

THE COMPANIES ACT 1985

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

MEMORANDUM and ARTICLES of ASSOCIATION

of

Killearn Community Futures Company

- 1) The company's name is Killearn Community Futures Company
- 2) The company's registered office is to be situated in Scotland.
- 3) This clause shall be interpreted as if it incorporated an over-riding qualification limiting the powers of the company such that any activity which would otherwise be permitted by the terms of the clause may be carried on only if that activity furthers a purpose which is regarded as charitable for the purposes of section 505 of the Income and Corporation Taxes Act 1988 (including any statutory amendment or re-enactment for the time being in force). Subject to that over-riding qualification, the company's objects are: -
 - a) to provide, in the interests of social welfare, facilities for recreation and other leisure time activity available to the public at large within the Community Council area of Killearn, Stirlingshire so far as lying within the boundaries shown coloured red on the plan annexed to the memorandum of association - "the Operating Area" - with a view to improving their conditions of life
 - b) to preserve, restore and improve the environment in and around the Operating Area through the provision, maintenance and/or improvement of public open space and other public amenities and other environmental and townscape regeneration projects, and in doing so, to seek wherever appropriate (but subject to appropriate safeguards to ensure that the public benefit so arising clearly outweighs any private benefit thereby conferred on private landowners) to carry out works of reclamation, remediation, restoration and other operations to facilitate the use for those purposes of land whose use has been prevented or restricted because of previous use;
 - c) to promote trade and industry for the benefit of the general public within the Operating Area;
 - d) to promote, establish and operate other schemes of a charitable nature for the benefit of the community within the Operating Area.

In pursuance of those aims (but not otherwise) the company shall have the following powers:

- a) To acquire and take over the whole or any part of the undertaking and liabilities of any person entitled to any property or rights suitable for any of the objects of the company.
- b) To establish and operate workspace units.
- c) To purchase, take on feu, lease, hire, take in exchange, and otherwise acquire any property and rights which may be advantageous for the purposes of the activities of the company.
- d) To improve, manage, exploit, develop, turn to account and otherwise deal with all or any part of the undertaking, property and rights of the company.
- e) To sell, feu, let, hire, license, give in exchange and otherwise dispose of all or any part of the undertaking, property and rights of the company.
- f) To lend money and give credit to any person, with or without security, and to grant guarantees and contracts of indemnity on behalf of any person.
- g) To borrow money and give security for the payment of money by, or the performance of other obligations of, the company or any other person.
- h) To draw, make, accept, endorse, discount, negotiate, execute and issue cheques and other negotiable or transferable instruments.
- i) To remunerate any individual in the employment of the company and to establish, maintain and contribute to any pension or superannuation fund for the benefit of, and to give or procure the giving of any donation, pension, allowance or remuneration to, and to make any payment

for or towards the insurance of, any individual who is or was at any time in the employment of the company and the spouse, widow/er, relatives and dependents of any such individual; to establish, subsidise and subscribe to any institution, association, club and fund which may benefit any such person.

- j) To oppose or object to any application or proceedings which may prejudice the company's interests.
- k) To enter into any arrangement with any organisation, government or authority which may be advantageous for the purposes of the activities of the company and to obtain from any such organisation, government or authority any right, privilege or concession.
- l) To enter into any arrangement for co-operation or mutual assistance with any charitable body, whether incorporated or unincorporated.
- m) To effect insurance against risks of all kinds.
- n) To invest funds not immediately required for the purposes of the company's activities in such investments and securities (including land in any part of the world) and that in such manner as may from time to time be considered advantageous (subject to compliance with any applicable legal requirement) and to dispose of and vary such investments and securities.
- o) To establish and support any association or other unincorporated body having objects altogether or in part similar to those of the company and to promote any company or other incorporated body formed for the purpose of carrying on any activity which the company is authorised to carry on.
- p) To subscribe and make contributions to or otherwise support charitable bodies, whether incorporated or unincorporated, and to make donations for any charitable purpose connected with the activities of the company or with the furtherance of its objects.
- q) To accept subscriptions, grants, donations, gifts, legacies and endowments of all kinds, either absolutely or conditionally or in trust for any of the objects of the company.
- r) To take such steps (by way of personal or written appeals, public meetings or otherwise) as may be deemed expedient for the purpose of procuring contributions to the funds of the company, whether by way of subscriptions, grants, loans, donations or otherwise.
- s) To carry out any of these objects in any part of the world as principal, agent, contractor, trustee or in any other capacity and through an agent, contractor, sub-contractor, trustee or any person acting in any other capacity and either alone or in conjunction with others.
- t) To do anything which may be incidental or conducive to the attainment of any of the objects of the company.

