the Church Commissioners where a Diocesan Authority is defined or mentioned;
- 5.14 to do anything, carry on any function or take on any role if so directed by resolution of Diocesan Synod;
- 5.15 to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves;
- 5.16 to employ and remunerate such staff as are necessary for carrying out the work of the Company. The Company may employ or remunerate a director only to the extent it is permitted to do so by article 7 and provided it complies with the conditions in that article;
- 5.17 to deposit or invest funds and/or to employ a professional fund-manager and/or arrange for the investments or other property of the Company to be held in the name of a nominee all in the same manner and subject to the same conditions as the trustees of a trust are permitted to do by the Trustee Act 2000;

- 5.18 to provide indemnity insurance for the directors in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011;
- 5.19 to do anything lawful which is calculated to further the Objects or is conducive or incidental to doing so.

6. APPLICATION OF INCOME AND PROPERTY

- 6.1 The income and property of the Company shall be applied solely towards the promotion of the Objects.
- 6.2 A director is entitled to be reimbursed from the property of the Company or may pay out of such property reasonable expenses properly incurred by that director when acting on behalf of the Company.
- 6.3 A director may benefit from trustee indemnity insurance cover purchased at the Company's expense in accordance with, and subject to the conditions in, section 189 of the Charities Act 2011.
- 6.4 A director may receive an indemnity from the Company in the circumstances specified in article 30.
- 6.5 A director may not receive any other benefit or payment unless it is authorised by article 7.
- 6.6 Subject to article 7, none of the income or property of the Company may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any Member of the Company. This does not prevent a Member who is not also a director receiving a benefit from the Company in the capacity of a beneficiary of the Company or receiving reasonable and proper remuneration for any goods or services supplied to the Company.

7. BENEFITS AND PAYMENTS TO CHARITY DIRECTORS AND CONNECTED PERSONS

- 7.1 No director or connected person may
- 7.1.1 buy any goods or services from the Company on terms preferential to those applicable to members of the public;
 - 7.1.2 sell goods, services, or any interest in land to the Company;
 - 7.1.3 be employed by, or receive any remuneration from, the Company;
 - 7.1.4 receive any other financial benefit from the Company;

unless the payment is permitted by article 7.3, or authorised by the court or the prior written consent of the Commission has been obtained.

7.2 In this article 7, a 'financial benefit' means a benefit, direct or indirect, which is either money or has a monetary value.

7.3 Scope and powers permitting directors' or connected persons' benefits

7.3.1 A director or connected person may receive a benefit from the Company in the capacity of a beneficiary of the Company provided that a majority of the directors do not benefit in this way.

7.3.2 This article 7 does not prevent a director or connected person who is in Holy Orders and the holder of an ecclesiastical office from receiving payment of stipend or provision of housing or housing allowance in connection with that ecclesiastical office.

7.3.3 A director or connected person may enter into a contract for the supply of services, or of goods that are supplied in connection with the provision of services, to the Company where that is permitted in accordance with, and subject to the conditions in, sections 185 and 186 of the Charities Act 2011.

7.3.4 Subject to article 7.4, a director or connected person may provide the Company with goods that are not supplied in connection with services provided to the Company by the director or connected person.

7.3.5 A director or connected person may receive interest on money lent to the Company at a reasonable and proper rate which must be not more than the Bank of England bank rate (also known as the base rate).

7.3.6 A director or connected person may receive rent for premises let by the director or connected person to the Company. The amount of the rent and the other terms of the lease must be reasonable and proper. The director concerned must withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion.

7.3.7 A director or connected person may take part in the normal trading and fundraising activities of the Company on the same terms as members of the public.

7.4 In relation to payment in respect of goods only, the Company and its directors may only rely upon the authority provided by article 7.3 if each of the following conditions is satisfied:

7.4.1 The amount or maximum amount of the payment for the goods is set out in an agreement in writing between the Company or its directors (as the case may be) and the director or connected person supplying the goods ('the supplier') under which the supplier is to supply the goods in question to or on behalf of the Company.

