



THE ARTS
SOCIETY

BUILDING FOR
THE FUTURE
GOVERNANCE
REFORM

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BUILDING FOR THE FUTURE - GOVERNANCE REFORM

INTRODUCTION

Thank you for taking the time to read this important document about the future governance structure of The Arts Society. The proposals it contains are the result of a great deal of thought and debate by the trustee Board. The reforms that we are proposing are an important part of the plans that we are putting in place to ensure the long-term future of the charity in the face of the significant decline in our membership numbers over the last ten years. A decline significantly accelerated by the pandemic.

All charity trustees have a duty to review and, if necessary, reform their charity's governance structures from time to time, in order to keep them in line with current best practice in the charity sector. As trustees of The Arts Society, we need to take note of such developments and ensure that our governance structures are appropriate and fit for purpose.

Our major responsibility as trustees is to demonstrate good governance and ensure we have an effective Board with up to the minute skills to plan for the future of The Arts Society. We have an obligation to take note of Charity Commission guidance and the Charity Governance Code which emphasises charity independence, diversification of thought and people and the need to avoid any conflicts of interest in running the governance affairs of the charity.

The Charity Governance Code recommends that trustee boards review the governance of their charity annually and that every three years larger charities involve an external expert in this review. The Governance Reform proposed in this document results from an external review we commissioned in 2023. This was followed by the work of a trustee working group which took professional and legal advice throughout the process.



Liz Woods
Chair of The Arts Society

BUILDING FOR THE FUTURE

Trustees have a legal duty to act in the best interests of the charity, ensuring we are meeting our charitable objects, adhering to governance requirements and safeguarding the future of the organisation.

Good governance is fundamental to a charity's success. The Arts Society wants to excel in all aspects of governance to support a dynamic and thriving organisation.

These are exciting and challenging times. As outlined in our strategy 2023-2026 we are working towards a hybrid future in which we both support local Societies and create digital experiences for new audiences.

Membership numbers have declined by 28% over the last 20 years, partly as a result of societal changes and of course significantly during and following the Covid 19 pandemic. The local Society model remains relevant and popular across many communities. We are committed to working with local Societies to stem and reverse any decline, and to support thriving Societies, but in addition we want to increase our reach to include all of those with an interest and curiosity in the arts. This is with the aim of reaching our goal of 'making art mean more to more people'.

In order to achieve these aims we need to have a governance structure that is fit for our goals, geared towards growth and reaching beyond our current sphere of influence.

Change is essential for growth, and now is the time to ensure we have the right structures in place to drive The Arts Society forward. This can be challenging but we are now at a stage where we need to make changes to remain a charity that is fit for purpose.

STRATEGY 2023-2026

In our recently published strategy, the trustees committed to:

Reviewing our governance structure and implementing a structure that is fit for our new goals.

With a strategic objective of:

Creating a self-reliant (and self-sustaining) business model for the charity by restructuring the governance and funding arrangements appropriately.

During the 2023-2026 strategy cycle:

The Arts Society will introduce appropriate governance structures to meet future challenges and increase the number of co-opted trustee members to the board with specific skill sets and experience that are relevant to the organisation's growth and development for the long-term.

We made a commitment that:

Following an external governance review the Trustees will put forward proposals to modernise and increase the efficiency and effectiveness of the Board.

GOVERNANCE REVIEW AND ACTIONS

Following an external governance review and the formation of an internal working group (comprising trustees and staff), we are now at the stage of presenting the proposed reform to local Societies. This reform is required to achieve our strategic aims and meet our governance requirements, and ultimately better meet the needs of local Societies and their members.

The recent external governance review highlighted:

- *“Expectations for the governance of charities have risen dramatically over the last 15 years, particularly for larger charities (with income over £1m pa). They are set out in the Charity Governance Code that is widely accepted across the sector.”*
- *“Many charities are grappling with the challenge of having the required skills, experience and diversity on their boards, to deliver (their) responsibilities.”*
- *“The direction of the organisation’s emerging strategy of expanding its wider public purpose is not aligned with the constitutional structure of the organisation.”*

Why governance reform is needed:

- **Good governance:** we should be adhering to the Charity Governance Code. A number of our current structures do not meet guidelines on: Board effectiveness; having a skills-based Board and; diversification of thought and people.
- **Trustees’ duty:** Trustees have a legal duty to review and where necessary introduce improved governance models, including reforming governance to bring in more people with skills and diversity from outside in line with the Charity Governance Code.
- **Conflict of interest (Trustee Board):** the reform will address conflicts of interest which could quite naturally arise in the current model in which the majority of trustees are from local Societies. The Charity Commission, in recent years, has emphasised the need for trustees to be recruited in such a way as to demonstrate independence from the key stakeholders within the charity, which in the case of The Arts Society is the local Societies.
- **Conflict of interest (voting model):** there is a conflict between our objects as a charity and our current voting structure of autonomous local Societies having the sole vote on constitutional matters related to the wider charity. Local Societies are required to put their personal and local interests to one side and act in the interest of an international charity whose purpose is wider than the local Society model. This has the potential for conflict between the wider objects of the charity and the interests of local Societies which could hinder the work and direction of the charity. The reform will alleviate this risk by having the trustees, who are appointed based on skills and expertise required, as the sole holders of the voting rights. This is in keeping with the independence of local Societies, who will remain key stakeholders of the charity.

It is only natural that this change should be disquieting for Societies who may see it as a reduction of their influence within the charity. The trustees would not be proposing this change unless they considered it an essential part of the reform package. The success of our Town Hall meetings has given, and will continue to give, a voice to all Arts Society members. The reforms provide that any individual member with the necessary skills may put themselves forward as a trustee, and the Board will have a minimum of three protected places for Society members.

- **Participation (in governance):** the data shows low engagement in governance matters, with only 21% voter turnout at the 2023 elections and low candidate numbers for trustee roles. This poses a risk to the organisation. Local Societies quite naturally demonstrate more interest in matters which directly impact them such as membership, training, volunteering and the lecturer directory. Opportunities for engagement on these matters exist in the Town Hall and Area meetings, whilst the management team is available all year round to support local Societies.