And it is declared that

- A) in this clause where the context so admits, "property" means any property, heritable or moveable, real or personal, wherever situated
- B) in this clause, and throughout this memorandum of association the word "charitable" shall have the meaning ascribed to it for the purposes of section 505 of the Income and Corporation Taxes Act including any statutory amendment or re-enactment for the time being in force

4) *

- a) The income and property of the company shall be applied solely towards promoting the company's objects (as set out in clause 3 of this memorandum of association).
- b) No part of the income or property of the company shall be paid or transferred (directly or indirectly) to the members of the company, whether by way of dividend, bonus or otherwise.
- c) No director of the company shall be appointed as a paid employee of the company; no director shall hold any office under the company for which a salary or fee is payable.
- d) No benefit (whether in money or in kind) shall be given by the company to any director except (i) repayment of out-of-pocket expenses or (ii) reasonable payment in return for particular services (not being of a management nature) actually rendered to the company.

- 5) The liability of the members is limited.
- 6) Every member of the company undertakes to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up while he/she is a member or within one year after he/she ceases to be a member, for payment of the company's debts and liabilities contracted before he/she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.
- 7) *
 - a) If on the winding-up of the company any property remains after satisfaction of all the company's debts and liabilities, such property shall not be paid to or distributed among the members of the company but shall be transferred to some other charitable body or bodies (whether incorporated or unincorporated) whose objects are altogether or in part similar to the objects of the company and whose constitution restricts the distribution of income and assets among members to an extent at least as great as does clause 4 of this memorandum of association.
 - b) The body or bodies to which property is transferred under clause 7a) shall be determined by the members of the company at or before the time of dissolution or, failing such determination; by such court as may have or may acquire jurisdiction.
 - c) To the extent that effect cannot be given to the provisions of clauses 7a) and 7b), the relevant property shall be applied to some other charitable object or objects.
- 8) Accounting records shall be kept in accordance with all applicable statutory requirements and such accounting records shall, in particular, contain entries from day to day of all sums of money received and expended by the company and the matters in respect of which such receipt and expenditure take place and a record of the assets and liabilities of the company; such accounting records shall be open to inspection at all times by any director of the company.

WE the subscribers to this memorandum of association, wish to be formed into a company pursuant to this memorandum.

THE COMPANIES ACT 1985

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ARTICLES of ASSOCIATION

of

Killearn Community Futures Company

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Membership

- 1) The subscribers to the memorandum of association and such other persons as are admitted to membership under articles 4 to 11 shall be the members of the company.
- 2) Membership shall cease on death.
- 3) A member may not transfer his/her membership to any other person.

Qualifications for membership

- 4) Subject to articles 1, 5, 6 and 7,
 - a) Membership shall be open to people aged 18 and over whose main home is in the Operating Area and to people working in the Operating Area.
 - b) Associate membership shall be open to other people who are sympathetic to the objects of the company.
 - c) Junior membership shall be open to people 17 and under who live in the Operating Area
- 5) No employee of the company may become a member; a person admitted to membership shall automatically cease to be a member if he/she becomes an employee of the company.
- 6) The directors shall be entitled at their discretion to refuse to admit any person to membership even if he/she is qualified for membership under article 4 and is not debarred from membership by article 5.
- 7) A person, once admitted to membership, may remain a member even if he/she ceases to fulfil any of the qualifications under article 4.

