

CONSTITUTION

of

HIGHLAND RUGBY FOOTBALL CLUB [SCIO]

Charity Number SC047400

ledingham|chalmers_{LLP}

Kintail House, Beechwood Business Park, Inverness

Reference: AST/2020

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General

1 Type of organisation

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

2 Scottish principal office

The principal office of the organisation will be in Scotland at CANAL PARK, BUGHT LANE, INVERNESS, IV3 5SS.

3 Name

The name of the organisation is HIGHLAND RUGBY FOOTBALL CLUB [SCIO].

4 Purposes

4.1 The organisation's purposes are:

4.1.1 to advance public participation in the sport of Rugby Union Football and other sports to improve the health and wellbeing of a wide range of participants;

4.1.2 to provide, develop, manage and promote recreational facilities and related recreational activities available to the public generally with the object of improving the conditions of life for the persons for whom the facilities or activities are primarily intended; and

4.1.3 to advance education with the provision of coaching and training throughout life-long learning in relation to sport, fitness, first aid and related skills to broaden the development of individual capabilities of children, youths, young adults and adults.

4.2 The organisation may advance any of the above purposes or objects by the giving of grants or loans or the provision of credit or other forms of assistance, financial or otherwise, to persons undertaking projects, initiatives and/or activities which further any of the above purposes or objects and which are wholly charitable within the meaning of the Taxes Acts and section 7 of the Charities and Trustee Investment (Scotland) Act 2005.

5 Powers

5.1 The organisation has power to do anything which is calculated to further its purposes or is conducive or incidental to doing so.

5.2 No part of the income or property of the organisation may be paid or transferred (directly or indirectly) to the members – either in the course of the organisation's existence or on dissolution – except where this is done in direct furtherance of the organisation's charitable purposes.

6 Liability of members

6.1 The members of the organisation have no liability to pay any sums to help to meet the debts (or other liabilities) of the organisation if it is wound up; accordingly, if the organisation is unable to meet its debts, the members will not be held responsible.

- 6.2 The members and charity trustees have certain legal duties under the Charities and Trustee Investment (Scotland) Act 2005; and clause 6.1 does not exclude (or limit) any personal liabilities they might incur if they are in breach of those duties or in breach of other legal obligations or duties that apply to them personally.

7 General structure

- 7.1 The structure of the organisation consists of:

7.1.1 the members – who have the right to attend members' meetings (including any annual general meeting) and have important powers under the constitution; in particular, the members appoint people to serve on the board and take decisions on changes to the constitution itself; and

7.1.2 the board – who hold regular meetings, and generally control the activities of the organisation; for example, the board is responsible for monitoring and controlling the financial position of the organisation.

- 7.2 The people serving on the board are referred to in this constitution as charity trustees.

Members

8 Qualifications for membership

- 8.1 Application for membership is open to any individual.

8.2 The organisation shall have a membership policy setting out categories of membership as determined by the board from time to time and approved by the members at an annual general meeting.

8.3 An individual's membership shall continue for a limited period (expected to be a maximum of 12 months in most instances) as determined by the membership policy. Upon expiry of such limited period, that membership shall be deemed to have expired.

8.4 Employees of the organisation are not eligible for membership.

8.5 Notwithstanding the terms of clause 8.4, the board has discretion to permit an employee of the organisation to become a member, provided that at no time shall members who are also employees outnumber members who are not employees.

9 Application for membership

9.1 Any person who wishes to become a member must complete a membership application on the club website, or apply for membership in such other manner as the board may stipulate from time to time.

9.2 The board (or any charity trustee or sub-committee so delegated by the board from time to time) shall consider carefully any application for membership.

9.3 The board may, at its discretion, refuse to admit any person to membership.

- 9.4 The board must notify any applicant promptly (in writing or by e-mail) of its decision not to admit him/her to membership but need not provide any reason for doing so.
- 9.5 Any person who has had their membership application refused by the board shall have a right of appeal to be heard by the members at an annual general meeting held in accordance with clause 16.
- 9.6 If an application for membership has been rejected by the board under clause 9.3 and such rejection has been overturned by the members at an annual general meeting approving the application, the applicant will become a member from the date that the resolution to approve the application was passed.

10 Membership subscription

- 10.1 A membership subscription will be payable as determined by the organisation's membership policy adopted under clause 8.2.
- 10.2 Payment of the membership subscription is a condition of membership of the organisation.