7.4.2 The amount or maximum amount of the payment for the goods does not exceed what is reasonable in the circumstances for the supply of the goods in question.

7.4.3 The other directors are satisfied that it is in the best interests of the Company to contract with the supplier rather than with someone who is not a director or connected person. In reaching that decision the directors must balance the advantage of contracting with a director or connected person against the disadvantages of doing so.

7.4.4 The supplier is absent from the part of any meeting at which there is discussion of the proposal to enter into a contract or arrangement with such person with regard to the supply of goods to the Company.

7.4.5 The supplier does not vote on any such matter and is not to be counted when calculating whether a quorum of directors is present at the meeting.

7.4.6 The reason for their decision is recorded by the directors in the minute book.

7.4.7 A majority of the directors then in office are not in receipt of remuneration or payments authorised by article 7.

7.5 In articles 7.3 and 7.4:

7.5.1 'Company' includes any company in which the Company:

7.5.1.1 holds more than 50% of the shares; or

7.5.1.2 controls more than 50% of the voting rights attached to the shares; or

7.5.1.3 has the right to appoint one or more directors to the board of the company.

7.5.2 'connected person' includes any person within the definition in article 34 below 'Interpretation'.

8. DECLARATION OF DIRECTORS' INTERESTS

A director must declare the nature and extent of any interest, direct or indirect, which that director has in a proposed transaction or arrangement with the Company or in any transaction or arrangement entered into by the Company which has not previously been declared. A director must be absent from any discussions of the Company directors in which it is possible that a conflict will arise between the director's duty to act solely in the interests of the Company and any personal interest (including but not limited to any personal financial interest).

9. CONFLICTS OF INTERESTS AND CONFLICTS OF LOYALTIES

9.1 If a conflict of interests arises for a director because of a duty of loyalty owed to another organisation or person and the conflict is not authorised by virtue of any other provision in the articles, the unconflicted directors may authorise such a conflict of interests where the following conditions apply:

9.1.1 the conflicted director is absent from the part of the meeting at which there is discussion of any arrangement or transaction affecting that other organisation or person;

9.1.2 the conflicted director does not vote on any such matter and is not to be counted when considering whether a quorum of directors is present at the meeting; and

9.1.3 the unconflicted directors consider it is in the interests of the Company to authorise the conflict of interests in the circumstances applying.

9.2 In this article a conflict of interests arising because of a duty of loyalty owed to another organisation or person only refers to such a conflict which does not involve a direct or indirect benefit of any nature to a director or to a connected person.

10. MEMBERS OF THE COMPANY

10.1 No person shall become a Member unless and until that person consents. The directors must keep a register of names and addresses of the Members. A person becomes a Member when that person's name is entered in the register of Members.

10.2 The maximum number of Members shall not exceed 270, unless varied by resolution of Diocesan Synod.

- 10.3 The Members of the Company at the date of the adoption of these articles shall be as set out below:
- 10.3.1 The Bishop *ex officio*.
 - 10.3.2 each member for the time being of Diocesan Synod (except any Excluded Person).
 - 10.3.3 each member for the time being of Bishop's Council (except any Excluded Person). The members of Bishop's Council continue to be Members of the Company for so long as they are members of Bishop's Council even if they cease to be members of Diocesan Synod.
 - 10.3.4 any Lay Member appointed pursuant to article 10.4.
 - 10.3.5 any Elected Member elected pursuant to article 10.5
- 10.4 There must be a majority of Lay Members so that the number of Lay Members must exceed the number of Clergy Members by at least one. If this is not the case, the Lay Members shall as soon as possible by resolution appoint sufficient additional Lay Members to effect this majority, and these shall be Members during the lifetime of the Diocesan Synod in which they were appointed.
- 10.5 At least three-quarters of the Members must be Elected Members. If this is not the case, Diocesan Synod shall as soon as possible elect sufficient additional Members to ensure that this is the case, and these shall be Members during the lifetime of the Diocesan Synod in which they were elected. The additional Elected Members do not need to be members of Diocesan Synod but at least two-thirds of the Elected Members must also be members of Diocesan Synod.
- 10.6 All Members must be actual communicants, with the exception of a member who is a director co-opted under article 17.4.12.
- 10.7 A certificate of the results of all elections of the Elected Members signed by the Secretary of Diocesan Synod and delivered to the Secretary of the Company shall be sufficient evidence of the results and validity of any election.
- 10.8 Membership is not transferable.

