



CONSTITUTION
OF
FLAIR GYMNASTICS CLUB

A
SCOTTISH CHARITABLE
INCORPORATED ORGANISATION

VERSION 1.4 - 3RD DECEMBER 2020

CONSTITUTION
OF
FLAIR GYMNASTICS CLUB, the SCIO

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1 Definitions and Interpretation

1.1 In this constitution:-

2005 Act means the Charities and Trustee Investment (Scotland) Act 2005.

Accounts Regulations means The Charities Accounts (Scotland) Regulations 2006.

address means a postal address or, for the purposes of electronic communication, an e-mail address in each case registered with the SCIO.

Board means the board of Charity Trustees.

Chairperson means the chairperson of the SCIO appointed in accordance with clause 16.1.

charity means a body which is either a “Scottish charity” within the meaning of section 13 of the 2005 Act or a “charity” within the meaning of section 1 of the Charities Act 2011, providing (in either case) that its objects are limited to charitable purposes.

charitable and **charitable purpose** means a charitable purpose under section 7 of the 2005 Act which is also regarded as a charitable purpose in relation to the application of the Taxes Acts.

Charity Trustee means the trustees of the SCIO from time to time.

Initial Members means the initial members of the SCIO on its incorporation.

Members means the members of the SCIO from time to time (as hereinafter defined).

Secretary means the secretary of the SCIO appointed in accordance with clause 16.1.

1.2 Any reference in this constitution to a provision of the 2005 Act shall be taken to include any statutory modification or re-enactment of that provision which is in force at the time.

1.3 References in this constitution to:-

1.3.1 the singular shall be deemed to include the plural; and

1.3.2 the masculine shall include the feminine gender,

and vice versa.

2 Type of Organisation

The SCIO will, upon registration, be a Scottish Charitable Incorporated Organisation.

3 Scottish Principal Office

The principal office of the SCIO will be (and must remain) in Scotland.

4 Name

The name of the SCIO is Flair Gymnastics Club.

5 Purposes

The SCIO's purposes are:-

- 5.1 To encourage public participation in sport & advance the practice of gymnastics to improve health, quality of life & opportunities for all.
- 5.2 To advance education by supporting people to expand their skills, knowledge & qualifications through their participation in sport.
- 5.3 To provide sports facilities and make them available for the advancement of public participation in & the pursuit of developing the sport of gymnastics.

6 Powers

The SCIO has the power to do anything which is calculated to further its purposes or is conducive or incidental to doing so, as stated in section 50(5) of the 2005 Act.

7 Application of Income and Property

- 7.1 The income and property of the SCIO must be applied solely towards the promotion of its purposes.
- 7.2 Subject to clause 7.3, no part of the income or property of the SCIO is to be paid or transferred (directly or indirectly) to the Members, either in the course of the SCIO's existence or on dissolution, except where this is done in direct furtherance of the SCIO's charitable purposes and in accordance with this constitution and the terms of the 2005 Act.
- 7.3 No Charity Trustee may be paid remuneration by the SCIO for carrying out their duties as a trustee, except in accordance with Clause 19 below.

8 Liability of Members

- 8.1 The Members have no liability to pay any sums to help to meet the debts (or other liabilities) of the SCIO if it is wound up. Accordingly, if the SCIO is unable to meet its debts, the Members will not be held responsible.
- 8.2 The Members and Charity Trustees have certain legal duties under the 2005 Act and clause 8.1 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.

9 General Structure

- 9.1 The structure of the SCIO consists of the Charity Trustees who will be the only Members.
- 9.2 The only persons eligible to be Members are the Trustees and any person shall automatically upon appointment as a Trustee become a Member. Any Member who ceases to be a Trustee automatically ceases to be a Member.
- 9.3 Membership of the SCIO cannot be transferred to anyone else.

BOARD

10 Number of Charity Trustees

The maximum number of Charity Trustees is seven and the minimum number of Charity Trustees is three.