11 Register of members

- 11.1 The board must keep a register of current members, setting out for each current member:
- 11.1.1 his/her full name and address; and
 - 11.1.2 the date on which he/she was registered as a member of the organisation.
- 11.2 Every person who successfully applies to become a member of the organisation, whose subscription dues are paid up to date in accordance with the membership policy, and whose name is entered in the organisation's register of members, is a member of the organisation.
- 11.3 The board must ensure that the register of members is updated within 28 days of any change:
- 11.3.1 which arises from a resolution of the board or a resolution passed by the members of the organisation; or
 - 11.3.2 which is notified to the organisation.
- 11.4 If a member or charity trustee of the organisation requests a copy of the register of members, the board must ensure that a copy is supplied to him/her within 28 days, provided that the request is reasonable. If the request is made by a member (rather than a charity trustee), the board may provide a copy which has the addresses redacted.

12 Withdrawal from membership

Any person who wants to withdraw from membership must give a written notice of withdrawal to the organisation, signed by that person and he/she will cease to be a member as from the time when the notice is received by the organisation.

13 Transfer of membership

Membership of the organisation may not be transferred by a member. When a member withdraws from the organisation in terms of clause 12, his/her membership will be cancelled.

14 Re-registration of members

14.1 The board or any charity trustee so delegated by the board may, at any time, issue notices to the members requiring them to confirm that they wish to remain as members of the organisation, and allowing them a period of 28 days (running from the date of issue of the notice) to provide that confirmation to the board.

14.2 If a member fails to provide confirmation to the board (in writing or by e-mail) that he/she wishes to remain as a member of the organisation before the expiry of the 28-day period referred to in clause 14.1, the board may expel him/her from membership.

14.3 A notice under clause 14.1 will not be valid unless it refers specifically to the consequences (under clause 14.2) of failing to provide confirmation within the 28day period.

15 Expulsion from membership

15.1 Any person may be expelled from membership by way of a resolution passed by not less than two thirds of those present and voting at a members' meeting, provided the following procedures have been observed:

15.1.1 at least 21 days' notice of the intention to propose the resolution must be given to the member concerned, specifying the grounds for the proposed expulsion; and

15.1.2 the member concerned will be entitled to be heard on the resolution at the members' meeting at which the resolution is proposed.

15.2 The board may at any time by Majority Resolution expel any member at any time provided that:

15.2.1 at least 21 days' notice of the intention to propose the resolution must be given to the member concerned, specifying the grounds for the proposed expulsion; and

15.2.2 the member concerned has been given a reasonable opportunity to make representations and to attend or be represented at the meeting of the board called to consider the case and to be heard in defence.

15.3 Any member so expelled under clauses 15.1 and 15.2 shall lose all privileges of membership without prejudice to any claims that the organisation may have, but the board by resolution may re-admit to membership any member so expelled at such time and on such terms as it may determine.

Decision-making by the members

16 Members' meetings

16.1 The board must arrange a meeting of members (an annual general meeting or "**AGM**") in each calendar year.

16.2 The gap between one AGM and the next must not be longer than 15 months, unless exceptional circumstances apply (in the opinion of the board, acting reasonably).

16.3 The business of each AGM must include:

16.3.1 a report by the chair on the activities of the organisation;

16.3.2 consideration of the annual accounts of the organisation;

16.3.3 approval of the membership policy, including membership subscriptions, proposed by the board from time to time;

16.3.4 the hearing of any appeal by a person under clause 9.5; and

16.3.5 the election/re-election of charity trustees, as referred to in clause 26.1.

16.4 The board may arrange a special members' meeting at any time.

17 Power to request the board to arrange a special members' meeting

17.1 The board must arrange a special members' meeting if they are requested to do so by a notice (which may take the form of two or more documents in the same terms, each signed by one or more members) by members who amount to 5% or more of the total membership of the organisation at the time, provided that:

17.1.1 the notice states the purposes for which the meeting is to be held; and

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

17.2 If the board receives a notice under clause 17.1, the date for the meeting which they arrange in accordance with the notice must not be later than 28 days from the date on which they received the notice.

18 Notice of members' meetings

18.1 At least 14 clear days' notice must be given of any AGM or any special members' meeting.

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

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

18.2.2 in the case of any other resolution falling within clause 21.3 (requirement for two-thirds majority) must set out the exact terms of the resolution.

18.3 The reference to "**clear days**" in clause 18.1 shall be taken to mean that, in calculating the period of notice,

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

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

18.4 Notice of every members' meeting must be given to all the members of the organisation, and to all the charity trustees. The accidental omission to give notice to one or more members will not invalidate the proceedings at the meeting.