11. TERMINATION OF MEMBERSHIP

A person's membership shall terminate when:

- 11.1 that person dies;
- 11.2 in relation to the Bishop, that person ceases to be the Bishop;

- 11.3 in relation to a Member who is not a member of Bishop's Council and who holds office under article 10.3.2 (because they are a member of Diocesan Synod), that person ceases to be a member of Diocesan Synod;
- 11.4 in relation to a Member who holds office under article 10.3.3 (because they are a member of Bishop's Council), that person ceases to be a member of Bishop's Council;
- 11.5 in relation to a Lay Member appointed under article 10.4 or an Elected Member elected under article 10.5, the lifetime of the Diocesan Synod during which that person was appointed or elected ends;
- 11.6 the Member resigns by written notice to the Company unless, after the resignation, there would be fewer than two Members;
- 11.7 in relation to the requirement for a Member to be an actual communicant (other than in relation to a Member who is a director co-opted under article 17.4.10), the Bishop signs and delivers to the Secretary a certificate stating that, having investigated the matter and considered any representations made by the Member, the Bishop reasonably believes that the Member concerned is not an actual communicant;
- 11.8 any sum due from the Member to the Company is not paid in full within six months of it falling due;
- 11.9 the Member is removed from membership by a resolution of the directors that it is in the best interests of the Company for that person's membership to be terminated. A resolution to remove a Member from membership may only be passed if:
 - 11.9.1 the Member has been given at least twenty-one days' notice in writing of the meeting of the directors at which the resolution will be proposed and the reasons why it is to be proposed;
 - 11.9.2 the Member or, at the option of the Member, the Member's representative (who need not be a Member of the Company) has been allowed to make representations to the meeting; and
 - 11.9.3 the Bishop agrees to the passing of the resolution.

12. CALLING GENERAL MEETINGS

- 12.1 The Company must hold an annual general meeting each year and not more than fifteen months may elapse between successive annual general meetings.
- 12.2 The Bishop or the directors may call a general meeting at any time.

- 12.3 The minimum periods of notice required to hold a general meeting of the Company are:
- 12.3.1 twenty-one clear days for an annual general meeting or a general meeting called for the passing of a special resolution;
 - 12.3.2 fourteen clear days for all other general meetings.
- 12.4 A general meeting may be called by shorter notice if it is so agreed by a majority in number of Members having a right to attend and vote at the meeting, being a majority who together hold not less than 90 percent of the total voting rights.
- 12.5 The notice must specify the date time and place of the meeting and the general nature of the business to be transacted. If the meeting is to be an annual general meeting, the notice must say so. The notice must also contain a statement setting out the right of Members to appoint a proxy under section 324 of the Companies Act 2006 and article 14.
- 12.6 The notice must be given to all the Members and to the directors and the auditors.
- 12.7 The proceedings at a meeting shall not be invalidated because a person who was entitled to receive notice of the meeting did not receive it because of an accidental omission by the Company.

13. PROCEEDINGS AT GENERAL MEETINGS

- 13.1 No business shall be transacted at any general meeting unless a quorum is present.
- 13.2 A quorum is one third of the total number of Members, present in person or by proxy and entitled to vote upon the business to be conducted at the meeting.
- 13.3 If a quorum is not present within half an hour from the time appointed for the meeting, or during a meeting a quorum ceases to be present, the meeting shall be adjourned to such time and place as the directors shall determine.
- 13.4 The directors must reconvene the meeting and must give at least seven clear days' notice of the reconvened meeting stating the date, time and place of the meeting.
- 13.5 If no quorum is present at the reconvened meeting within thirty minutes of the time specified for the start of the meeting the Members present in person or by proxy at that time shall constitute the quorum for that meeting.
- 13.6 Members may attend, speak at, vote in, or otherwise participate in a general meeting without any, or without all, of the Members being together in the same place.