THE PROPOSED REFORM

- 1. TO MOVE TO A FULLY APPOINTED TRUSTEE BOARD.**

Trustees will be appointed to the Board via open recruitment overseen by an Appointments Committee. Trustees will no longer be subject to elections. The Board will be based on the skills and experience required to support the strategic direction of the organisation. Members of local Societies, with the required skills for each advertised role, will still be able to apply for trustee roles but roles will be subject to open recruitment, increasing the pool from which the best candidates can be selected. This approach ensures that merit and skills are the overriding criteria for trustee appointments.
- 2. TRUSTEES TO BECOME THE COMPANY MEMBERS WITH VOTING RIGHTS.**

This streamlines and makes our governance processes more effective. The business of the charity is the responsibility of the trustees. The trustee Board will handle the governance matters of the independent charity (The Arts Society) just as local Societies handle their own governance matters. This means that the right to select trustees, pass resolutions or approve the accounts is passed on to those who are legally responsible for the charity - the trustees. Local Societies will remain a key stakeholder of the charity.
- 3. TO APPROVE A NEW SET OF ARTICLES OF ASSOCIATION.**

The existing Articles, which were originally adopted over 25 years ago and over time have been subject to piecemeal changes, were created as part of the charity's incorporation. They are no longer deemed to be in step with modern governance practices. Following legal advice, rather than re-drafting the existing Articles a new set of Articles of Association has been drawn up, based on current governance best practices and in line with the goals of this reform.

WHAT ARE THE BENEFITS:

- A Board with the required expertise to drive the future strategic direction of the charity for the benefit of local Societies and the wider public.
- The ability to have trustees from all walks of life and with skills required for The Arts Society, enhancing our diversity, inclusion, and expertise on the Board, and avoiding groupthink. Three places will be reserved for local Societies thereby ensuring that at all times a minimum of three places are held by members of local Societies.

- Efficient and modern governance structures in line with the Charity Governance Code, and the Charity Commission.
- The relationship between the charity and local Societies becomes service focused with a clear definition of roles and responsibilities. We are committed to ensuring that regular and effective communication about the charity’s purposes, values, work, and achievements is in place. This means that local Societies will have the opportunity to hold the Board to account on the delivery of services and support functions through agreed processes and communication routes, for example question and answers sessions.
- Continued reduction in the service recharge. Our new strategic direction allows us to apportion costs across the work of the whole charity. This allows for a reduction in the service recharge to local Societies. This has already driven a reduction in costs that allowed the service recharge to be frozen in 2024. A further reduction of the service recharge in 2025 is part of the strategic commitment. In order to make this sustainable in the medium to long term we need to ensure the governance structures are effective in delivering against the strategy and take into account the whole range of the charity’s activities. Without the reform there will be a risk around the effective oversight of the strategy moving forward.

NEXT STEPS:

- **Consultation period** (30 January - 24 March 2024) to engage with stakeholders on the proposed reform.
 - Ahead of the Extraordinary General Meeting there will be consultation and engagement with local Societies in order to get feedback and address any queries and concerns.
 - The Arts Society head office will hold weekly online drop-in sessions throughout February and March (as needed) which all local Societies are welcome to attend.
 - Further opportunities for engagement will be presented at a Town Hall meeting and Area meetings.
- An **Extraordinary General Meeting** will be held on Zoom on Monday 15th April 2024 to vote on the proposed reform.

GOVERNANCE REFORMS - FACT SHEET

WHAT IS THE ARTS SOCIETY?

The Arts Society is the operating name of The National Association of Decorative and Fine Arts Societies. We are a Charity and Company Limited by Guarantee (not having a share capital).

WHAT DOES IT MEAN TO BE A CHARITY AND COMPANY?

The Arts Society is regulated by both the Charity Commission and Companies Act and must adhere to the guidance and regulations of both.

Unless specifically stated otherwise, any reference to the Charity Commission shall also include the OSCR (Office of the Scottish Charity Regulator).⁷

WHAT ARE THE GOVERNING DOCUMENTS OF THE ARTS SOCIETY?

As a Company Limited by Guarantee, with Charitable Status, our governing documents are our Articles of Association (as opposed to a Constitution). These provide the framework and rules of governance for running the organisation. They include our charitable objects.

WHAT IS GOVERNANCE?

The Chartered Governance Institute define governance as:

“Governance is a system that provides a framework for managing organisations. It identifies who can make decisions, who has the authority to act on behalf of the organisation and who is accountable for how an organisation and its people behave and perform. Governance enables the management team and the Board to run organisations legally, ethically, sustainably, and successfully, for the benefit of stakeholders, including shareholders, staff, clients and customers, and for the good of wider society.”

WHAT ARE 'CHARITABLE OBJECTS'?

In order to be recognised as a charity, we must have charitable purposes, also known as charitable objects. These are recognised as charitable by law and approved by the Charity Commission. The charitable objects of a charity form the parameters of everything the charity does. We must carry out activities which further our charitable objects.

WHAT ARE THE OBJECTS OF THE ARTS SOCIETY?

The objects of the charity are:

1. The promotion and advancement of the education of the public in the cultivation, application and study of the decorative and fine arts;
2. The conservation and preservation of the artistic heritage of the United Kingdom and other countries for the benefit of the public; and
3. The advancement of the arts, culture and heritage, in particular, but without limitation, the decorative and fine arts.

WHAT IS THE TRUSTEE BOARD?

The Trustee Board has governance and strategic oversight of the charity. Trustees of the charity have a responsibility to act in the best interests of the charity, ensuring we are meeting our charitable objects, adhering to governance requirements and safeguarding the future of the organisation.

WHAT ARE 'COMPANY MEMBERS'?

As a Company Limited by Guarantee The Arts Society does not have shareholders or shares. The company must have one or more members. The members guarantee a nominal sum of money to the company in the event of its becoming insolvent or winding up. Members are entitled to attend general meetings and vote.

WHAT IS THE CHARITY GOVERNANCE CODE?

The [Charity Governance Code](#) is a practical tool to help charities and trustees develop high standards of governance. The overriding principle of the code is:

Good governance is fundamental to a charity's success. It enables and supports a charity's compliance with the law and relevant regulations. It also promotes a culture in which everything works towards fulfilling the charity's vision.

The code is not a legal requirement but sets principles and recommended practice for good governance. However, any departure from the code must be explained in the Charity's annual report submitted to the Charity Commission. The Arts Society aims to achieve the highest standards in this area.

GOVERNANCE REFORM - FREQUENTLY ASKED QUESTIONS

WHY ARE THESE CHANGES BEING PROPOSED?