11 Eligibility

A person will not be eligible for election or appointment to the Board if they are disqualified from being a Charity Trustee under the 2005 Act.

12 Initial Charity Trustees

The individuals who signed the Charity Trustee declaration forms which accompanied the application for incorporation of the SCIO as a Scottish Charitable Incorporated Organisation shall be deemed to have been appointed by the Members as Charity Trustees with effect from the date of incorporation of the SCIO as a Scottish Charitable Incorporated Organisation.

13 Appointment of Charity Trustees

The Board may from time to time appoint any eligible person as a Trustee.

14 Termination of Office

14.1 A Charity Trustee will automatically cease to hold office if:-

14.1.1 they become disqualified from being a Charity Trustee under the 2005 Act;

14.1.2 they become incapable for medical reasons of carrying out their duties as a Charity Trustee but only if that has continued (or is expected to continue) for a period of more than six months;

14.1.3 they cease to be a Member of the SCIO;

14.1.4 they give the SCIO a signed notice of resignation;

14.1.5 they are 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 them from office;

14.1.6 they are removed from office by resolution of the Board on the grounds that they are considered to have committed a material breach of the code of conduct for Charity Trustees (as referred to in clause 20);

14.1.7 they are removed from office by resolution of the Board on the grounds that they are considered to have been in serious or persistent breach of his duties under section 66(1) or (2) of the 2005 Act; or

14.1.8 they are removed from office by a resolution of the Members passed at a Members' meeting.

14.2 A resolution under clause 14.1.6, 14.1.7 or 14.1.8 shall be valid only if:-

14.2.1 the Charity Trustee who is the subject of the resolution is given reasonable prior written notice of the grounds upon which the resolution for their removal is to be proposed;

- 14.2.2 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
- 14.2.3 (in the case of a resolution under clause 14.1.6 or 14.1.7) at least two thirds (to the nearest round number) of the Charity Trustees then in office vote in favour of the resolution.

15 Register of Charity Trustees

- 15.1 The SCIO must keep a register of Charity Trustees, setting out:-
 - 15.1.1 for each current Charity Trustee:-
 - 15.1.1.1 their full name and address;
 - 15.1.1.2 the date on which they were appointed as a Charity Trustee; and
 - 15.1.1.3 any office held by them in the SCIO;
 - 15.1.2 for each former Charity Trustee, for at least six years from the date on which they ceased to be a Charity Trustee:-
 - 15.1.2.1 the name of the Charity Trustee;
 - 15.1.2.2 any office held by them in the SCIO; and
 - 15.1.2.3 the date on which they ceased to be a Charity Trustee.
- 15.2 The Board must ensure that the register of Charity Trustees is updated within 28 days of any change:-
 - 15.2.1 which arises from a resolution of the board or a resolution passed by the Members; or
 - 15.2.2 which is notified to the SCIO.
- 15.3 If any person requests a copy of the register of Charity Trustees, the Board must ensure that a copy is supplied to them within 28 days, providing the request is reasonable. If the request is made by a person who is not a Charity Trustee, the Board may provide a copy which has the addresses blanked out if they reasonably believe that including that information is likely to jeopardise the safety or security of any person or premises.

16 Office Bearers

- 16.1 The Charity Trustees shall elect, from amongst themselves: a Chairperson, Treasurer & Secretary.
- 16.2 In addition to the named Office Bearers required under clause 16.1, the Charity Trustees may elect, from among themselves, further Office Bearers if they consider this appropriate for the advancement of the organisation's purposes.
- 16.3 A person elected to any office shall cease to hold that office if they cease to be a Charity Trustee, or if they resign from that office by written notice to that effect.

16.4 For the avoidance of doubt, any office bearer may, after their retirement from any one of the offices, continue to serve as a Charity Trustee and may be appointed to another office.

16.5 A trustee may hold more than one role if necessary, as long as the total number of Trustees does not fall below the minimum requirement of three.