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

18.5.1 sent by post to the member, at the address last notified by him/her to the organisation; or

18.5.2 sent by e-mail to the member, at the e-mail address last notified by him/her to the organisation.

19 Attendance and speaking at general meetings

19.1 A member is able to exercise the right to speak at a members' meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.

19.2 A member is able to exercise the right to vote at a general meeting when:

19.2.1 that member is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

19.2.2 that member's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

19.3 The board may make whatever arrangements they consider appropriate to enable those attending a members' meeting to exercise their rights to speak or vote at it.

19.4 In determining attendance at a members' meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

19.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

20 Procedure at members' meetings

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

20.2 The quorum for a members' meeting is 20 members.

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

20.4 The President of the organisation should act as chairperson of each members' meeting.

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

21 Voting at members' meetings

21.1 Every member who is 18 years old or older has one vote, which must be given personally.

21.2 All decisions at members' meetings will be made by majority vote – with the exception of the types of resolution listed in clause 21.3.

21.3 The following resolutions will be valid only if passed by not less than two thirds of those voting on the resolution at a members' meeting (or if passed by way of a written resolution under clause 22):

21.3.1 a resolution amending the constitution;

21.3.2 a resolution expelling a person from membership under clause 15.1;

21.3.3 a resolution directing the board to take any particular step (or directing the board not to take any particular step);

21.3.4 a resolution approving the amalgamation of the organisation with another SCIO (or approving the constitution of the new SCIO to be constituted as the successor pursuant to that amalgamation);

21.3.5 a resolution to the effect that all of the organisation's property, rights and liabilities should be transferred to another SCIO (or agreeing to the transfer from another SCIO of all of its property, rights and liabilities); or

21.3.6 a resolution for the winding up or dissolution of the organisation.

21.4 If there is an equal number of votes for and against any resolution, the chairperson of the meeting will be entitled to a second (casting) vote.

21.5 Subject to clause 21.6, a resolution put to the vote at a members' meeting will be decided on a show of hands unless the chairperson (or at least two other members present at the meeting) ask for a secret ballot.

21.6 A resolution put to the vote at a members' meeting which is being held online will be decided (at the discretion of the chairperson of the meeting) either on a show of hands or by way of electronic voting, should the online meeting platform allow electronic voting.

21.7 The chairperson will decide how any secret ballot is to be conducted, and he/she will declare the result of the ballot at the meeting.

22 Written resolutions by members

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

23 Minutes

23.1 The board must ensure that proper minutes are kept in relation to all members' meetings.

23.2 Minutes of members' meetings must include the names of those present and (so far as possible) should be signed by the chairperson of the meeting.

Board

24 Number of charity trustees

24.1 The maximum number of charity trustees is 12.

24.2 The minimum number of charity trustees is eight.

25 Eligibility

25.1 A person will not be eligible for election or appointment to the board unless he/she is a member of the organisation.

25.2 A person will not be eligible for election or appointment to the board if he/she is:

25.2.1 disqualified from being a charity trustee under the Charities and Trustee Investment (Scotland) Act 2005; or

25.2.2 an employee of the organisation.

26 Election, retiral, re-election

26.1 No person shall be appointed or reappointed a charity trustee at any general meeting unless:

26.1.1 he is recommended by the board; or

26.1.2 not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by two members qualified to vote at the meeting has been given to the organisation of the intention to propose that person for appointment or reappointment stating the particulars which would, if he were so appointed or reappointed, be required to be included in the organisation's register of charity trustees together with notice executed by that person of his willingness to be appointed or reappointed.

26.2 Not less than seven nor more than twenty-eight clear days before the date appointed for holding a general meeting notice shall be given to all who are entitled to receive notice of the meeting of any person who is recommended by the charity trustees for appointment or reappointment as a charity trustee at the meeting or in respect of whom notice has been duly given to the organisation of the intention to propose him at the meeting for appointment or reappointment as a charity trustee. The notice shall give the particulars of that person which would, if he were so appointed or reappointed, be required to be included in the organisation's register of charity trustees.

26.3 The organisation may by ordinary resolution appoint a person who is willing to act to be a charity trustee either to fill a vacancy or as an additional charity trustee and (subject to Article 26.4) may also determine the rotation in which any additional charity trustees are to retire.

26.4 Each charity trustee (unless appointed under clause 26.6) shall be appointed by the members at the AGM and shall then hold office for a term of three years. After holding office as a charity trustee for three years a charity trustee shall retire.