The trustees have a duty to review and reform governance where necessary. We need to demonstrate good governance and have an effective, skills-based Board to oversee the direction of the charity. We need to adhere to the Charity Commission and Charity Code of Governance guidance around independence and diversification of thought and people, avoiding any conflicts of interest in the running of the governance affairs of the charity.

WHY IS THIS REFORM BEING DONE NOW?

We need to ensure we have effective governance to drive forward our 2023-2026 strategy. The current structures do not allow for sufficient changes to meet our requirements (in line with the Charity Governance Code).

We wish to make the reforms as soon as possible in order to have the best governance structures in place to take us forward.

WHAT IS BEING REMOVED FROM THE ARTICLES?

The external governance review found that the current Articles are very long winded. Modern charity Articles strive to be simple and accessible for all; the current Articles of The Arts Society are not. The review recommended that any amendments to the Articles should include making them thoroughly streamlined.

Therefore, the proposed governance reforms require a change to the Articles with regards to changes to the Trustee Board and voting, and provide the opportunity to streamline and remove unnecessary Articles which are not required for the governance of the organisation. A number of current Articles could be classed as procedures and policies which are not required in the Articles of Association.

As part of the governance review a specialist lawyer was engaged to review the Articles. The new draft Articles are based on model Articles in line with our charitable objects and powers. The charitable objects and powers of the organisation have not changed but the supporting governance Articles have been streamlined and updated to reflect the proposed reforms and have a clear approach to the governance of the organisation.

DOES THE CHARITY COMMISSION HAVE TO APPROVE THIS?

No, we are not changing our charitable objects or core focus of the charity and therefore the Charity Commission does not need to approve the Article changes.

WHAT RIGHTS WILL SOCIETIES HAVE IN THE FUTURE?

The reforms do not affect the local Societies' right of self-governance, and Societies will remain independent, autonomous entities in their own right. Societies will still have the right to control their own activities and operate in their own best interest. Local Societies will still have access to the services and support from The Arts Society centre and will remain part of an Area and have access to the Area Support Teams.

WHY DOES THIS REQUIRE A CHANGE IN VOTING RIGHTS?

The change will remove the conflict between our objects as a charity and our current voting structure in which autonomous Societies have the sole vote on constitutional matters related to the wider charity. The reform addresses the potential for conflict between the objects of the charity - which do not refer to local Societies - and the interests of local Societies as this could hinder the work and strategic direction of the charity.

In order to align more with our objects, Societies will be non-voting associate members of The Arts Society. They will remain a key stakeholder of the charity and as such trustees will take into account Societies' and members' views on key issues. Mechanisms exist through Town Hall meetings and Area Support Teams for these views to be made and heard.

The Trustee Board, appointed based on skills and expertise required, and independent from local Societies, will become the voting members.

WHY SHOULD I VOTE FOR SOMETHING THAT TAKES AWAY MY LOCAL SOCIETY'S RIGHT TO VOTE?

As a key stakeholder in the charity we believe Societies can expect it to be governed in the most effective and business-like manner possible, and in accordance with our regulators' guidelines. The reform is seeking to address this. Our data shows low engagement in governance matters where Societies have had a right to vote. Only 21% voter turnout at the 2023 elections, and low numbers of candidates standing for Trustee roles. Low engagement in governance matters has the potential to destabilise the effective governance of the charity.

There is also a conflict between our objects as a charity and our current voting structure of autonomous Societies having the sole vote on constitutional matters related to the wider charity. One of the strengths of local Societies is their ability to act in their own interest for their organisation without any form of central control from The Arts Society.

Societies are autonomous organisations in their own right and agree on their own constitution, and how they operate. However, in terms of the governance of The Arts Society, the reverse is not the case. Local Societies are required to put their personal and local interests to one side and act in the interest of an international charity whose remit is wider than the local Society model. This has the potential for conflict between the wider objects of the charity and the interests of local Societies which could hinder the work and direction of the charity.

The trustees are well aware that over the years the central organisation of The Arts Society has come to be regarded as a mere administrative hub; there solely to serve Societies' needs. It is important to understand that legally and constitutionally this has not been the case since we were incorporated as a charity in 1972. The charitable aims of The Arts Society as an independent charity are wider than supporting Societies, and one of the fundamental reasons for the proposed reform is to align our new governance procedures with our long-established charitable purpose and objects.

WHY CAN'T THE BOARD CHANGES BE MADE UNDER THE CURRENT GOVERNANCE STRUCTURE?

Some changes can be made under the current structures but not enough.

The current Articles require a majority elected trustee Board (from Society members) and all trustees must be Society members (including appointed trustees). This severely restricts the pool of people who can be trustees, as well as creating potential conflicts of interests between the central charity and interests of local Societies (as Society members make up the Trustee Board).

We need to demonstrate that the charity trustees have independence and the skills and expertise required to take the current strategy forward. By opening up the Board to applicants outside of The Arts Society's membership, we have a much larger pool of skills to draw from and can demonstrate independence of thought to benefit the charity as a whole and to meet our public benefit requirements.

HOW WILL THE SOCIETIES BE ABLE TO ENSURE THEIR VIEWS ARE HEARD IN FUTURE?

In much the same way they are now, through our existing engagement channels such as Town Hall meetings, Area meetings and Chairs of the Area Support Teams. These will all remain in place and continue to be an important part of The Arts Society structure. They are a constructive way for Societies to share their views. The Arts Society will also be looking at additional ways to engage with local Societies to improve networking and feedback opportunities.

Local Societies will remain a core part of what The Arts Society does, and the knowledge and skills of members of local Societies will still be required. There is a commitment to having these skills on the Trustee Board and having protected representation for trustee roles from local Societies on the Board.

WILL THE NEW TRUSTEES HAVE TO BE MEMBERS OF LOCAL SOCIETIES?

Not necessarily. The reforms will open the Trustee Board to applicants from all walks of life. Applicants will not have to be a member of a Society. As per Charity Commission guidance, trustees are encouraged to demonstrate their independence from stakeholders and removing the requirement to be a Society member will avoid conflicts of interest between the business of the charity and interests of local Societies.

Local Society members will still be able to put themselves forward for trustee roles if they believe they meet the skills criteria for the role.

CAN SOCIETIES STILL GET MEMBERS ONTO THE BOARD OF TRUSTEES?