17 Powers of Board

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

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

18 Charity Trustees - General Duties

18.1 Each of the Charity Trustees has a duty in exercising functions as a Charity Trustee to act in the interests of the SCIO and, in particular, must:-

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

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

18.1.3 in circumstances giving rise to the possibility of a conflict of interest between the SCIO and any other party:-

18.1.3.1 put the interests of the SCIO before that of the other party;

18.1.3.2 where any other duty prevents them from doing so, disclose the conflicting interest to the SCIO and refrain from participating in any deliberation or decision of the other Charity Trustees with regard to the matter in question;

18.1.4 ensure that the SCIO complies with any direction, requirement, notice or duty imposed under or by virtue of the 2005 Act.

18.2 In addition to the duties outlined in clause 18.1, all of the Charity Trustees must take such steps as are reasonably practicable for the purpose of ensuring:-

18.2.1 that any breach of any of those duties by a Charity Trustee is corrected by the Charity Trustee concerned and not repeated; and

18.2.2 that any Charity Trustee who has been in serious and persistent breach of those duties is removed as a Charity Trustee.

18.3 Provided they have declared their interest, and has not voted on the question of whether or not the SCIO should enter into the arrangement, a Charity Trustee will not be debarred from entering into an arrangement with the SCIO in which he has a personal interest and (subject to clause 19 and to the provisions relating to remuneration for services contained in the 2005 Act), he may retain any personal benefit which arises from that arrangement.

19 **Charity Trustees' Remuneration**

- 19.1 No Charity Trustee may be paid remuneration except in accordance with the terms of this clause 19.
- 19.2 Where a Charity Trustee provides services to the SCIO (including, without limitation, under a contract of employment), they may be paid remuneration for those services provided that any such payment is made in accordance with the 2005 Act (including the conditions set out in section 67 of the 2005 Act).
- 19.3 Less than half of the Board of Trustees may receive remuneration for services to the SCIO, including any Trustee related to or connected to someone who is receiving remuneration.
- 19.4 For the avoidance of doubt, a Charity Trustee may serve as an employee of the SCIO.
- 19.5 The Charity Trustees may be paid all "out of pocket" travelling and other expenses reasonably incurred by them in connection with carrying out their duties which may include expenses relating to their attendance at meetings.

20 **Code of Conduct for Charity Trustees**

- 20.1 Each of the Charity Trustees shall comply with the code of conduct (incorporating detailed rules on conflict of interest) prescribed by the Board from time to time.
- 20.2 The code of conduct referred to in clause 20.1 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 2005 Act 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

21 **Notice of Board Meetings**

- 21.1 Any Charity Trustee may call a meeting of the Board or ask the Secretary to call a meeting of the Board.
- 21.2 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.

22 **Procedure at Board Meetings**

- 22.1 No valid decisions can be taken at a board meeting unless a quorum is present; the quorum for Board meetings is 3 Charity Trustees, present in person or via video/tele-conferencing.
- 22.2 If at any time the number of Charity Trustees in office falls below the number stated as the quorum in clause 22.1, the remaining Charity Trustees will have power to fill the vacancies or call a Members' meeting but will not be able to take any other valid decisions.
- 22.3 The Chairperson should act as chair of each Board meeting.
- 22.4 If the chair 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.

- 22.5 Every Charity Trustee has one vote, which must be given personally.
- 22.6 All decisions at Board meetings will be made by majority vote.
- 22.7 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.
- 22.8 The Board may, at its discretion, allow any person to attend and speak at a Board meeting notwithstanding that he is not a Charity Trustee but on the basis that he must not participate in decision-making.
- 22.9 A Charity Trustee must not vote at a Board meeting (or at a meeting of a sub-committee) on any resolution which relates to a matter in which he has a personal interest or duty which conflicts (or may conflict) with the interests of the SCIO and he must withdraw from the meeting while an item of that nature is being dealt with.
- 22.10 For the avoidance of doubt, a Charity Trustee who is employed or remunerated by the SCIO shall not be entitled to vote in relation to any matter connected with, or the terms of, their employment or remuneration and must withdraw from the meeting while an item of that nature is being dealt with.
- 22.11 For the purposes of clause 22.10:-
- 22.11.1 an interest held by an individual who is **connected** with the Charity Trustee under section 68(2) of the 2005 Act shall be deemed to be held by that Charity Trustee;
- 22.11.2 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 is an employee, director, member of the management committee, officer or elected representative has an interest in that matter.