26.5 Where a charity trustee has held office for a term of three years and retired, pursuant to clause 26.4 above, that charity trustee may, assuming he is willing to act, be re-appointed by ordinary resolution of the members at the AGM at which he has retired to

serve as a charity trustee for a consecutive three year term. After holding office as a charity trustee for such consecutive three year term that charity trustee shall retire, unless the charity trustee, assuming he/she is willing to act, is re-appointed by ordinary resolution of the members at the AGM at which such consecutive three year terms expires for a further consecutive term of one year. After the expiry of the consecutive three year term or the further consecutive one year term (as the case may be) that charity trustee shall not then be eligible for re-election for a period of one year.

26.6 The charity trustees may appoint a person who is willing to act to be a charity trustee, either to fill a vacancy or as an additional charity trustee, provided that the appointment does not cause the number of charity trustees to exceed any number fixed by or in accordance with the organisation's constitution as the maximum number of charity trustees. Such charity trustee shall be subject to re-election at the next AGM of the organisation.

26.7 For the avoidance of doubt, the duration of appointment of any charity trustee which has occurred prior to the date of adoption of clause 26 shall be disregarded when considering the period of time that such charity trustee has held office for the purposes of clauses 26.4 and 26.5. Each person who is a charity trustee upon adoption of this constitution shall remain a charity trustee until he retires from that office in accordance with the terms of this constitution.

27 Termination of office

27.1 A charity trustee will automatically cease to hold office if:

27.1.1 he/she becomes disqualified from being a charity trustee under the Charities and Trustee Investment (Scotland) Act 2005;

27.1.2 he/she becomes incapable for medical reasons of carrying out his/her duties as a charity trustee – but only if that has continued (or is expected to continue) for a period of more than six months;

27.1.3 he/she ceases to be a member of the organisation;

27.1.4 he/she becomes an employee of the organisation;

27.1.5 he/she gives the organisation a notice of resignation, signed by him/her;

27.1.6 he/she is absent (without good reason, in the opinion of the board) from more than three consecutive meetings of the board – but only if the board resolves to remove him/her from office;

27.1.7 he/she is removed from office by resolution of the board on the grounds that he/she is considered to have committed a material breach of the code of conduct for charity trustees (as referred to in clause 32);

27.1.8 he/she is removed from office by resolution of the board on the grounds that he/she is considered to have been in serious or persistent breach of his/her duties under section 66(1) or (2) of the Charities and Trustee Investment (Scotland) Act 2005; or

27.1.9 he/she is removed from office by a resolution of the members passed at a members' meeting.

27.2 A resolution under clauses 27.1.7, 27.1.8 or 27.1.9 shall be valid only if:

27.2.1 the charity trustee who is the subject of the resolution is given reasonable prior written notice of the grounds upon which the resolution for his/her removal is to be proposed;

27.2.2 the charity trustee concerned is given the opportunity to address the meeting at which the resolution is proposed, prior to the resolution being put to the vote; and

27.2.3 in the case of a resolution under clauses 27.1.7 or 27.1.8 at least two thirds (to the nearest round number) of the charity trustees then in office vote in favour of the resolution.

28 Register of charity trustees

28.1 The board must keep a register of charity trustees, setting out:

28.1.1 for each current charity trustee:

28.1.1.1 his/her full name and address;

28.1.1.2 the date on which he/she was appointed as a charity trustee; and

28.1.1.3 any office held by him/her in the organisation; and

28.1.2 for each former charity trustee – for at least 6 years from the date on which he/she ceased to be a charity trustee:

28.1.2.1 the name of the charity trustee;

28.1.2.2 any office held by him/her in the organisation; and

28.1.2.3 the date on which he/she ceased to be a charity trustee.

28.2 The board must ensure that the register of charity trustees is updated within 28 days of any change:

28.2.1 which arises from a resolution of the board or a resolution passed by the members of the organisation; or

28.2.2 which is notified to the organisation.

28.3 If any person requests a copy of the register of charity trustees, the board must ensure that a copy is supplied to him/her within 28 days, provided that the request is reasonable; if the request is made by a person who is not a charity trustee of the organisation, the board may provide a copy which has the addresses redacted if the organisation is satisfied that including that information is likely to jeopardise the safety or security of any person or premises.

29 Office-bearers

29.1 The charity trustees must elect (from among themselves) a President, a Vice President a treasurer and a secretary.

29.2 In addition to the office-bearers required under clause 29.1, the charity trustees may elect (from among themselves) further office-bearers if they consider that appropriate.