- 13.7 A reference to the place where a general meeting is held, or is to be held, includes a reference to more than one place, including electronic, digital or virtual locations, web addresses or conference call telephone numbers.
- 13.8 A person is to be regarded as present at a general meeting at any given time if the person is at that time able to hear and be heard by the other persons present.
- 13.9 A reference to being present at a general meeting includes a reference to being present by electronic means.
- 13.10 General meetings shall be chaired by the Chair. If there is no such person or if the Chair is not present within fifteen minutes of the time appointed for the meeting the Vice-Chair shall chair the meeting or, if there is no such person or if the Vice-Chair is not present within fifteen minutes of the time appointed for the meeting, the Members present in person or by proxy and entitled to vote must choose one of their number to chair the meeting. In the case of an equality of votes, the person who is chairing the meeting shall have a second or casting vote.
- 13.11 Any vote at a meeting shall be decided by a show of hands unless before, or on the declaration of the result of, the show of hands a poll is demanded by the person chairing the meeting; or by at least two Members present in person or by proxy and having the right to vote at the meeting.
- 13.12 The declaration by the person who is chairing the meeting of the result of a vote shall be conclusive unless a poll is demanded.
- 13.13 The result of the vote must be recorded in the minutes of the Company but the number or proportion of votes cast need not be recorded.
- 13.14 A demand for a poll may be withdrawn, before the poll is taken, but only with the consent of the person who is chairing the meeting.
- 13.15 If the demand for a poll is withdrawn the demand shall not invalidate the result of a show of hands declared before the demand was made.
- 13.16 A poll must be taken as the person who is chairing the meeting directs, who may appoint scrutineers (who need not be Members) and who may fix a time and place for declaring the results of the poll.
- 13.17 The result of the poll shall be deemed to be the resolution of the meeting at which the poll is demanded.
- 13.18 A poll demanded on the election of a person to chair a meeting or on a question of adjournment must be taken immediately.

- 13.19 A poll demanded on any other question must be taken either immediately or at such time and place as the person who is chairing the meeting directs but in any event within thirty days after it has been demanded.
- 13.20 If the poll is not taken immediately at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 13.21 If a poll is demanded the meeting may continue to deal with any other business that may be conducted at the meeting.

14. CONTENT OF PROXY NOTICES

- 14.1 Proxies may only validly be appointed by a notice in writing (a 'proxy notice') which:
- 14.1.1 states the name and address of the Member appointing the proxy;
 - 14.1.2 identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
 - 14.1.3 is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the directors may determine; and
 - 14.1.4 is delivered to the Company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- 14.2 The Company may require proxy notices to be delivered in a particular form and may specify different forms for different purposes.
- 14.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- 14.4 Unless a proxy notice indicates otherwise, it must be treated as:
- 14.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
 - 14.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.
- 14.5 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person.

- 14.6 An appointment under a proxy notice may be revoked by delivery to the Company of a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- 14.7 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or the adjourned meeting to which it relates.
- 14.8 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

15. WRITTEN RESOLUTIONS

- 15.1 A resolution in writing agreed by a simple majority (or in the case of a special resolution by a majority of not less than 75%) of the Members who would have been entitled to vote upon it had it been proposed at a general meeting shall be effective provided that:
- 15.1.1 a copy of the proposed resolution has been sent to every eligible Member;
 - 15.1.2 a simple majority (or in the case of a special resolution a majority of not less than 75%) of Members has signified its agreement to the resolution; and
 - 15.1.3 it is contained in an authenticated document which has been received at the registered office within the period of 28 days beginning with the circulation date.
- 15.2 A resolution in writing may comprise several copies to which one or more Members have signified their agreement.

16. VOTES OF MEMBERS

- 16.1 Subject to article 13.10 every Member shall have one vote.
- 16.2 Any objection to the qualification of any voter must be raised at the meeting at which the vote is tendered and the decision of the person who is chairing the meeting shall be final.

