

The Companies Acts 1985-2006

Company limited by guarantee and not having a share capital

**Articles of Association
of
Skills CfA**

(As amended by Special Resolutions passed on 28th October 2011,
18 July 2012 and 28 August 2013)

- 1 The name of the Charity is "Skills CfA"
- 2 The registered office of the Charity is situated in England
- 3 The object for which the Charity is established is -

to advance business education for the public benefit by promoting qualifications, training and skills based on national standards ("the Object")

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- 4 1 in addition to any other powers it may have, the Charity has the following powers in order to further the Object (but not for any other purpose)
 - 4 1 1 to raise funds In doing so, the Charity must not undertake any substantial permanent trading activity and must comply with any relevant statutory regulations,
 - 4 1 2 to buy, take or lease or in exchange, hire or otherwise acquire any property and to maintain and equip it for use,
 - 4 1 3 to sell, lease or otherwise dispose of all or any part of the property belonging to the Charity In exercising this power, the Charity must comply as appropriate with sections 117 and 129 of the Charities Act 2011,
 - 4 1 4 to borrow money and to charge the whole or any part of the property belonging to the Charity as security for repayment of the money borrowed The Charity must comply as appropriate with sections 124 - 126 of the Charities Act 2011, if it wishes to mortgage land,
 - 4 1 5 to co-operate with other charities, voluntary bodies and statutory authorities and to exchange information and advice with them,
 - 4 1 6 to establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects,
 - 4 1 7 to acquire, merge with or to enter into any partnership or joint venture arrangement with any other charity formed for any of the Objects,

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- 4 1 8 to set aside income as a reserve against future expenditure but only in accordance with a written policy about reserves,
- 4 1 9 to employ and remunerate such staff as are necessary for carrying out the work of the Charity The Charity may employ or remunerate a Trustee only to the extent it is permitted to do so by Clause 5 and provided it complies with the conditions in that clause,
- 4 1 10 to,
 - 4 1 10 1 deposit or invest funds,
 - 4 1 10 2 employ a professional fund-manager, and
 - 4 1 10 3 arrange for investments or other property of the Charity to be held in the name of a nominee,

in the same manner and subject to the same conditions as the Trustees of a trust are permitted to do by the Trustees Act 2000,
- 4 1 11 to provide indemnity insurance for the Trustees or any other officer of the Charity in relation to any such liability as is mentioned in Sub clause 4 2 of this clause, but subject to the restrictions specified in Sub clause 4 3 of the clause,
- 4 1 12 to pay out of the funds of the Charity the costs of forming and registering the Charity both as a company and as a charity,
- 4 1 13 to do all such other lawful things as are necessary for the achievement of the Objects
- 4 2 The liabilities referred to in Sub clause 4 1 11 are
 - 4 2 1 any liability that by virtue of any rule of law would otherwise attach to a Trustee of a Charity in respect of any negligence, default breach of duty or breach of trust of which he or she may be guilty in relation to the Charity,
 - 4 2 2 the liability to make a contribution to the Charity's assets as specified in section 214 of the Insolvency Act 1986 (wrongful trading)
- 4 3
 - 4 3 1 The following liabilities are excluded from Sub clause 4 2 1
 - 4 3 1 1 fines,
 - 4 3 1 2 costs of unsuccessfully defending criminal prosecutions for offences arising out of the fraud, dishonesty or wilful or reckless misconduct of the Trustee or other officer,
 - 4 3 1 3 liabilities to the Charity that result from conduct that the Trustee or other officer knew or must be assumed to have known was not in the best interests of the Charity or about

which the person concerned did not care whether it was in the best interests of the Charity or not

- 4 3 2 There is excluded from Sub clause 4 2 2 any liability to make such a contribution where the basis of the Trustee's liability is his or her knowledge prior to the insolvent liquidation of the Charity (or reckless failure to acquire that knowledge) that there was no reasonable prospect that the Charity would avoid going into insolvent liquidation

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- 5 1 The income and property of the Charity shall be applied solely towards the promotion of the Object

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- 5 2 1 A Trustee is entitled to be reimbursed from the property of the Charity or may pay out of such property reasonable expenses properly incurred by him or her when acting on behalf of the Charity

- 5 2 2 Subject to the restrictions in Sub clauses 4 2 and 4 3, a Trustee may benefit from trustee indemnity insurance cover purchased at the Charity's expense