29.3 All of the office-bearers will cease to hold office at the conclusion of the next AGM following their appointments, but may then be re-elected under clause 29.1 or 29.2.

29.4 A person elected to any office will automatically cease to hold that office:

29.4.1 if he/she ceases to be a charity trustee; or

29.4.2 if he/she gives to the organisation a notice of resignation from that office, signed by him/her.

30 Powers of board

30.1 Except where this constitution states otherwise, the organisation (and its assets and operations) will be managed by the board and the board may exercise all the powers of the organisation.

30.2 A meeting of the board at which a quorum is present may exercise all powers exercisable by the board.

30.3 The members may, by way of a resolution passed in compliance with clause 21.3 (requirement for two-thirds majority), direct the board to take any particular step or direct the board not to take any particular step; and the board shall give effect to any such direction accordingly.

31 Charity trustees – general duties

31.1 Each of the charity trustees has a duty, in exercising functions as a charity trustee, to act in the interests of the organisation; and must:

31.1.1 seek, in good faith, to ensure that the organisation acts in a manner which is consistent with its purposes;

31.1.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;

31.1.3 in circumstances giving rise to the possibility of a conflict of interest between the organisation and any other party:

31.1.3.1 put the interests of the organisation before that of the other party;

31.1.3.2 where any other duty prevents him/her from doing so, disclose the conflicting interest to the organisation and refrain from participating in any deliberation or decision of the other charity trustees with regard to the matter in question; and

31.1.4 ensure that the organisation complies with any direction, requirement, notice or duty imposed under or by virtue of the Charities and Trustee Investment (Scotland) Act 2005.

31.2 In addition to the duties outlined in clause 31.1, all the charity trustees must take such steps as are reasonably practicable for the purpose of ensuring:

31.2.1 that any breach of any of those duties by a charity trustee is corrected by the charity trustee concerned and not repeated; and

31.2.2 that any trustee who has been in serious and persistent breach of those duties is removed as a trustee.

31.3 Provided he/she has declared his/her interest – and has not voted on the question of whether or not the organisation should enter into the arrangement – a charity trustee will not be debarred from entering into an arrangement with the organisation in which he/she has a personal interest and (subject to clause 31.4 and to the provisions relating to remuneration for services contained in the Charities and Trustee Investment (Scotland) Act 2005), he/she may retain any personal benefit which arises from that arrangement.

31.4 No charity trustee may serve as an employee (full time or part time) of the organisation; and no charity trustee may be given any remuneration by the organisation for carrying out his/her duties as a charity trustee.

31.5 The charity trustees may be paid all travelling and other expenses reasonably incurred by them in connection with carrying out their duties, this may include expenses relating to their attendance at meetings.

32 Code of conduct for charity trustees

32.1 Each of the charity trustees shall comply with the code of conduct (incorporating detailed rules on conflict of interest) which the board may prescribe from time to time.

32.2 The code of conduct referred to in clause 32.1 shall be supplemental to the provisions relating to the conduct of charity trustees contained in this constitution and the duties imposed on charity trustees under the Charities and Trustee Investment (Scotland) Act 2005; and all relevant provisions of this constitution shall be interpreted and applied in accordance with the provisions of the code of conduct in force from time to time

Decision-making by the Charity Trustees

33 Notice of board meetings

33.1 Any charity trustee may call a meeting of the board or ask the secretary to call a meeting of the board.

33.2 At least seven days' notice must be given of each board meeting, unless (in the opinion of the person calling the meeting) there is a degree of urgency which makes that inappropriate.

34 Procedure at board meetings

34.1 No valid decisions can be taken at a board meeting unless a quorum is present; the quorum for board meetings is five charity trustees, present in person.

34.2 If at any time the number of charity trustees in office falls below the number stated as the quorum in clause 34.1, the remaining charity trustee(s) will have power to fill the vacancies or call a members' meeting – but will not be able to take any other valid decisions.

34.3 The President of the organisation shall act as chairperson of each board meeting.

34.4 If the President is not present within 15 minutes after the time at which the meeting was due to start (or is not willing to act as chairperson), the charity trustees present at the

meeting must elect (from among themselves) the person who will act as chairperson of that meeting.

34.5 Every charity trustee has one vote, which must be given personally.

34.6 All decisions at board meetings will be made by majority vote.

34.7 If there is an equal number of votes for and against any resolution, the chairperson of the meeting will be entitled to a second (casting) vote.