All trustee positions will be open to all members of local Societies. Trustee positions will have role descriptions based on the skills required on the Board. If Society members believe they have these skills, they can put themselves forward for the position.

We have protected a number of trustee positions specifically for local Society members as knowledge of local Societies will still be a skill required on the Board.

WILL THERE STILL BE AN AGM?

Yes, the organisation will still hold an AGM but this would be at a meeting of the trustees. The trustees will be the voting members and therefore the business of the AGM can be held at a trustee Board meeting.

In terms of Society engagement there will be other opportunities for Societies to engage and network outside of the business of an AGM.

WILL MY SOCIETY HAVE TO CHANGE ITS CONSTITUTION AS WELL?

There will be no need for a Society to make an immediate change to their constitution. However, if it makes specific reference to voting on behalf of the local Society at National AGMs / EGMs then this clause would no longer be valid or relevant. As such it could be removed in the future, however, representing the local Society at Area Meetings / Town Hall meetings, and any other similar meetings would still be a responsibility of the Chair (or nominated representative).

CAN I STILL GET THE SAME HELP/ADVICE FROM THE ARTS SOCIETY?

Yes. There will be no reduction to the support provided to Societies by The Arts Society. In the 2023–2026 strategy there is a clear commitment to continue to support and provide services to local Societies who are a core part of the organisation and supporting our charitable objects.

WHAT DIFFERENCE WILL THIS MAKE TO LOCAL SOCIETIES?

The reform will make very little difference to local Societies. There will be a reduction in the workload of committees (in particular the Chair or nominated representative) as there will be no need to vote in trustee elections, attend the AGM, approve accounts, appoint the auditors or take part in other resolutions. Societies are still encouraged to attend Town Hall meetings, Area meetings and engage in other activities designed to gauge the Societies' and Members' views (as this will inform governance and policy).

DOES THIS MEAN THAT WE ARE NO LONGER PART OF THE ARTS SOCIETY 'FAMILY'?

Absolutely not. Local Societies are still at the heart of what The Arts Society does and the work they do plays a key role in achieving the charitable objects. The reforms are intended to improve the governance and business of the charity in order to drive the organisation forward for the benefit of all.

WILL THE AREA STRUCTURE STAY THE SAME?

There is no intention to change the Area structure which is an important function in supporting Societies and providing feedback and networking opportunities. The governance reforms will not change the Area structure and the Area Support Teams will continue to work in partnership with local Societies and The Arts Society centre.

HOW WILL THIS HELP MY SOCIETY WITH MEMBER/COMMITTEE RECRUITMENT?

The governance reforms may not have an immediate direct impact on member recruitment for local Societies, however the reforms are needed to have the best governance structure in place for the organisation. This is to ensure we can deliver our strategy 2023–2026 which will benefit local Societies and hopefully encourage people to join their local Society.

WILL THIS COST MEMBERS ANYTHING?

No. The reforms themselves will not have a (negative) financial impact on Societies. The outcome of the reforms is to have effective governance leading the organisation. This should help us achieve our strategic goals and therefore in the long-term assist in actually saving money for local Societies by helping to reduce the service recharge.

IS THIS GOING TO SAVE MONEY?

Yes. The recently published strategy makes a commitment to reducing the service recharge. A more streamlined and effective governance structure will remove the need to hold large face to face AGMs. In addition to this the successful deployment of The Arts Society Studio will allow shared central costs to be apportioned thereby removing them from the calculation for the service recharge.

HOW CAN YOU REDUCE THE SERVICE RECHARGE WHEN THE COST OF EVERYTHING IS GOING UP?

Our new strategic direction allows us to apportion costs across the work of the charity. This allows for a reduction in the service recharge to local Societies. This has already driven a reduction in costs that allowed the service recharge to be frozen in 2024. The saving will increase further in 2025.

HOW DO WE KNOW THAT THE REDUCED SERVICE RECHARGE WILL LAST?

Whilst we cannot predict exactly what the service recharge will be in the future, there is a strategic commitment to seek ways to reduce the recharge fee to local Societies. Part of this is the ability to apportion cost across the different activities of the charity. Having the right governance in place to support the strategic direction of the organisation and make these work streams effective is key to this. The fee has already been frozen for 2024, and there is a commitment to reduce the fee for 2025.

CAN MY SOCIETY USE WHATEVER THE ARTS SOCIETY STUDIO PRODUCES?

The digital content we produce with Studio is designed to attract and appeal to people who are 'restlessly curious' and want to learn more about the arts. Society members will be welcome to enjoy the content along with our target audiences. We may use our new capabilities to create specially produced content for members; in this case we would make this available to Societies and their members.

HOW WILL THE REVENUE FROM STUDIO BE SHARED?

The aim is that Studio will ultimately be self-funding. At that point any revenue will be used in line with the charitable objects.

WILL THE NEW STUDIO HELP ME PROMOTE MY LOCAL SOCIETY?

The content produced by the Studio is not designed to promote local Societies; it is, however, a point of entry into The Arts Society's 'world' and we are aiming to create new avenues for 'funnelling' people with an interest and inclination for live events towards local Societies.

Another way of looking at this is that local Societies will be able to talk about the work we do with the Studio, to show that the Arts Society offers arts content to a wider audience.

WILL THE SOCIETIES HAVE ANY SAY IN WHAT STUDIO DOES/PRODUCES?

At this stage, no. The content concept is designed to deliver what local Societies are not set up to do (global reach, digital first, fully on demand, fully inclusive), and thereby help the charity to fulfil its charitable objects. This does not mean that the Studio will not be able to create bespoke content for the Society members, in which case we might ask for input via polls or suggestions.

WHAT HAPPENS IF THE REFORM IS NOT APPROVED?

If the reform does not get approved at the EGM, the existing Articles (and governance processes) will remain in place. An AGM would take place before the end of August 2024 at which any required trustee elections would be confirmed.

It is likely the Board would look to appoint some co-opted trustees to meet any skills requirements on the Board, although this would be restricted by the current Articles.

The Board would need to consider the reform and decide on any future actions, as the fundamental reasons for the proposals will still remain: the ability to have a Board based on the skills required for the organisation; addressing conflicts of interest both in the current trustee model and current voting model; and ensuring we are meeting the highest standards of good governance as outlined in the Charity Code of Governance.