- 5 2 3 A Trustee may receive an indemnity from the Charity in the circumstances specified in Article 37

- 5 3 None of the income or property of the Charity may be paid or transferred directly or indirectly by way of dividend bonus or otherwise by way of profit to any member of the Charity Subject to 5 4 this does not prevent a member who is not also a Trustee receiving

- 5 3 1 a benefit from the Charity in the capacity of a beneficiary of the Charity,

- 5 3 2 reasonable and proper remuneration for any goods or services supplied to the Charity

- 5 4 No Trustee may

- 5 4 1 buy any goods or services from the Charity,

- 5 4 2 sell goods, services or any interest in land to the Charity,

- 5 4 3 be employed by, or receive any remuneration from the Charity,

- 5 4 4 receive any other financial benefit from the Charity, unless

- 5 4 4 1 the payment is permitted by sub-clause 5 5 of this clause, does not exceed any amount that is reasonable in all the circumstances, and does not result in a majority of the Trustees having received a financial benefit from the Charity, or

5 4 4 2 the Trustees obtain the prior written approval of the Commission and fully comply with any procedures it prescribes

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5 5 1

5 5 1 1 A Trustee may receive a benefit from the Charity in the capacity of a beneficiary of the Charity

5 5 1 2 A Trustee may enter into a contract for the supply of goods or services to the Charity where that is permitted in accordance with, and subject to the conditions in, section 185 of the Charities Act 2011

5 5 1 3 A Trustee may receive interest on money lent to the Charity at a reasonable rate

5 5 1 4 A company of which a Trustee is a member may receive fees remuneration or other benefit in money or money's worth provided that the shares of the Charity are listed on a recognised stock exchange and the Trustee holds no more than 1% of the issued capital of that Charity

5 5 1 5 A Trustee may receive rent for premises let by the Trustee to the Charity if the amount of the rent and the other terms of the lease are reasonable and proper and provided that such a Trustee shall withdraw from any meeting at which such a proposal or the rent or other terms of the lease are under discussion

5 5 1 6 The Trustees may arrange for the purchase, out of the funds of the Charity, of insurance designed to indemnify the Trustees in accordance with the terms of, and subject to the conditions in, section 189 of the Charities Act 2011

5 5 2 The employment or remuneration of a Trustee includes the engagement or remuneration of any firm or Charity in which the Trustee is

5 5 2 1 a partner,

5 5 2 2 an employee,

5 5 2 3 a consultant,

5 5 2 4 a Trustee, or

5 5 2 5 a shareholder, unless the shares of the Charity are listed on a recognised stock exchange and the Trustee holds less than 1% of the issued capital

5 6 In sub-clauses 5 2 to 5 5 of this clause 5

5 6 1 "Charity" shall include any company in which the Charity

5 6 1 1 holds more than 50% of the shares, or

5 6 1 2 controls more than 50% of the voting rights attached to the shares, or

5 6 1 3 has the right to appoint one or more Trustees to the Board of the Charity,

5 6 2 "Trustee" shall include any child, parent, grandchild, grandparent, brother, sister, spouse or civil partner of the Trustee or any person living with the Trustee as his or her partner

6 A Trustee must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the Charity or in any transaction or arrangement entered into by the Charity which has not previously been declared. A Trustee must absente himself or herself from any discussions of the Trustees in which it is possible that a conflict will arise between his or her duty to act solely in the interests of the Charity and any personal interest (including but not limited to any personal financial interest)

7 If a conflict of interests arises for a Trustee 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 these Articles, the unconflicted Trustees may authorise such a conflict of interests where the following conditions apply

7 1 the conflicted Trustee is absent from the part of the meeting at which there is a discussion of any arrangement or transaction affecting that other organisation or person,

7 2 the conflicted Trustee does not vote on any such matter and is not to be counted when considering whether a quorum of Trustees is present at the meeting,

7 3 the unconflicted Trustees consider it is in the interests of the Charity to authorise the conflict of interest in the circumstances applying

8 The liability of the members is limited

9 Every member promises, if the Charity is dissolved while he or she is a member or within twelve months after he or she ceases to be a member, to contribute such sum (not exceeding £10) as may be demanded of him or her towards the payment of the debts and liabilities of the Charity incurred before he or she ceases to be a member, and of the costs charges and expenses of winding up, and the adjustment of the rights of the contributories among themselves