34.8 The board may, at its discretion, allow any person to attend and speak at a board meeting notwithstanding that he/she is not a charity trustee – but on the basis that he/she must not participate in decision-making.

34.9 A charity trustee must not vote at a board meeting (or at a meeting of a subcommittee) on any resolution which relates to a matter in which he/she has a personal interest or duty which conflicts (or may conflict) with the interests of the organisation; he/she must withdraw from the meeting while an item of that nature is being dealt with.

34.10 All or any of the charity trustees may participate in a board meeting by means of a video-conference facility, conference telephone, or any other communication equipment which allows all of those participating in the meeting to communicate with each other. A charity trustee so participating shall be deemed to be present, in person, at the meeting and, accordingly, shall be entitled to vote and shall be taken into account in determining whether a quorum is present. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chair is at the time of the meeting.

34.11 For the purposes of clause 34.9:

34.11.1 an interest held by an individual who is "connected" with the charity trustee under section 68(2) of the Charities and Trustee Investment (Scotland) Act 2005 (husband/wife, partner, child, parent, brother/sister etc) shall be deemed to be held by that charity trustee;

34.11.2 a charity trustee will be deemed to have a personal interest in relation to a particular matter if a body in relation to which he/she is an employee, director, member of the management committee, officer or elected representative has an interest in that matter.

35 Minutes

35.1 The board must ensure that proper minutes are kept in relation to all board meetings and meetings of sub-committees.

35.2 The minutes to be kept under clause 35.1 must include the names of those present; and (so far as possible) should be signed by the chairperson of the meeting.

Administration

36 Delegation to sub-committees

36.1 The board may delegate any of their powers to sub-committees. A sub-committee must include at least one charity trustee, but other members of a sub-committee need not be charity trustees.

- 36.2 The board may also delegate to the President of the organisation (or the holder of any other post) such of their powers as they may consider appropriate.
- 36.3 When delegating powers under clause 36.1 or 36.2, the board must set out appropriate conditions (which must include an obligation to report regularly to the board).
- 36.4 Any delegation of powers under clause 36.1 or 36.2 may be revoked or altered by the board at any time.
- 36.5 The rules of procedure for each sub-committee, and the provisions relating to membership of each sub-committee, shall be set by the board.

37 Operation of accounts

- 37.1 Subject to clause 37.2, the signature of the treasurer as a charity trustee, will be required in relation to all operations (other than the lodging of funds) on the bank and building society accounts held by the organisation the value of which is ten thousand pounds or less. In relation to all operations (other than the lodging of funds) on the bank and building society accounts held by the organisation the value of which exceeds ten thousand pounds, the signatures of two charity trustees will be required.
- 37.2 Where the organisation uses electronic facilities for the operation of any bank or building society account, the authorisations required for operations on that account must be consistent with the approach reflected in clause 37.1.

38 Accounting records and annual accounts

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

39 Rules and regulations

The board may establish, publish and enforce rules, regulations, bye-laws, policies and procedures and codes of conduct, including without limitation, in respect of membership and child protection that are required from time to time for the effective operation of the organisation.

Miscellaneous

40 Winding-up

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

41 Alterations to the constitution

41.1 This constitution may (subject to clause 41.2) be altered by resolution of the members passed at a members' meeting (subject to achieving the two thirds majority referred to in clause 21.3) or by way of a written resolution of the members.

41.2 The Charities and Trustee Investment (Scotland) Act 2005 prohibits taking certain steps (such as change of name, an alteration to the purposes, amalgamation, winding-up) without the consent of the Office of the Scottish Charity Regulator (OSCR).

42 Interpretation

42.1 References in this constitution to the Charities and Trustee Investment (Scotland) Act 2005 should be taken to include:

42.1.1 any statutory provision which adds to, modifies or replaces that Act; and

42.1.2 any statutory instrument issued in pursuance of that Act or in pursuance of any statutory provision falling under clause 42.1.1 above.

42.2 In this constitution:

42.2.1 "**charity**" means a body which is either a "**Scottish charity**" within the meaning of section 13 of the Charities and Trustee Investment (Scotland) Act 2005 or a "**charity**" within the meaning of section 1 of the Charities Act 2006, provided that (in either case) that its objects are limited to charitable purposes;

42.2.2 "**charitable purpose**" means a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of the Taxes Acts; and

42.2.3 "**Majority Resolution**" means a resolution of the board passed by a majority of two-thirds of the members of the board present and entitled to vote on the resolution.