Any delays to implementing the reforms may have an impact on having the best governance and Board in place to achieve our strategic aims which would impact on the benefits to local Societies and wider public.

DRAFT ARTICLES OF ASSOCIATION

The revised Articles of Association follow.

These have been produced by a specialist lawyer at Keystone Law based on the proposed reform and streamlining of our existing Articles.

COMPANIES ACT 2006

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

ARTICLES OF ASSOCIATION OF

THE NATIONAL ASSOCIATION OF DECORATIVE & FINE ARTS SOCIETIES

1. NAME

The name of the Charity (“the Charity”) is:

The National Association of Decorative & Fine Arts Societies.

2. REGISTERED OFFICE

The registered office of the Charity shall be in England.

3. OBJECTS

The Objects of the Charity are:

- 3.1 The promotion and advancement of the education of the public in the cultivation, application and study of the decorative and fine arts;
- 3.2 The conservation and preservation of the artistic heritage of the United Kingdom and other countries for the benefit of the public; and
- 3.3 The advancement of the arts, culture and heritage, in particular, but without limitation, the decorative and fine arts.

Nothing in these Articles shall authorise an application of the property of the Charity for purpose which are not charitable in accordance with section 7 of the Charities and Trustee Investment (Scotland) Act 2005 and section 2 of the Charities Act (Northern Ireland) 2008.

4. POWERS

The Charity has the following powers which may be exercised only in promoting the objects:

- 4.1 to encourage and assist in the formation of societies having objects similar to those of the Charity;

- 4.2 to give guidance, advice and assistance to such societies having similar objects as may become associate members and to co-ordinate the functions of such associate members by promoting meetings or otherwise;
- 4.3 to issue from time to time, and at such cost to associate member societies as may be necessary, a directory of lecturers and any other publications for the assistance of associate members and write, make, commission, print, publish or distribute other written materials, recorded in or on any format, or assist in these activities;
- 4.4 to organise associate members to give assistance in houses or historic or artistic interest, museums, churches, exhibitions and other places where such assistance is required and to make such arrangements as may be necessary, including the provision of courses of instruction for such associate members;
- 4.5 to further the education of children by means of talks, visits to houses, museums and other places of interest;
- 4.6 to present exhibitions or artistic performances of an educational character;
- 4.7 to promote, initiate, develop and carry out education and training and arrange and provide, or assist in arranging and providing, exhibitions, lectures, meetings, seminars, displays or classes;
- 4.8 to provide facilities and equipment;
- 4.9 to provide advice;
- 4.10 to publish or distribute information;
- 4.11 to co-operate with other bodies;
- 4.12 to enter into any arrangements with any Government department, local authority, university, college or other body or person conducive to the promotion and attainment of the objects;
- 4.13 to support administer or set up other charities;
- 4.14 to raise funds;
- 4.15 to borrow or raise money on such terms as may be thought fit and give security for loans (but only in accordance with the restrictions imposed by the Charities Act 2011);
- 4.16 to secure the discharge of any of the Charity's liabilities and obligations in any manner;
- 4.17 to acquire any copyright, patents, translation, publication, right of publication or reproduction or other intellectual property rights which may appear useful to the Charity and to protect, prolong, register, renew, exercise, develop, turn to account, use or manufacture the same;
- 4.18 to advertise in such manner as may be thought expedient with a view to promoting the objects;
- 4.19 to purchase, take on lease or exchange, hire or otherwise acquire any real or personal property or any rights therein and any rights or privileges necessary for the promotion of the objects and to construct, maintain and alter any buildings or erections necessary or convenient for the work of the Charity;
- 4.20 to let or dispose of property of any kind;
- 4.21 to provide financial assistance, make grants, donations or loans of money and to give guarantees;

- 4.22** to draw, make, accept, endorse, discount, execute, issue and deal with promissory notes, bills of exchange and other instruments of any kind, whether or not negotiable or transferable;
- 4.23** to set aside funds for special purposes or as reserves against future expenditure;
- 4.24** to deposit or invest funds in any manner (but to invest only after obtaining advice from a financial expert and having regard to the suitability of investments and the need for diversification);
- 4.25** to solicit contributions to the funds of the Charity and to accept gifts (both inter vivos and testamentary) of money and other property of any kind, whether real or personal and whether or not subject to any specific charitable trusts or conditions;
- 4.26** to accept any gifts, subscriptions, donations, bequests or devises of lands, monies, securities relating to real or personal property;
- 4.27** to appoint, constitute and delegate powers to such advisory committees as the Trustees may think fit;
- 4.28** to delegate the management of investments to a financial expert, but only on terms that:
- (A)** the investment policy is set down in writing for the financial expert by the Trustees;
 - (B)** every transaction is reported promptly to the Trustees;
 - (C)** the performance of the investments is reviewed regularly with the Trustees;
 - (D)** the Trustees are entitled to cancel the delegation arrangement at any time;
 - (E)** the investment policy and the delegation arrangement are reviewed at least once a year;
 - (F)** all payments due to the financial expert are on a scale or at a level which is agreed in advance and are notified promptly to the Trustees on receipt; and
 - (G)** the financial expert must not do anything outside the powers of the Trustees;
- 4.29** to arrange for investments or other property of the Charity to be held in the name of a nominee (being a corporate body registered or having an established place of business in England and Wales) under the control of the Trustees or of a financial expert acting under their instructions and to pay any reasonable fee required;
- 4.30** to insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity when required;
- 4.31** to purchase and maintain insurance for the Trustees as permitted by the Charities Act 2011 against the costs of a successful defence to a criminal prosecution brought against them as Charity Trustees or against personal liability incurred by them in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to the Charity which is or is alleged to be a breach of trust or breach of duty, unless the Trustee concerned knew that, or was reckless whether the act or omission was a breach of trust or breach of duty;
- 4.32** to employ paid or unpaid agents, staff or advisers and provide or contribute to employee pensions;
- 4.33** to enter into contracts to provide goods and services to or on behalf of other bodies;
- 4.34** to establish, become a member of, manage, or support any bodies (whether incorporated or not) whose objects may seem capable of furthering any of the objects;
- 4.35** to establish where necessary local branches (whether autonomous or not);