Application for membership

- 8) Any person who wishes to become a member shall lodge with the company a written application for membership (in such form as the directors require), signed by him/her; an application for membership must be accompanied by a remittance for the full amount of the annual membership subscription.
- 9) A person applying for membership shall lodge with the company such information and evidence in support of his/her application as the directors require.
- 10) Each application for membership shall be considered by the directors at the first meeting of the directors which is held after receipt by the company of the written application and remittance (and, if required by the directors, supporting information and evidence) required under articles 8 and 9.

- 11) The directors shall, within a period of seven days after the meeting at which an application for membership is considered, notify the applicant in writing of the directors' decision as to whether or not to admit him/her to membership; if the decision was to refuse admission, the directors shall return to the applicant the remittance lodged by him/her under article 8.

Membership subscription

- 12) Unless otherwise determined by ordinary resolution, the amount of the annual membership subscription shall be £1.
- 13) The annual membership subscription shall be due on each accounting reference date of the company and shall (subject to articles 8 and 17) be taken to cover the period from one accounting reference date to the date falling immediately prior to the next accounting reference date.
- 14) The directors shall give to the members at least ten days' notice of each accounting reference date; each notice shall specify the amount of the membership subscription which will be due and shall state the possible consequence (under the following article) of failure to make payment.
- 15) If the company has not received a member's annual membership subscription within fourteen days after the accounting reference date on which it fell due, the directors may by resolution expel that person from membership; if, however, proper notice under article 14 was not given, a member shall not be liable to be expelled under this article unless he/she fails to pay the subscription within 24 days after notice requiring payment has been given to him/her.

Withdrawal from membership

- 16) Any person who wishes to withdraw from membership shall lodge with the company a written notice of retiral (in such form as the directors require), signed by him/her; on receipt of the notice by the company he/she shall cease to be a member.
- 17) A person who ceases to be a member shall not be entitled to any refund (total or partial) of the annual membership subscription.

General meetings

- 18) All general meetings other than annual general meetings are to be called extraordinary general meetings.
- 19) The directors must convene an extraordinary general meeting if there is a valid requisition by members (under section 368 of the Act) or a requisition by a resigning auditor (under section 392A(2) of the Act).
- 20) Subject to the preceding article and to the requirements under section 366 of the Act (which lay down the maximum period which can pass before the first annual general meeting and the maximum period between one annual general meeting and the next), the directors may convene general meetings whenever they think fit.

Notice of general meetings

- 21) At least twenty one clear days' notice must be given of (a) an annual general meeting or (b) an extraordinary general meeting at which a special resolution (see article 26) or a resolution requiring special notice under the Act is to be proposed; all other extraordinary general meetings shall be called by at least fourteen clear days' notice.
- 22) The reference to "clear days" in article 21 shall be taken to mean that, in calculating the period of notice, the day after the notice is posted, and also the day of the meeting, should be excluded.
- 23) A notice calling a meeting shall specify the time and place of the meeting; it shall (a) indicate the general nature of any business to be dealt with at the meeting and (b) if a special resolution (see article 26) (or a resolution requiring special notice under the Act) is to be proposed, shall also state that fact, giving the exact terms of the resolution.
- 24) A notice convening an annual general meeting shall specify that the meeting is to be an annual general meeting.
- 25) Notice of every general meeting shall be given to all the members and directors and (if there are auditors in office at the time) to the auditors.