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10 1 The members of the Charity may at any time before, and in expectation of, its dissolution resolve that any net assets of the Charity after all its debts and liabilities have been paid, or provision has been made for them, shall on or before the dissolution of the Charity be applied or transferred in any of the following ways

10 1 1 directly for the Object, or

10 1 2 by transfer to any charity or charities for purposes similar to the Object, or

- 10 1 3 to any charity for use for particular purposes that fall within the Object
- 10 2 Subject to any such resolution of the members of the Charity, the Trustees of the Charity may at any time before and in expectation of its dissolution resolve that any net assets of the Charity after all its debts and liabilities have been paid, or provision made for them, shall on dissolution of the Charity be applied or transferred
 - 10 2 1 directly for the Object, or
 - 10 2 2 by transfer to any charity or charities for purposes similar to the Object, or
 - 10 2 3 to any charity or charities for use for particular purposes that fall within the Object
- 10 3 In no circumstances shall the net assets of the Charity be paid to or distributed among the members of the Charity (except to a member that is itself a charity) and if no such resolution is passed by the member or the Trustees the net assets of the Charity shall be applied for charitable purposes as directed by the Court or the Commission

Members

- 11 Instructus shall be the only voting member of the Charity

Associate Members

- 12 Trustees may establish such classes of Associate Members with such description and with such rights and obligations (including without limitation the obligation to pay a subscription) as they think fit and may admit and remove Associate Members (including for the avoidance of doubt those Associate Members identified in Article 13) in accordance with such regulations as the Trustees shall make provided that no Associate Members shall be members of the Charity for the purposes of the Articles or the Companies Acts
- 13 Subject to Article 12, the members of Instructus who ceased to be members after the adoption of revised articles at the annual general meeting held on 4 August 2009 on the adoption of these Articles became Associate Members of the Charity

Patrons, Honorary President and Vice President

- 14 The Trustees may appoint and remove any individual(s) as Honorary President, patron(s) or Vice President(s) of the Charity and on such terms as they shall think fit

General Meetings

- 15 Subject to the provisions of the Companies Acts, the Charity shall dispense with the holding of general meetings and all resolutions of the Charity shall be passed by way of written resolution signed by a duly authorised representative of Instructus
- 16 If in accordance with the Companies Acts a general meeting is required to be called then articles 15 to 26 inclusive of the Model Articles for private companies limited by guarantee published by the Charity Commission in March 2012 shall apply to such meeting and the quorum of the holding of such a meeting shall be one

Trustees

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- 17 1 A Trustee must be a natural person aged 18 years or older
- 17 2 No one may be appointed a Trustee if he or she would be disqualified from acting under the provisions of Article 21

- 18 The number of Trustees shall be not less than three but shall be no more than seven unless determined otherwise by ordinary resolution of the Charity provided that at all times Trustees who also serve as a trustee of Instructus and/or of another charity associated with Instructus (in accordance with section 256 of the Companies Act 2006) shall comprise a minority of the board of the Charity
- 19 Trustees shall be appointed or removed by notification in writing to the Secretary by Instructus

Powers of Trustees

- 20 (1) The Trustees shall direct the strategy of the business of Charity and appoint a chief executive to manage the business. Trustees may exercise all the powers of the Charity unless they are subject to any restrictions imposed by the Companies Acts, the Articles or any special resolution
- (2) No alteration of the Articles or any special resolution shall have retrospective effect to invalidate any prior act of the Trustees
- (3) Any meeting of Trustees at which a quorum is present at the time the relevant decision is made may exercise all the powers exercisable by the Trustees

Disqualification and removal of Trustees

- 21 A Trustee shall cease to hold office if he or she
 - (1) ceases to be a Trustee by virtue of any provision in the Companies Acts or is prohibited by law from being a Trustee,
 - (2) is disqualified from acting as a Trustee by virtue of section 178 of the Charities Act 2011 (or any statutory re-enactment or modification of that provision),
 - (3) becomes incapable by reason of mental disorder, illness or injury of managing and administering his or her own affairs,
 - (4) resigns as a Trustee by notice to the Charity (but only if at least three Trustees will remain in office when the notice of resignation is to take effect),
 - (5) is removed pursuant to a notification of Instructus under Article 19, or
 - (6) in the case of the chief executive who is also a Trustee, (s)he ceases to hold the office of chief executive