- 4.36** to procure the Charity to be registered or recognised in any foreign country or place;
- 4.37** to carry on a trade in direct or ancillary furtherance of the Objects and to incorporate or acquire wholly owned subsidiary companies to carry out any trade; and
- 4.38** to do anything else within the law which promotes or is ancillary to the objects.
- 5. BENEFITS TO MEMBERS AND TRUSTEES**
- 5.1** The property and funds of the Charity shall be used only for promoting the objects and do not belong to the members of the Charity but, subject to compliance with Article 5.4:
- (A)** members (including Trustees) may be paid interest at a reasonable rate on money lent to the Charity; and
 - (B)** members (including Trustees) may be paid a reasonable rent or hiring fee for property let or hired to the Charity.
- 5.2** A Trustee shall not receive any payment of money or other material benefit (whether directly or indirectly) from the Charity except:
- (A)** as mentioned in Articles 4.31, 5.1(A), 5.1(B) or 5.3 of these Articles;
 - (B)** reimbursement of reasonable out-of-pocket expenses (including hotel and travel costs) actually incurred in running the Charity;
 - (C)** an indemnity (insofar as permitted by Article 16) in respect of any liabilities properly incurred in running the Charity (including the costs of a successful defence to criminal proceedings);
 - (D)** payment to any company in which a Trustee has no more than a one per cent shareholding;
 - (E)** as a beneficiary of the Charity; and
 - (F)** in exceptional cases (but only with the written consent of the Commission in advance and subject, where required by the Companies Act, to the approval or affirmation of the members) other payments or benefits.
- 5.3** Any Trustee or Connected Person (or any firm or company of which a Trustee or Connected Person is a member or employee) may enter into a written contract with the Charity to supply goods and services in return for a payment or other material benefit but only if:
- (A)** the goods and services are actually required by the Charity;
 - (B)** the nature and level of the remuneration is no more than is reasonable in relation to the value of the goods and services and is set in accordance with the procedure in Article 5.4; and
 - (C)** a minority of the Trustees are subject to such a contract in any financial year.
- 5.4** Subject to Articles 5.2 and 5.5, any Trustee who becomes a Conflicted Trustee in relation to any matter must:
- (A)** declare the nature and extent of their interest at or before discussion begins on the matter;
 - (B)** withdraw from the meeting for that item after providing any information required by the Trustees
 - (C)** not be counted in the quorum for that part of the meeting; and
 - (D)** be absent during the vote and have no vote on the matter.
- 5.5** When a Trustee is a Conflicted Trustee, the Trustees present at a meeting who are not Conflicted Trustees, if they form a quorum without counting the Conflicted Trustee and are satisfied that it is

in the best interest of the Charity to do so, may by resolution passed in the absence of the Conflicted Trustee authorise the Conflicted Trustee or a Connected Person, notwithstanding any conflict of interest or duty which has arisen or may arise for the Conflicted Trustee or Connected Person:

- (A) to continue to participate in discussions leading to the making of a decision; or
- (B) to disclose information confidential to the Charity to a third party, or
- (C) to take any other action not otherwise authorised which does not involve the receipt by the Conflicted Trustee or a Connected Person of any payment or material benefit from the charity, or refrain from taking action designed to remove the conflict.

5.6 A Conflicted Trustee who obtains (other than through their position as Trustee) information that is confidential to a third party, shall not be in breach of their duties to the Charity if they declare the conflict in accordance with Article 5.4 and then withhold such confidential information from the Charity.

5.7 The provisions of this Article 5 apply to any benefit to a Trustee or any person connected to a Trustee and to any payments or benefits from a subsidiary company.

5.8 This Article may not be amended without the prior permission of the Charity Commission.

6. MEMBERSHIP

6.1 The members of the Charity shall be the Trustees.

6.2 The Charity shall maintain a register of members.

6.3 Every such person becoming a member of the Charity shall remain a member until they shall cease to be a member by virtue of some provision contained in these Articles.

6.4 Membership shall terminate forthwith if the member concerned:

- (A) gives written notice of resignation to the Charity; or
- (B) dies or (in the case of a body corporate) ceases to exist; or
- (C) is removed from membership by resolution of the Trustees on the ground that in their reasonable opinion the member's continued membership is harmful to the Charity (but only after notifying the member in writing and considering the matter in the light of any written representations which the member concerned puts forward within 14 clear days after receiving notice); or
- (D) ceases to be a Trustee.

6.5 Membership of the Charity is not transferable.

7. LIMITED LIABILITY

The liability of the members is limited.

8. GUARANTEE

Every member promises, if the Charity is dissolved while they or it (in the case of a member which is a corporate body) remains a member or within 12 months afterwards, to contribute up to £1 towards the costs of dissolution and the liabilities incurred by the Charity while the contributor was a member.

9. GENERAL

9.1 Members are entitled to attend general meetings either personally or (in the case of a member organisation) through an authorised representative. General meetings are called on at least 21 clear days' written notice to all members specifying the time and place of the meeting, the business to be discussed and, in the case of an AGM, specifying the meeting as such.

- 9.2** No business shall be transacted at any general meeting unless a quorum of members is present. There is a quorum at a general meeting if the number of members personally present is at least a half of the members or authorised representatives. If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or such time and place as the Trustees may determine.
- 9.3** The Chairman or (if the Chairman is unable or unwilling to do so) some other member elected by those present presides at a general meeting.
- 9.4** The Chairman may, with the consent of any meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for 14 days or more, at least seven days' notice of the adjourned meeting shall be given, specifying the time and place of the meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.
- 9.5** Except where otherwise provided by these Articles or the Act, every issue is decided by a majority of the votes cast.
- 9.6** The Charity may hold an AGM in every year which all members shall be entitled to attend.
- 9.7** At an AGM the members:
- (A)** receive the accounts of the Charity for the previous financial year;
 - (B)** receive the Trustees' report on the Charity's activities since the previous AGM;
 - (C)** appoint auditors for the Charity;
 - (D)** may confer on any individual (with their consent) the honorary title of Patron, President or Vice-President of the Charity; and
 - (E)** discuss any issues of policy or deal with any other business put before them.
- 9.8** Any meeting which is not an AGM is a general meeting.
- 9.9** A general meeting may be called at any time by the Trustees and must be called within 21 days on a written request from 10% of the members of the Charity, by a majority of the Trustees or by the Chairman and the meeting must be held within 28 days after the notice convening the meeting.
- 9.10** A resolution put to the vote of the meeting shall be decided on a show of hands unless before or on the declaration of the result of the show of hands a poll is demanded:
- (A)** by the Chairman; or
 - (B)** by at least two members having the right to vote at the meeting; or
 - (C)** by a member representing not less than one-seventh of the total voting rights of all the members having the right to vote at the meeting; and
- a demand by a person as proxy for a member shall be the same as a demand by a member.
- 9.11** Unless a poll be so demanded, a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such

resolution. The demand for a poll may, before the poll is taken, be withdrawn, but only with the consent of the Chairman, and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands before the demand was made.