Special resolutions and ordinary resolutions

- 26) For the purposes of these articles, a "special resolution" means a resolution passed by 75% or more of the votes cast on the resolution at an annual general meeting or extraordinary general meeting, providing proper notice of the meeting and of the intention to propose the resolution has been given in accordance with articles 21 and 23; for the avoidance of doubt, the reference to a 75% majority relates only to the number of votes cast in favour of the resolution as compared with the number of votes cast against the resolution, and accordingly no account shall be taken of abstentions or members absent from the meeting.
- 27) In addition to the matters expressly referred to elsewhere in these articles, the provisions of the Act allow the company, by special resolution,
- to alter its name
 - (subject to the provisions of the Act) to alter its memorandum of association with respect to the company's objects
 - to alter any provision of these articles or adopt new articles of association.
- 28) For the purposes of these articles, an "ordinary resolution" means a resolution passed by majority vote (taking account only of those votes cast in favour as compared with those votes cast against, and (as applicable) the chairperson's casting vote) at an annual general meeting or extraordinary general meeting, providing proper notice of the meeting has been given in accordance with articles 21 and 23.

Proceedings at general meetings

- 29) No business shall be transacted at any meeting unless a quorum is present; 10 members present in person or 25% of members whichever is the least shall be a quorum.
- 30) If the quorum required under article 29 is not present within half an hour after the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to such time and place as may be fixed by the chairperson of the meeting.
- 31) The convenor shall (if present and willing to act as chairperson) preside as chairperson of the meeting; if the convenor is not present and willing to act as chairperson within half an hour of the time appointed for holding the meeting, the directors present shall elect one of their number to act as chairperson or, if there is only one director present and willing to act, he/she shall be chairperson.
- 32) A director shall, even if he/she is not a member, be entitled to attend and speak at any general meeting
- 33) The chairperson may, with the consent of the meeting at which a quorum is present (and must, if the meeting requests him/her to do so), adjourn the meeting but not for a period in excess of thirty days; no notice need be given of an adjourned meeting.
- 34) A resolution put to the vote of a meeting shall be decided on a show of hands unless before the show of hands, or immediately after the result of the show of hands is declared, a secret ballot is demanded by the chairperson, or by at least two members present in person at the meeting.
- 35) If a secret ballot is demanded in accordance with the preceding article it shall be taken at once and shall be conducted in such manner as the chairperson may direct; the result of the ballot shall be declared at the meeting at which the ballot was demanded.

Votes of members

- 36) Every member shall have one vote which (whether on a show of hands or on a secret ballot) must be given personally.
- 37) In the case of an equality of votes, whether on a show of hands or on a ballot, the chairperson of the meeting shall be entitled to a casting vote in addition to any other vote he/she may have.

Categories of directors

38) For the purposes of these articles

"Member Director" means a director (drawn from the membership of the company) appointed under articles 41 to 47

"Appointed Director" means a non-elected director appointed or re-appointed by the directors under articles 48 to 51.

Number of directors

39) Unless otherwise determined by special resolution, the maximum number of directors shall be 13, of whom 9 directors shall be Member Directors and a maximum of 4 directors shall be Appointed Directors

40) The Member Directors shall at all times constitute a majority of the directors.

Election, retiral, re-election : Member Directors

41) Any member who wishes to be considered for election as a director at an annual general meeting must lodge with the company a written notice (in such form as the directors require), confirming that he/she is willing to be appointed; the notice must be signed by him/her and must be lodged with the company at least seven days before the date of the annual general meeting.

42) At an annual general meeting the company may elect as a director (a "Member Director") any member who has given notice of his/her willingness to accept appointment in accordance with the preceding article.

43) The directors may at any time appoint any member (providing he/she is willing to act) to be a director (a "Member Director"), either to fill a vacancy or as an additional director.

44) At the first annual general meeting, all the Member Directors shall retire from office.

45) At each annual general meeting (other than the first)

- a) any Member Director who was appointed by the directors (under article 43) in the period from the date of the last annual general meeting shall retire from office.
- b) out of the remaining Member directors, the three directors who have been longest in office since they were last appointed or re-appointed shall retire from office.

46) If three or more directors were appointed or re-appointed on the same date, the question of which of them is to retire under paragraph (b) of article 45 shall be decided by some random method.