Remuneration of Trustees

22 The Trustees must not be paid any remuneration unless it is authorised by these Articles

Proceedings of Trustees

- 23 (1) The Trustees may regulate their proceedings as they think fit, subject to the provisions of the Articles
- (2) Any Trustees may call a meeting of the Trustees
- (3) The Secretary (if any) must call a meeting of the Trustees if requested to do so by a Trustee
- (4) A Trustees' meeting shall be called by at least seven days' clear notice unless urgent circumstances require shorter notice or all the Trustees entitled to attend and vote at that meeting agree shorter notice
- (5) Questions arising at a meeting shall be decided by a majority of votes
- (6) In the case of an equality of votes, the person who is chairing the meeting shall have a second casting vote
- (7) A meeting may be held by suitable electronic means agreed by the Trustees in which each participant may communicate with all the other participants
- 24 The chief executive of the Charity is entitled to attend all meetings of the Trustees (whether or not that person is also a Trustee) with the exception of any part of the meetings dealing with matters dealing with the pay and conditions of the chief executive
- 25 (1) No decision may be made by a meeting of the Trustees 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 Trustees in which a participant or participants may communicate with all the other participants
- (2) The quorum shall be two people present and entitled to vote
- (3) A Trustee shall not be counted in the quorum present when any decision is made about a matter upon which that Trustee is not entitled to vote
- 26 (1) The Trustees shall appoint a Trustee to chair their meetings and may at any time revoke such appointment
- (2) If no-one has been appointed to chair meetings of the Trustees or if the person appointed is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, the Trustees present may appoint one of their number to chair that meeting
- (3) The person appoint to chair meetings of the Trustees shall have no functions or powers except those conferred by the Articles or delegated to him or her by the Trustees
- 27 (1) A resolution in writing or in electronic form agreed by all of the Trustees entitled to receive notice of a meeting of the Trustees and to vote upon the resolution shall be

as valid and effectual as if it had been passed at a meeting of the Trustees duly convened and held

- (2) The resolution in writing may comprise several documents containing the text of the resolution in like form to each of which one or more Trustees has signified their agreement

Delegation

- 28 (1) The Trustees may delegate any of their powers or function to a committee of two or more Trustees but the terms of any delegation must be recorded in the minute book
- (2) The Trustees may impose conditions when delegating, including the conditions that
- (a) the relevant powers are to be exercised exclusively by the committee to whom they delegate,
 - (b) no expenditure may be incurred on behalf of the Charity except in accordance with a budget previously agreed with the Trustees
- (3) The Trustees may revoke or alter a delegation
- (4) All acts and proceedings of any committees must be fully and promptly reported to the Trustees

Validity of Trustees' decisions

- 29 (1) Subject to Article 29(2) all acts done by a meeting of Trustees, or of a committee of Trustees, shall be valid notwithstanding the participation in any vote of a Trustee
- (a) who was disqualified from holding office,
 - (b) who had previously retired or who had been obliged by the constitution to vacate office,
 - (c) who was not entitled to vote on the matter, whether by reason of a conflict of interest or otherwise,
- If without
- (d) the vote of that Trustee, and
 - (e) the Trustee being counted in the quorum,
- the decision has been made by a majority of the Trustees at a quorate meeting
- (2) Article 29(1) does not permit a Trustee or a connected person to keep any benefit that may be conferred upon him or her by a resolution of the Trustees or of a committee of Trustees if, but for Article 29(1), the resolution would have been void, or if the Trustee has not complied with Article 6

Seal

- 30 If the Charity has a seal it must only be used by the authority of the Trustees or of a committee of Trustees authorised by the Trustees. The Trustees may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Trustee and by the Secretary (if any) or by a second Trustee

Minutes

- 31 The Trustees must keep minutes of all
- (1) appointments of officers made by the Trustees,
 - (2) proceedings at meetings of the Charity,
 - (3) meetings of the Trustees and committees of Trustees including
 - (a) the names of the Trustees present at the meeting
 - (b) the decisions made at the meetings, and
 - (c) where appropriate the reasons for the decisions

Accounts

- 32 (1) The Trustees 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
- (2) The Trustees must keep accounting records as required by the Companies Acts