- 9.12** In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote, in addition to any other vote they may have.
- 9.13** A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs, being not more than 30 days after the poll is demanded, and any business other than that upon which a poll has been demanded may proceed pending the taking of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 9.14** No notice need be given of a poll not taken forthwith if the time and place at which it is taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 9.15** A resolution in writing executed by or on behalf of 75% of the members who would have been entitled to vote upon it if it had been proposed at a general meeting at which they were present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more members.
- 9.16** Subject as aforesaid, on a show of hands every member present in person shall have one vote and on a poll every member present in person or by proxy shall have one vote. No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the Chairman, whose decision shall be final and conclusive.
- 9.17** A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning the member's mental capacity may vote, whether on a show of hands or on a poll, by their attorney, deputy or other person authorised in that behalf appointed by that court, and any such attorney or deputy or other person may, on a poll, vote by proxy. Evidence to the satisfaction of the Trustees of the authority of the person claiming the right to vote shall be deposited at the Office, or at such other place as is specified in accordance with these Articles for the deposit of instruments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in default the right to vote shall not be exercisable.
- 9.18** Any member of the Charity entitled to attend and vote at a general meeting is entitled to appoint another person (whether a member or not) as their proxy to attend and vote instead of them.
- 9.19** An instrument appointing a proxy shall be in any common form or in any form as the Trustees may approve and the Trustees may if they think fit (but subject to the provisions of the Act) send out with the notice of any meeting forms of instrument of proxy for use at the meeting.
- 9.20** The instrument appointing a proxy shall be deemed to confer authority to demand or join in demanding a poll.
- 9.21** The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Trustees may:
- (A)** be deposited at the Office or at such other place within the United Kingdom as is specified on the notice convening the meeting or in any instrument of proxy sent out by the Charity in relation to the meeting not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote; or

- (B) in the case of a poll taken more than 48 hours after it is demanded, be deposited as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for taking the poll; or
- (C) where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the Chairman or to the Secretary or to any of the Trustees; and

an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

9.22 A vote given or poll demanded by proxy shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received at the Office or at such other place at which the instrument of proxy was duly deposited before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

9.23 Any corporation which is a member of the Charity may by resolution of its trustees or other governing body authorise such person as it thinks fit to act as its representative at any meeting of the Charity, and the authorised representative shall be entitled to exercise the same powers on behalf of the corporation which they represent as that corporation could exercise if it were an individual member of the Charity.

10. THE TRUSTEES

10.1 The Trustees as Charity Trustees have control of the Charity and its property and funds. The Trustees shall be members.

10.2 The first Trustees shall be the Trustees at the time these Articles are adopted. There shall be a maximum number of fifteen Trustees and a minimum number of nine Trustees.

10.3 From the date that these Articles are adopted the Trustees shall serve under their current terms of office. Those Trustees whose term is due to end at the first AGM following the adoption of these Articles will have the option to continue for one extra year. Thereafter Trustees shall be appointed for three-year terms following nomination by the Appointments Committee but no Trustee shall serve for more than two consecutive terms of three years.

10.4 The Trustees have the power to appoint and remove Trustees by written resolution. They shall appoint Trustees from candidates nominated to them by the Appointments Committee following open recruitment taking into account the need for diversity and filling in skills gaps.

10.5 A Trustee's term of office automatically terminates if they:

- (A) cease to be a Trustee by virtue of any provision of the Act or they become prohibited by law from being a Trustee; or
- (B) becomes bankrupt or makes any arrangement or composition with their creditors generally; or
- (C) in the written opinion of a registered medical practitioner who is treating the Trustee, has become physically or mentally incapable of acting as a trustee and may remain so for more than three months; or
- (D) is absent from four consecutive meetings of the Trustees and the Trustees resolve that their office be vacated; or
- (E) resigns by written notice to the Trustees or whose term of office comes to an end without reappointment; or
- (F) is removed by resolution passed by at least two-thirds of the Trustees such resolution being passed at a meeting of the Trustees duly convened and held after the meeting has invited the

views of the Trustee concerned and the chairman has declared that the meeting has considered the matter in light of such views; or

(G) ceases to be a member.

10.6 A technical defect in the appointment of a Trustee of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting of Trustees.

11. PROCEEDINGS OF TRUSTEES

11.1 The Trustees must hold at least two meetings each year. If an AGM is not held then the Trustees, in their capacity as members, shall discuss and resolve AGM business at their last meeting of the calendar year.

11.2 A quorum at a meeting of the Trustees is a half of the Trustees.

11.3 A meeting of the Trustees may be held in person or by suitable electronic means as agreed by the Trustees by which participants may communicate with all the other participants.

11.4 The Chairman or (if the Chairman is unable or unwilling to do so) some other Trustee chosen by the Trustees present shall preside at each meeting.

11.5 Every issue may be determined by a simple majority of the votes cast at a meeting but a written resolution signed by a majority of the Trustees is as valid as a resolution passed at a meeting (and for this purpose the resolution may be contained in more than one document and will be treated as passed on the date of the last signature).

11.6 Except for the Chairman, who has a second or casting vote, every Trustee has one vote on each issue.

11.7 A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

12. POWERS OF TRUSTEES

The Trustees have the following powers in the administration of the Charity:

(A) Subject to the provisions of the Act, the Secretary shall be appointed by the Trustees for such term at such remuneration and upon such conditions as they may think fit and may be removed by them;

(B) to appoint a chairman, treasurer and other honorary officers from among their number;

(C) to delegate any of their functions to committees, including an appointments committee, consisting of two or more individuals appointed by them (but at least two members of every committee must be a Trustee and all proceedings of committees must be reported promptly to the Trustees);

(D) to make rules consistent with the Articles and the Act to govern proceedings at their meetings and at meetings of committees;

(E) to make rules consistent with the Articles and the Act to govern the administration of the Charity;

(F) to establish procedures to assist the resolution of disputes within the Charity;

(G) to establish and make rules for an associate membership of the Charity which membership (for the avoidance of doubt) shall not equate to membership with voting rights for company law purposes;

- (H) to resolve pursuant to Article 4.31 of the Articles to effect indemnity insurance notwithstanding their interest in such a policy; and
- (I) to exercise any other powers of the Charity which are not reserved to a general meeting.