47) The company may at any annual general meeting re-elect any Member Director who retires from office at the meeting under article 44 or 45 (providing he/she is willing to act); if any such Member Director is not re-appointed, he/she shall retain office until the meeting appoints someone in his/her place or, if it does not do so, until the end of the meeting.

Appointment, vacating of office, re-appointment: Appointed Directors

48) In addition to their powers of appointment under article 43, the directors may at any time appoint any non-member (other than an employee of the company) to be a director (an "Appointed Director") providing he/she is willing to act, either to fill a vacancy or as an additional director.

49) At the conclusion of each annual general meeting (including the first) all Appointed Directors shall vacate office.

50) Immediately following each annual general meeting, the directors may re-appoint any person who, as an Appointed Director, vacated office under the preceding article at the conclusion of the annual general meeting; the directors may alternatively appoint someone in his/her place or resolve not to fill the vacancy.

51) The directors shall exercise their powers under articles 48 and 50 in such a way as to ensure that at any given time: -

- a) one of the directors is an individual nominated for office by Killearn Community Council, and
- b) one of the directors is an individual nominated for office by the Killearn Trust

Disqualification and removal of directors

52) A director shall vacate office if

he/she ceases to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director;

he/she is sequestered;

he/she becomes incapable for medical reasons of fulfilling the duties of his/her office and such incapacity is expected to continue for a period of more than three months;

he/she becomes an employee of the company he/she resigns office by notice to the company;

he/she is absent for a period of more than three months (without permission of the directors) from meetings of directors held during that period and the directors resolve to remove him/her from office;

or

he/she is removed from office by ordinary resolution (special notice having been given) in pursuance of section 303 of the Act.

Appointments to office

53) Directors shall be appointed to hold the offices of Convenor, Vice-convenor, Treasurer and Admin Secretary and any other offices which the directors may consider appropriate.

54) The appointments under the preceding article shall be made at meetings of directors.

55) Each office shall be held (subject to article 56) until the conclusion of the annual general meeting which next follows appointment; a director whose period of office expires under this article may be re-appointed to that office under article 53 (providing he/she is willing to act).

56) The appointment of any director to an office under article 53 shall terminate if he/she ceases to be a director or if he/she resigns from that office by notice to the company.

57) If the appointment of a director to any office under article 53 terminates, the directors shall appoint another director to hold the office in his/her place.

Directors' interests

58) Subject to the provisions of the Act and of clause 4 of the memorandum of association and provided that he/she has disclosed to the directors the nature and extent of any personal interest which he/she has (unless immaterial), a director (notwithstanding his/her office)

may be a party to, or have some other personal interest in, any transaction or arrangement which the company or any associated company has an interest,

may be a party to, or have some other personal interest in, any transaction in which the company or any associated company has an interest,

may be a director or secretary of, or employed by, or have some other personal interest in, any associated company,

and

shall not, because of his/her office, be accountable to the company for any benefit which he/she derives from any such office or employment or from any such transaction or arrangement or from any interest in any such company,

and no such transaction or arrangement shall be liable to be treated as void on the ground of any such interest or benefit.

59) For the purposes of the preceding article an interest of which a director has no knowledge and of which it is unreasonable to expect him/her to have knowledge shall not be treated as an interest of his/hers; the references to "associated company" shall be interpreted as references to any subsidiary of the company or any other company in which the company as a direct or indirect interest

Directors' remuneration and expenses

- 60) No director shall be entitled to any remuneration, whether in respect of his/her office as director or as holder of any office under article 53.
- 61) The directors may be paid all travelling and other expenses quarterly incurred by them in connection with their attendance at meetings of directors, general meetings or meetings of committees of directors or otherwise in connection with the carrying-out of their duties.