23 Minutes

- 23.1 The Board must ensure that proper minutes are kept in relation to all Board meetings and meetings of sub-committees.
- 23.2 The minutes to be kept under clause 23.1 must include the names of those present; and (so far as possible) should be signed by the Chairperson of the meeting.
- 23.3 The Board shall (subject to clause 23.4) make available copies of the minutes referred to in clause 23.1 to any member of the public requesting them.
- 23.4 The Board may exclude from any copy minutes made available to a member of the public under clause 23.3 any material which the Board considers ought properly to be kept confidential on the grounds that allowing access to such material could cause significant prejudice to the interests of the SCIO or on the basis that the material contains reference to employees or other matters which it would be inappropriate to divulge.

MEMBERS

24 Membership - General

- 24.1 The Charity Trustees will be the only Members of the SCIO.

24.2 The Board may establish a class of person affiliated to the SCIO who are not Members but who the Board may determine from time to time, shall be entitled to receive certain benefits from the SCIO.

25 Register of Members

25.1 The SCIO must keep a register of Members, setting out:-

25.1.1 for each current Member:-

25.1.1.1 their full name and address; and

25.1.1.2 the date on which they were registered as a Member of the SCIO;

25.1.2 for each former Member, for at least six years from the date on they ceased to be a Member:-

25.1.2.1 their name; and

25.1.2.2 the date on which they ceased to be a Member.

25.2 The Board must ensure that the register of Members is updated within 28 days of any change:-

25.2.1 which arises from a resolution of the board or a resolution passed by the Members; or

25.2.2 which is notified to the SCIO.

25.3 If a Member requests a copy of the register of Members, the Board must ensure that a copy is supplied to them within 28 days, providing the request is reasonable. If the request is made by a Member, the Board may provide a copy which has the addresses blanked out.

26 Termination of Membership

26.1 Any person who wants to withdraw from membership must give a written notice of withdrawal to the SCIO, signed by them, and they will cease to be a Member as from the time when the notice is received by the SCIO.

26.2 Membership of the SCIO may not be transferred by a Member.

26.3 A person's membership terminates when that person dies or ceases to exist.

26.4 The Board may terminate the membership of any Member without his consent by giving the Member written notice if, in the reasonable opinion of the Board, the Member:-

26.4.1 is guilty of conduct which has or is likely to have a serious adverse effect on the SCIO or bring the SCIO or any or all of the Members and Charity Trustees into disrepute;

26.4.2 has acted or has threatened to act in a manner which is contrary to the interests of the SCIO as a whole; or

26.4.3 has failed to observe the terms of this constitution.

26.5 Following termination of their membership, the Member shall be removed from the Register of Members.

26.6 The notice to the Member in terms of clause 26.4 must give the Member the opportunity to be heard in writing or in person as to why his membership should not be terminated. The Board must consider any representations made by the Member and inform the Member of the Board's decision following such consideration. There shall be no right to appeal from a decision of the Board to terminate the membership of a Member.

27 **Re-registration of Members**

27.1 The Board may, at any time, issue notices to the Members requiring them to confirm that they wish to remain as Members, and allowing them a period of 28 days (running from the date of issue of the notice) to provide that confirmation to the Board.

27.2 If a Member fails to provide confirmation to the Board (in writing or by e-mail) that they wish to remain as a Member before the expiry of the 28 day period referred to in clause 27.1, the Board may expel them from membership.