17. DIRECTORS

- 17.1 A director must be a natural person and, except for co-opted directors appointed under article 17.4.12, must be an actual communicant.
- 17.2 A person who would be disqualified from acting under the provisions of article 19 may not be appointed a director.

- 17.3 The minimum number of directors shall be 6 but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.
- 17.4 Subject to any direction by Diocesan Synod the members of Bishop's Council shall be the directors of the Company and at the date of adoption of these articles they are:
- 17.4.1 The Bishop;
 - 17.4.2 The Bishop of Dorking;
 - 17.4.3 The Dean of Guildford Cathedral;
 - 17.4.4 The Archdeacon of Surrey;
 - 17.4.5 The Archdeacon of Dorking;
 - 17.4.6 The Chair;
 - 17.4.7 The Vice-Chair;
 - 17.4.8 The Chair of the House of Clergy of Diocesan Synod;
 - 17.4.9 The Chair of the House of Laity of Diocesan Synod;
 - 17.4.10 4 ordained persons having the Bishop's licence or being beneficed in the Diocese elected by Diocesan Synod to Bishop's Council in accordance with the Standing Orders and who then hold office for three years from 00:01am on 1 January following their election or, in the case of any election to fill a casual vacancy, any remaining period of that three year term;
 - 17.4.11 6 lay persons who are on the electoral roll of a parish in the diocese or on an equivalent register prescribed by a bishop's mission order made under Part 7 of the Mission and Pastoral Measure 2011 or declared by the Dean to be a habitual worshiper at the Cathedral, elected by Diocesan Synod to Bishop's Council in accordance with the Standing Orders and who then hold office for three years from 00:01am on 1 January following their election or, in the case of any election to fill a casual vacancy, any remaining period of that three year term;
 - 17.4.12 Up to 4 co-opted directors appointed by resolution of the directors (who shall fix their term of office) and at least one of whom shall be a member of the Diocesan Board of Education constituted in accordance with the Diocesan Boards of Education Measure 2021; and

17.4.13 Up to 2 additional directors nominated by the Bishop (who shall fix their term of office).

17.5 A director may not appoint an alternate director or anyone to act on that director's behalf at meetings of the directors.

18. POWERS OF DIRECTORS

18.1 The directors shall manage the business of the Company and may exercise all the powers of the Company unless they are subject to any restrictions imposed by the Companies Acts, the articles or any special resolution.

18.2 No alteration of the articles or any special resolution shall have retrospective effect to invalidate any prior act of the directors.

18.3 Any meeting of directors at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the directors.

19. RETIREMENT AND REMOVAL OF DIRECTORS

A person shall cease to hold office as a director as soon as:

19.1 that person dies;

19.2 that person's term of office ends;

19.3 in relation to a director who holds office under articles 17.4.1 to 17.4.7, that person ceases to hold the qualifying office or role;

19.4 in relation to a director elected by Diocesan Synod under articles 17.4.10 or 17.4.11, that person reaches the end of their three-year term (or part thereof if elected to fill a casual vacancy);

19.5 that person ceases to be a director by virtue of any provision in the Companies Acts or is prohibited by law from being a director;

19.6 that person ceases for any reason to be a member of Bishop's Council;

19.7 that person is disqualified from acting as a trustee by virtue of sections 178 and 179 of the Charities Act 2011 (or any statutory re-enactment or modification of those provisions);

19.8 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

- 19.9 that person resigns as a director by notice to the Company (but only if at least two directors will remain in office when the notice of resignation is to take effect);
- 19.10 that person is, without the permission of the directors, absent from all meetings of the directors held within a period of six consecutive months and the directors resolve to vacate that person's office;
- 19.11 the director is removed from office by a resolution passed by a 75% majority of the other directors that it is in the best interests of the Company that that person be removed as a director. A resolution to remove a director may only be passed if:
- 19.11.1 the director has been given at least seven days' notice in writing of the meeting of the directors at which the resolution will be proposed and the reasons why it is to be proposed;
- 19.11.2 the director or, at the option of the director, the director's representative (who need not be a director or Member of the Company) has been allowed to make representations to the meeting; and
- 19.11.3 the Bishop agrees to the passing of the resolution.