Powers of directors

- 62) Subject to the provisions of the act, the memorandum of association and these articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company.
- 63) A meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

Proceedings of directors

- 64) Subject to the provisions of these articles, the directors may regulate their proceedings as they see fit.
- 65) Any director may call a meeting of the directors or request the secretary to call a meeting of the directors.
- 66) Questions arising at a meeting of directors shall be decided by a majority of votes; in the case of an equality of votes, the chairperson shall have a second or casting vote.
- 67) The quorum for the transaction of the business of the directors at any time shall be 6 of whom a majority shall be Member Directors.
- 68) The continuing directors or a sole continuing director may act notwithstanding vacancies but if the number of remaining directors is less than the number fixed as the quorum, they, or he/she, may act only for the purpose of filling vacancies or of calling a general meeting.
- 69) Unless he/she is unwilling to do so, the Convenor shall preside as chairperson at every meeting of directors at which he/she is present; if the Convenor is unwilling to act as chairperson or is not present within fifteen minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairperson of the meeting.
- 70) A director shall not vote at a meeting of directors or at a meeting of a committee of directors on any resolution concerning a matter in which he/she has, directly or indirectly, a personal interest or duty (unless immaterial) which conflicts or may conflict with the interests of the company.
- 71) For the purposes of the preceding article, an interest of a person who is taken to be connected with a director for any purpose of the Act (excluding any statutory modification not in force at the date of incorporation of the company), shall be treated as a personal interest of the director.
- 72) A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he/she is not entitled to vote.
- 73) The company may by ordinary resolution suspend or relax to any extent, either generally or in relation to any particular matter, the provisions of articles 69 and 71

Delegation to committees of directors and holders of offices

- 74) The directors may delegate any of their powers to any committee consisting of one or more directors; they may also delegate to the convener or a director holding any other office such of their powers as they consider appropriate.
- 75) Any delegation of powers under the preceding article may be made subject to such conditions as the directors may impose and may be revoked or altered.
- 76) Subject to any condition imposed in pursuance of the preceding article, the proceedings of a committee consisting of two or more directors shall be governed by the articles regulating the proceedings of meetings of directors so far as they are capable of applying.

Secretary

- 77) Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

Minutes

- 78) The directors shall ensure that minutes are made (in books kept for the purpose) of all proceedings at general meetings, meetings of the directors, and meetings of committees of directors; a minute of a meeting of directors or of a committee of directors shall include the names of the directors present and the minutes of each meeting shall be signed by the chairperson of that meeting.

Accounts

- 79) No member shall (as such) have any right of inspecting any accounting records or other book or document of the company except as conferred by statute or as authorised by the directors or by ordinary resolution of the company.

Social Audit

- 80) The directors may issue a report each year to the members of the company (in such form as the directors may reasonably deem appropriate) setting out the social and community benefits which they consider the activities of the company to have achieved.
- 81) The directors may arrange for an objective assessment (such assessment being referred to in these articles as a "social audit") to be made on an annual basis of the social and community benefits achieved by the company; the social audit, in addition to examining the social benefits of the company in relation to pursuit of its objectives, shall address matters bearing on the welfare of employees.

Notices

- 82) Any notice to be given in pursuance of these articles shall be in writing; the company may give any such notice to a member either personally or by sending it by post in a pre-paid envelope addressed to the member at his/her registered address or by leaving it at that address.
- 83) Any notice, if sent by post, shall be deemed to have been given at the expiry of twenty four hours after posting; for the purpose of proving that any notice was given, it shall be sufficient to prove that the envelope containing the notice was properly addressed and posted.

Winding Up

- 84) If the company is wound up, the liquidator shall give effect to the provisions of clause 7 of the memorandum of association.

Indemnity

- 85) Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the company shall be indemnified out of the assets of the company against any loss or liability which he/she may sustain or incur in connection with the execution of the duties of his/her office including, without prejudice to that generality, any liability incurred by him/her in defending any proceedings, whether civil or criminal, in which judgement is given in his/her favour or in which he/she is acquitted or in connection with any application in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.

Interpretation

- 86) In these articles "the Act" means the Companies Act 1985; any reference in these articles to a provision of the Act shall be taken to include any statutory modification or re-enactment of that provision which is in force at the time.
- 87) References in these articles to the singular shall be deemed to include the plural.