13. RECORDS AND ACCOUNTS

13.1 The Trustees must comply with the requirements of the Act and of the Charities Act 2011 as to keeping financial records, the audit of accounts and the preparation and transmission to the Registrar of Companies and the Commission of:

- (A) annual reports;
- (B) annual returns; and
- (C) annual statements of account.

13.2 THE TRUSTEES MUST KEEP PROPER RECORDS OF:

- (A) all proceedings at general meetings;
- (B) all proceedings at meetings of the Trustees;
- (C) all reports of committees; and
- (D) all professional advice obtained.

13.3 Accounting records relating to the Charity must be made available for inspection by any Trustee at any reasonable time during normal office hours and may be made available for inspection by members who are not Trustees if the Trustees so decide.

13.4 A copy of the Charity's latest available statement of account must be supplied on request to any Trustee or member, or to any other person who makes a written request and pays the Charity's reasonable costs, within two months.

13.5 No member shall (as such) have any right of inspecting any accounting records or other book or document of the Charity except as conferred by statute or authorised by the Trustees or by ordinary resolution of the Charity.

14. EXCLUSION OF MODEL ARTICLES

The model Articles for a company limited by guarantee are hereby expressly excluded.

15. NOTICES

15.1 Notices under these Articles may be sent by hand, or by post or by suitable electronic means or (where applicable to members generally) may be published in any suitable journal or newspaper or any newsletter distributed by the Charity.

15.2 The only address at which a member is entitled to receive notices is the address shown in the register of members.

15.3 Any notice given in accordance with these Articles is to be treated for all purposes as having been received:

- (A) Twenty four hours after being sent by electronic means or delivered by hand to the relevant address;
- (B) two clear days after being sent by first class post to that address;
- (C) three clear days after being sent by second class or overseas post to that address;

- (D) on the date of publication of a newspaper containing the notice;
- (E) on being handed to the member personally; or, if earlier
- (F) as soon as the member acknowledges actual receipt.

15.4 A technical defect in the giving of notice of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

16. INDEMNITY

Subject to the provisions of the Act, every Trustee or other officer, employee or auditor of the Charity, shall be indemnified out of the assets of the Charity against any liability incurred by them in defending any proceedings whether civil or criminal in which judgment is given in their favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Charity.

17. DISSOLUTION

If the Charity is dissolved the assets (if any) remaining after provision has been made for all its liabilities must be applied to or for the benefit of such charitable institution or institutions having similar or complementary objects to those of the Charity and if more than one then in such shares or proportions and in such manner in all respects as the Trustees may, in their discretion, decide.

18. INTERPRETATION

18.1 In these Articles the following wording shall have the following meanings:

- “the Act” means the Companies Act 2006 and every other statute concerning companies;
- “AGM” means an annual general meeting of the Charity;
- “the Articles” means these Articles of Association;
- “Associate member” is not a member of the Charity with voting rights;
- “authorised representative” means an individual who is authorised by a member corporation to act on its behalf at meetings of the Charity in accordance with the Act, and whose name is given to the Secretary;
- “Chairman” means the chairman of the Trustees;
- “the Charity” means the Charity governed by these Articles;
- “clear day” means 24 hours from midnight following the relevant event;
- “Charity Trustee” has the meaning prescribed by the Charities Act 2011;
- “the Commission” means the Charity Commissioners for England and Wales;
- “Conflicted Trustee” means a Trustee in respect of whom a conflict of interest arises or may reasonably arise because the Conflicted Trustee or a Connected Person stands to receive a benefit from the Charity, or has some separate interest or duty in a matter to be decided, or in relation to information which is confidential to the Charity;
- “Connected Person” means, in relation to a Trustee, a person connected with a Charity Trustee or a trustee for a charity within the meaning of the Charities Act 2011;
- “financial expert” means an individual, company or firm who is an authorised person within the meaning of the Financial Services and Markets Act 2000;
- “material benefit” means a benefit which may not be financial but has monetary value;
- “member” and “membership” refer to membership of the Charity with company law voting rights (for the avoidance of doubt an associate member is not a member of the Charity with voting rights);

- “month” means calendar month;
- “the Objects” means the objects of the Charity as defined in Article 3 of these Articles;
- “the Office” means the registered office of the Charity from time to time;
- “Secretary” means the Secretary of the Charity;
- “Subsidiary Company” means any company of 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 company;
- “Trustee” means a Trustee of the Charity and “Trustees” means all of the Trustees;
- “written” or “in writing” refers to a legible document on paper including a fax message; and
- “year” means calendar year.

18.2 Unless expressly defined herein or unless the context otherwise requires, expressions defined in the Act or any statutory modification thereof in force at the date at which those regulations become binding on the Charity, shall have the meanings so defined.

18.3 References to an Act of Parliament are to such act as amended or re-enacted from time to time and to any subordinate legislation made under it.

18.4 Save where the context otherwise requires references to the masculine gender shall include the feminine gender.

IN CONCLUSION

The membership body of The Arts Society is extraordinarily loyal. It is one of our greatest strengths as an organisation. However, we must not let our loyalty to what is now, prevent us from embracing what The Arts Society might be in the future. Our love of the arts in all its myriad dazzling forms is what unites us. The Board of trustees truly want to carry on the work that Patricia Fay, our founder, began when she was only 32. We want to bring more art to more people, and we want to do that via an organisation that supports our much-loved core activity of bringing people together in their community but also embraces new ways of reaching new audiences via all the technology that is now literally at our fingertips. These two areas of activity represent our future. However, we will only succeed if we can build a trustee Board that is more diverse, more appropriately skilled, and more able to understand and embrace what the arts can do for both for ourselves and the generations that come after us.

I hope very much that you will support these reforms and that we will all see The Arts Society thrive and grow in new ways that our founders could not even have imagined.

Liz Woods
Chair of The Arts Society
January 2024.



THE ARTS
SOCIETY

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