20. REMUNERATION OF DIRECTORS

The directors must not be paid any remuneration unless it is authorised by article 7.

21. PROCEEDINGS OF DIRECTORS

- 21.1 The directors may regulate their proceedings as they think fit, subject to the provisions of the articles.
- 21.2 Any director may call a meeting of the directors.
- 21.3 The Secretary must call a meeting of the directors if requested to do so by a director.
- 21.4 Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the person who is chairing the meeting shall have a second or casting vote.
- 21.5 A meeting may be held by suitable electronic means agreed by the directors in which each participant may communicate with all the other participants.
- 21.6 No decision may be made by a meeting of the directors unless a quorum is present at the time the decision is purported to be made. 'Present' includes being present by suitable electronic means agreed by the directors in which a participant or participants may communicate with all the other participants.

- 21.7 The quorum shall be 6 or such larger number as may be decided from time to time by the directors.
- 21.8 A director shall not be counted in the quorum present when any decision is made about a matter upon which that director is not entitled to vote whether by reason of a conflict of interests or otherwise.
- 21.9 If the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies by co-opting directors in accordance with article 17.4.12.
- 21.10 A resolution in writing or in electronic form agreed by all of the directors entitled to receive notice of a meeting of the directors and to vote upon the resolution shall be as valid and effectual as if it had been passed at a meeting of the directors duly convened and held.
- 21.11 A resolution in writing (referred to in the preceding article) may comprise several documents containing the text of the resolution in like form to each of which one or more directors has signified their agreement.

22. CHAIR, VICE-CHAIR AND SECRETARY

- 22.1 The Bishop shall, after consultation with the directors, appoint a Chair and a Vice-Chair both of whom shall be lay people and neither of whom need be a Member of the Company before appointment. The Chair and Vice-Chair in office at the date of adoption of these articles shall remain in office until the close of the 2025 Annual General Meeting and after that the term of office for the Chair and the Vice-Chair shall be three years, ending at the close of business of the Annual General Meeting in the third year.
- 22.2 If a casual vacancy arises during the term of office of the Chair or the Vice-Chair, the Bishop may, after consultation with the directors, fill the vacancy for the remainder of that term of office.
- 22.3 No person may serve more than two consecutive terms as Chair or Vice-Chair unless the Bishop gives prior written consent. For the purposes of the two-term limit, a part term served in order to fill a casual vacancy under article 22.2 does not count.
- 22.4 For the avoidance of doubt, neither the Chair nor the Vice Chair is the same person as the Chair of the House of Clergy or the Chair of the House of Laity of Diocesan Synod.
- 22.5 The Bishop will chair all meetings of the directors that take place as part of, or adjacent to, a meeting of Bishop's Council. If the Bishop is absent or unable to act, the Bishop may ask the Bishop of Dorking to act as chair instead of the Bishop, but if the Bishop

has not done so, or where the Bishop of Dorking is absent or unable to act, the Chair (or if the Chair is absent or unwilling or unable to act, the Vice-Chair) will chair all such meetings of the directors.

- 22.6 All meetings of the directors that are standalone – that is they do not take place as part of, or adjacent to, a meeting of Bishop’s Council – will be chaired by the Chair (or if the Chair is absent or unwilling or unable to act, the Vice-Chair).
- 22.7 If for any meeting of the directors no-one has been appointed to act as Chair in accordance with articles 22.5 or 22.6 or if the person appointed is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, the directors present may appoint one of their number to chair that meeting.
- 22.8 The person appointed to chair meetings of the directors shall have no additional functions or powers except those conferred by the articles or delegated to that person by the directors.
- 22.9 The Secretary shall be the diocesan secretary appointed in accordance with section 9 of the Church of England (Miscellaneous Provisions) Measure 2005 unless Diocesan Synod agrees otherwise. Unless the directors direct otherwise, the Secretary may appoint one or more assistant secretary(ies) on such terms and with such delegated powers and duties as the Secretary shall decide. In the absence or incapacity of the Secretary, any of the Chair or the Vice Chair or the Bishop may authorise any such assistant secretary to carry out any of the powers and duties of the Secretary.