27.3 A notice under clause 27.1 will not be valid unless it refers specifically to the consequences (under clause 27.2) of failing to provide confirmation within the 28 day period.

DECISION-MAKING BY THE MEMBERS

28 **Members' Meetings**

28.1 The Board must arrange an annual general meeting of Members in each calendar year (an **AGM**).

28.2 The gap between one AGM and the next must not be longer than 15 months.

28.3 Notwithstanding clause 28.2, an AGM does not need to be held during the calendar year in which the SCIO is formed but the first AGM must still be held within 15 months of the date on which the SCIO is formed.

28.4 The business of each AGM must include:-

28.4.1 a report by the chairperson of the AGM on the activities of the SCIO;
and

28.4.2 consideration of the annual accounts of the SCIO.

28.5 The Board may arrange an Extraordinary General Meeting (EGM) at any time.

29 **Power to Request the Board to Arrange an Extraordinary General Meeting (EGM)**

29.1 The Board must arrange an EGM upon the written demand of:-

29.1.1 33% of the membership

29.1.2 The Chairperson

29.1.3 3/5 majority of the executive management committee

29.2 If the Board receives a notice under clause 29.1, the meeting should be arranged for no less than 7 days and no more than 28 days.

29.3 The business to be discussed at the meeting should be declared at the time of notice.

30 **Notice of Members' meetings**

30.1 At least 14 clear days' notice must be given of any AGM.

30.2 The notice calling a Members' meeting must specify in general terms what business is to be dealt with at the meeting and:-

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

30.2.2 in the case of any other resolution falling within clause 32.5 (requirement for two-thirds majority) must set out the exact terms of the resolution.

30.3 The reference to **clear days** in clause 30.1 shall be taken to mean that, in calculating the period of notice:-

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

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

30.4 Notice of every Members' meeting must be given to all the Members but the accidental omission to give notice to one or more Members will not invalidate the proceedings at the meeting.

30.5 Any notice which requires to be given to a Member under this constitution must be:-

30.5.1 sent by post to the Member, at the address last notified by him to the SCIO; or

30.5.2 sent by e-mail to the Member, at the e-mail address last notified by him to the SCIO.

31 **Procedure at Members' Meetings**

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

31.2 The quorum for a Members' meeting is minimum 3 / maximum 7 persons entitled to vote, each being a Member or a proxy for a Member.

31.3 If a quorum:-

31.3.1 is not present within 15 minutes after the time at which a Members' meeting was due to start;

31.3.2 ceases to be present during a Members' meeting;

31.3.3 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.

31.4 The Chairperson should act as chairperson of each Members' meeting.

- 31.5 If the Chairperson 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 of the meeting), the Charity Trustees present at the meeting must elect (from among themselves) the person who will act as chairperson of that meeting.

32 **Voting at Members' Meetings**

- 32.1 Every Member has one vote, which must be given personally or by proxy.
- 32.2 A Member may participate in a meeting of the board by means of a conference telephone, video conferencing facility or similar communications equipment – so long as all the Members participating can effectively communicate with each other, a Member participating in this manner shall be deemed to be present in person.
- 32.3 In the event of a tied vote the Chairperson may exercise a casting vote.
- 32.4 All decisions at Members' meetings will be made by majority vote with the exception of the types of resolution listed in clause 32.5.
- 32.5 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 33):-
- 32.5.1 a resolution amending the constitution;
 - 32.5.2 a resolution expelling a person from trusteeship under clause 14.1.8;
 - 32.5.3 a resolution directing the board to take any particular step (or directing the board not to take any particular step);
 - 32.5.4 a resolution approving the amalgamation of the SCIO with another Scottish Charitable Incorporated Organisation (or approving the constitution of the new Scottish Charitable Incorporated Organisation to be constituted as the successor pursuant to that amalgamation);
 - 32.5.5 a resolution to the effect that all of the SCIO's property, rights and liabilities should be transferred to another Scottish Charitable Incorporated Organisation (or agreeing to the transfer from another Scottish Charitable Incorporated Organisation of all of its property, rights and liabilities); or
 - 32.5.6 a resolution for the winding up or dissolution of the SCIO.
- 32.6 A resolution put to the vote at a Members' meeting will be decided on a 'show of hands' (or appropriate equivalent), unless the chairperson of the meeting (or at least two other Members present in person or by proxy at the meeting and entitled to vote) ask for a secret ballot.
- 32.7 The chairperson of the meeting will decide how any secret ballot is to be conducted, and they will declare the result of the ballot at the meeting.