Annual Report and Return and Register for Charities

- 33 (1) The Trustees must comply with the requirements of the Charities Act 2011 with regard to the
- (a) transmission of the statements of account to the Charity,
 - (b) preparation of an Annual Report and its transmission to the Commission,
 - (c) preparation of an Annual Return and its transmission to the Commission
- (2) The Trustees must notify the Commission promptly of any changes to the Charity's entry on the Central Register of Charities

Means of communication to be used

- 34 (1) Subject to the Articles, anything sent or supplied by or to the Charity 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 Charity
- (2) Subject to the Articles, any notice or document to be sent or supplied to a Trustee in connection with the taking of decisions by Trustees may also be sent or supplied by

means by which that Trustee has asked to be sent or supplied with such notices or documents for the time being

35 Any notice to be given to or by any person pursuant to the Articles

- (1) must be in writing, or
- (2) must be given in electronic form

36 (1) Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given

(2) Proof that an electronic form of notice was given shall be conclusive where the Charity can demonstrate that it was properly addressed and sent, in accordance with Section 1147 of the Companies Act 2006

(3) In accordance with Section 1147 of the Companies Act 2006 notice shall be deemed to be given

- (a) 48 hours after the envelope containing it was posted, or
- (b) in the case of an electronic form of communication, 48 hours after it was sent

Indemnity

37 The Charity shall indemnify any Trustee or auditor of the Charity against any liability incurred by him or her in that capacity to the extent permitted by Sections 232 to 234 of the Companies Act 2006

Rules

38 The Trustees may from time to time make such reasonable and proper rules or byelaws as they may deem necessary or expedient for the proper conduct and management of the Charity

Interpretation

39 In these articles the following terms shall have the following meanings

- | | | |
|------|---------------------------|--|
| 39 1 | “address” | in relation to electronic communications includes any number or address used for the purpose of such communication |
| 39 2 | “Articles” | these Articles of Association of the Charity |
| 39 3 | “Associate Member” | an associate member appointed in accordance with Articles 12 |
| 39 4 | “charitable” | means charitable in accordance with the law of England and Wales provided that it will not include any purpose which is not charitable in accordance with any statutory provision regarding the meaning of the word “charitable” or the words “charitable purposes” in force in any part of the United Kingdom For the avoidance |

of doubt the system of law governing the constitution of the Charity is the law of England and Wales

- 39 5 **“Charity”** means Skills CfA a Charity limited by guarantee incorporated and registered in England and Wales with registered charity number 1144894 Charity number 07066687 and registered office at 6 Graphite Square, Vauxhall Walk, London SE11 5EE
- 39 6 **“Companies Acts”** means the Companies Acts (as defined in section 2 of the Companies Act 2006) in so far as they apply to the Charity
- 39 7 **“clear days”** in relation to the period of a notice, that period excluding 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
- 39 8 **“connected person”** (a) any spouse, parent, child, brother, sister, grandparent or grandchild of a Trustee, or (b) any other person in a relationship with a Trustee which may reasonably be regarded as equivalent to such a relationship, or (c) any company or firm of which a Trustee is a paid Trustee, partner or employee, or shareholder holding more than 1% of the capital
- 39 9 **“electronic form”** has the meaning given in Section 1168 of the Companies Act 2006
- 39 10 **“financial expert”** an individual, Charity or firm who is authorised to give investment advice under the Financial Services and Markets Act 2000
- 39 11 **“Instructus”** a company limited by guarantee incorporated and registered in England and Wales with registered charity number 1095809, Charity number 03235481 and registered office at 6 Graphite Square, Vauxhall Walk, London SE11 5EE or such other charitable organisation as may succeed it or to which its assets transfer upon its dissolution
- 39 12 **“Secretary”** the secretary of the Charity or any person appointed to perform the duties of the secretary of the Charity
- 39 13 **“Subsidiary Charity”** any Charity in which the Charity holds more than 50% of the shares, controls more than 50% of the voting rights attached to the shares or has the right to appoint a majority of the board of the Charity
- 39 14 **“the Trustees”** means the trustees of the Charity

40 In these Articles

- 40 1 Unless the context otherwise requires, words or expressions contained in the Articles bear the same meaning as in the Companies Acts but excluding any

statutory modification thereof not in force when the Articles became binding on the Charity,

- 40 2 Subject to Article [60 1] any reference in these Articles to an enactment includes a reference to that enactment as re-enacted or amended from time to time and to any subordinate legislation made under it