23. DELEGATION

- 23.1 The directors may delegate any of their powers or functions to a committee composed of such persons as the directors shall appoint provided that any such committee contains at least one director but the terms of any delegation must be recorded in the minute book.
- 23.2 The directors may impose conditions when delegating, including the conditions that the relevant powers are to be exercised exclusively by the committee to whom they delegate; and/or that no expenditure may be incurred on behalf of the Company except in accordance with a budget previously agreed with the directors.
- 23.3 The directors may revoke or alter a delegation.
- 23.4 All acts and proceedings of any committees must be fully and promptly reported to the directors.

24. VALIDITY OF DIRECTORS' DECISIONS

24.1 Subject to article 24.2, all acts done by a meeting of directors, or of a committee of directors, shall be valid notwithstanding the participation in any vote of a director who was disqualified from holding office or who had previously retired or who had been obliged by the constitution to vacate office or who was not entitled to vote on the matter, whether by reason of a conflict of interests or otherwise if without counting the vote of that director and without that director being counted in the quorum the decision had been made by a majority of the directors at a quorate meeting.

24.2 Article 24.1 does not permit a director or a connected person to keep any benefit that may be conferred upon that director or connected person by a resolution of the directors or of a committee of directors if, but for article 24.1, the resolution would have been void, or if the director had not complied with article 7.

25. SEAL

25.1 If the Company has a seal it must only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed either (i) by a director and by the Secretary or (ii) by any two directors.

25.2 The Company may execute documents without affixing its seal in accordance with the provisions of section 44 Companies Act 2006.

26. MINUTES

The directors must keep minutes of all:

26.1 appointments of officers made by the directors;

26.2 proceedings at meetings of the Company;

26.3 meetings of the directors and committees of directors including:

26.4 the names of the directors present at the meeting;

26.5 the decisions made at the meetings; and

26.6 where appropriate the reasons for the decisions.

27. ACCOUNTS

27.1 The directors must prepare for each financial year accounts as required by the Companies Acts. The accounts must be prepared to show a true and fair view and

follow accounting standards issued or adopted by the Accounting Standards Board or its successors and adhere to the recommendations of applicable Statements of Recommended Practice.

- 27.2 The directors must keep accounting records as required by the Companies Act.
- 27.3 The accounts will be laid before the Company in general meeting before being presented to Diocesan Synod.

28. ANNUAL REPORT AND RETURN AND REGISTER OF CHARITIES

- 28.1 The directors must comply with the requirements of the Charities Act 2011 with regard to the;
 - 28.1.1 transmission of a copy of the statements of account to the Commission;
 - 28.1.2 preparation of an Annual Report and the transmission of a copy of it to the Commission;
 - 28.1.3 preparation of an Annual Return and its transmission to the Commission.
- 28.2 The directors must notify the Commission promptly of any changes to the Company's entry on the Central Register of Charities.

29. MEANS OF COMMUNICATION TO BE USED

- 29.1 Subject to the articles, anything sent or supplied by or to the Company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 29.2 Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 29.3 Any notice to be given to or by any person pursuant to the articles must be in writing or must be given in electronic form.
- 29.4 The Company may give any notice to a Member either:
 - 29.4.1 personally; or
 - 29.4.2 by sending it by post in a prepaid envelope to the address of the Member; or
 - 29.4.3 by leaving it at the address of the Member; or

- 29.4.4 by giving it in electronic form to the Member's address; or
- 29.4.5 by placing the notice on a website and providing the person with a notification in writing or in electronic form of the presence of the notice on the website. The notification must state if it concerns a notice of a company meeting and must specify the place, date and time of the meeting.
- 29.5 A Member who does not register an address with the Company or who registers only a postal address that is not within the United Kingdom shall not be entitled to receive any notice from the Company.
- 29.6 A Member present in person at any meeting of the Company shall be deemed to have received notice of the meeting and of the purposes for which it was called.
- 29.7 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given.
- 29.8 Proof that an electronic form of notice was given shall be conclusive where the company can demonstrate that it was properly addressed and sent, in accordance with section 1147 of the Companies Act 2006.
- 29.9 In accordance with section 1147 of the Companies Act 2006 notice shall be deemed to be given:
 - 29.9.1 48 hours after the envelope containing it was posted; or
 - 29.9.2 in the case of an electronic form of communication, 48 hours after it was sent.