33 **Proxies**

- 33.1 A Member who wishes to appoint a proxy to vote on their behalf at any Members' meeting:-
- 33.1.1 must give to the SCIO a proxy form (in such terms as the board requires), signed by them; or

33.1.2 must send by electronic means to the SCIO at the email address notified to the Members for that purpose, a proxy form (in such terms as the Board requires),

providing (in either case) the proxy form is received by the SCIO at the relevant address not less than 48 hours before the time for holding the Members' meeting.

33.2 An instrument of proxy which does not comply with the provisions of clause 33.1, or which is not lodged or given in accordance with such provisions, shall be invalid.

33.3 A Member shall not be entitled to appoint more than one proxy to attend on the same occasion.

33.4 A proxy need not be a Member.

33.5 Subject to clause 33.6, in relation to each resolution proposed at a Members' meeting, an individual shall not be entitled to cast more than one vote as a proxy (in addition to any vote to which he is entitled personally, if he is a Member).

33.6 Where Members have appointed the chairperson of a Members' meeting to vote as their proxy, and have directed the chairperson (through wording in the proxy form) on whether he should vote on their behalf in favour of, or against, each resolution, the provisions of clause 33.5 shall not apply in relation to the chairperson, in acting as proxy for those Members.

33.7 A proxy appointed to attend and vote at any Members' meeting instead of a Member shall have the same right as the Member who appointed him/her to speak at the meeting.

34 **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. The date of the resolution will be taken to be the date on which the last Member agreed to it.

35 **Minutes**

35.1 The Board must ensure that proper minutes are kept in relation to all Members' meetings.

35.2 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.

35.3 The Board shall make available copies of the minutes referred to in clause 35.1 to any member of the public requesting them; but on the basis that the Board may exclude confidential material to the extent permitted under clause 23.4.

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 Chairperson (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 signatures of two out of three signatories appointed by the Board will be required in relation to all operations (other than the lodging of funds) on the bank and building society accounts held by the SCIO and at least one out of the two signatures must be the signature of a Charity Trustee.
- 37.2 Where the SCIO 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 first financial year of the SCIO following incorporation shall run from the date of incorporation to 30th September. Each subsequent financial year of the SCIO shall run from 1st October to 30th September.
- 38.2 The Board must ensure that proper accounting records are kept in accordance with all applicable statutory requirements.
- 38.3 The Board must prepare annual accounts, complying with all relevant statutory requirements and 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.

MISCELLANEOUS

39 Indemnity

Without prejudice to any other indemnity, the Charity Trustees, or the member of any sub-committee, and all employees of the SCIO shall be indemnified out of the funds of the SCIO against any loss or liability (including the costs of defending successfully any court proceedings) which he may incur or sustain in connection with or on behalf of the SCIO including, without prejudice to that generality, any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application in which relief is granted to him/her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the SCIO.

40 Winding-up

- 40.1 If the SCIO 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 2005 Act.
- 40.2 Any surplus assets available to the SCIO 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 SCIO 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 32.5) or by way of a written resolution of the Members.
- 41.2 The 2005 Act prohibits taking certain steps (including change of name, an alteration to the purposes, amalgamation, winding-up) without the consent of the Office of the Scottish Charity Regulator (OSCR).