30. INDEMNITY

The Company shall indemnify any director or former director against any liability incurred in that capacity, to the extent permitted by sections 232 to 234 of the Companies Act 2006.

31. RULES AND BYELAWS

- 31.1 The directors may from time to time make such reasonable and proper rules or bye laws as they may deem necessary or expedient for the proper conduct and management of the Company.
- 31.2 The bye laws may regulate the following matters but are not restricted to them:
 - 31.2.1 the conduct of Members of the Company in relation to one another, and to the Company's employees and volunteers;

- 31.2.2 the setting aside of the whole or any part or parts of the Company's premises at any particular time or times or for any particular purpose or purposes;
 - 31.2.3 the procedure at general meetings and meetings of the directors in so far as such procedure is not regulated by the Companies Acts or Diocesan Synod or by the articles;
 - 31.2.4 generally, all such matters as are commonly the subject matter of company rules.
- 31.3 The Company in general meeting has the power to alter, add to or repeal the rules or bye laws.
- 31.4 The directors must adopt such means as they think sufficient to bring the rules and bye laws to the notice of Members of the Company.
- 31.5 The rules or bye laws shall be binding on all Members of the Company. No rule or bye law shall be inconsistent with, or shall affect or repeal anything contained in, the articles.

32. DISPUTES

If a dispute arises between Members of the Company about the validity or propriety of anything done by the Members of the Company under these articles, and the dispute cannot be resolved by agreement, the parties to the dispute must first try in good faith to settle the dispute by mediation before resorting to litigation.

33. DISSOLUTION

- 33.1 The Members of the Company may at any time before, and in expectation of, its dissolution resolve that any net assets of the Company after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the Company be applied or transferred in any of the following ways:
- 33.1.1 directly for the Objects; or
 - 33.1.2 by transfer to any charity or charities for purposes similar to the Objects;
or
 - 33.1.3 to any charity or charities for use for particular purposes that fall within the Objects.
- 33.2 Subject to any such resolution of the Members of the Company, the directors of the Company may at any time before and in expectation of its dissolution resolve that any net assets of the Company after all its debts and liabilities have been paid, or provision

made for them, shall on or before dissolution of the Company be applied or transferred:

- 33.2.1 directly for the Objects; or
- 33.2.2 by transfer to any charity or charities for purposes similar to the Objects;
or
- 33.2.3 to any charity or charities for use for particular purposes that fall within the Objects.

33.3 In no circumstances shall the net assets of the Company be paid to or distributed among the Members of the Company (except to a Member that is itself a charity) and if no resolution in accordance with this article is passed by the Members or the directors the net assets of the Company shall be applied for charitable purposes as directed by the Court or the Commission.

34. INTERPRETATION OF 'CONNECTED PERSON'

In article 7, article 9 and article 24.2 'connected person' means:

- 34.1 a child, parent, grandchild, grandparent, brother or sister of the director;
- 34.2 the spouse or civil partner of the director or of any person falling within 34.1 above;
- 34.3 a person carrying on business in partnership with the director or with any person falling within 34.1 or 34.2 above;
- 34.4 an institution which is controlled –
 - 34.4.1 by the director or any connected person falling within 34.1, 34.2 or 34.3 above; or
 - 34.4.2 by two or more persons falling within 34.4.1 when taken together,
- 34.5 a body corporate in which –
 - 34.5.1 the director or any connected person falling within 34.1, 34.2 or 34.3 has a substantial interest; or
 - 34.5.2 two or more persons falling within 34.5.1 who, when taken together, have a substantial interest;

and Sections 350 – 352 of the Charities Act 2011 apply for the purposes of interpreting the terms used in this article.