

LISMORE

COMMUNITY TRANSPORT



A Charity Registered in Scotland

Charity Number SC030469

# CONSTITUTION OF LISMORE COMMUNITY TRANSPORT

(A TWO-TIER SCOTTISH CHARITABLE INCORPORATED ORGANISATION)

CONSTITUTION

of

LISMORE COMMUNITY TRANSPORT

To be Updated after agreement at AGM 2026

CONTENTS		
<b>GENERAL</b>	type of organisation, Scottish principal office, name, purposes, powers, liability, general structure	clauses 1 - 10
<b>MEMBERS</b>	Classes of membership, Qualifications for membership, Application for membership, Membership subscription, Register of members, Withdrawal from membership, Transfer of membership, Re-registration of members, Expulsion from membership.	Clauses 11 - 31
<b>DECISION-MAKING BY THE MEMBERS</b>	Ordinary members' meetings, Power to request the board to arrange a special ordinary members' meeting. Notice of ordinary members' meetings, Procedure at ordinary members' meetings, Voting at ordinary members' meetings, Written resolutions by ordinary members, Minutes.	Clauses 32 - 60

<b>BOARD (CHARITY TRUSTEES)</b>	Number of charity trustees, Eligibility, Initial charity trustees, Election, retrial, re-election, Termination of office, Register of charity trustees, Office-bearers. Powers of board, Charity trustees - general duties, Code of conduct for charity trustees.	Clauses 61 - 88
<b>DECISION-MAKING BY THE CHARITY TRUSTEES</b>	Notice of board meetings, Procedure at board meetings, Minutes.	Clauses 89 - 104
<b>ADMINISTRATION</b>	Delegation to sub-committees, Operation of accounts, accounting records and annual accounts.	Clauses 105 - 114
<b>MISCELLANEOUS</b>	Winding up. Alterations to the constitution, Interpretation.	Clause 115 - 120

## GENERAL

### Type of organisation

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

### Scottish principal office

- 2 The principal office of the organisation will be in Scotland (and must remain in Scotland).

### Name

- 3 The name of the organisation is "LISMORE COMMUNITY TRANSPORT".

### Purpose

- 4 The organisation's purpose is to provide relief to the inhabitants of, and visitors to the Isle of Lismore who have need because of age, mental or physical disability, poverty or isolation, of a rural transport service.

### Powers

- 5 The organisation has power to do anything which is calculated to further its purposes or is conducive or incidental to doing so.
- 6 No part of the income or property of the organisation may be paid or transferred (directly or indirectly) to the members - either in the course of the

organisation's existence or on dissolution - except where this is done in direct furtherance of the organisation's charitable purposes.

## Liability of members

- 7 The members of the organisation have no liability to pay any sums to help to meet the debts (or other liabilities) of the organisation if it is wound up; accordingly, if the organisation is unable to meet its debts, the members will not be held responsible.
- 8 The members and charity trustees have certain legal duties under the Charities and Trustee Investment (Scotland) Act 2005; and clause 7 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.

## General structure

- 9 The structure of the organisation consists of:-
  - 9.1 The ORDINARY MEMBERS - who have the right to attend members' meetings (including any annual general meeting) and have important powers under the constitution; in particular, the members appoint people to serve on the board and take decisions on changes to the constitution itself;
  - 9.2 The VISITOR MEMBERS – who do not have rights to vote at member's meetings
  - 9.3 the BOARD - which holds regular meetings, and generally controls the activities of the organisation; for example, the board is responsible for monitoring and controlling the financial position of the organisation.
- 10 The people serving on the board are referred to in this constitution as CHARITY TRUSTEES.

## MEMBERS

### **Classes of membership**

- 11 There shall be two classes of membership, Ordinary Membership and Visitor Membership.

### Qualifications for membership

- 12 Ordinary Membership is open to any individual aged 16 or over who is resident on the Isle of Lismore and who supports the purpose of the organisation.
- 13 Visitor membership is open to a visitor over 16 who is making a short-term visit to the Island by prior arrangement
- 14 Employees of the organisation are not eligible for membership.

## Application for membership

- 15 Any person who wishes to become an Ordinary member must submit a signed application for membership, along with a remittance to meet the appropriate membership subscription (if any is currently levied). The application will then be considered by the board at its next board meeting.
- 16 Any person who wishes to become a Visitor member must provide their name and address/postcode at the time of booking transport
- 17 The board may, at its discretion, refuse to admit any person to membership.
- 18 The board must notify each applicant promptly (in writing or by e-mail) of its decision on whether or not to admit them to Ordinary membership. If the decision is taken to refuse admission, the board shall return to the applicant the remittance lodged by them under clause 19

## Membership subscription

- 19 Members shall be required to pay the appropriate membership subscription set at the preceding annual general meeting.
- 20 The appropriate subscription (if any is currently levied) shall be payable on or before 01 January in each year.
- 21 At each annual general meeting Ordinary members shall, by way of a resolution, fix the amount/s of the membership subscription/s (if any) for the following year and/or the date on which it/they fall due in each year.
- 22 If the membership subscription payable by any member remains outstanding more than 12 weeks after the date on which it fell due – and providing they have been given at least one written reminder – the board may, by resolution to that effect, expel them from membership. A person who ceases (for whatever reason) to be a member shall not be entitled to any refund of the membership subscription.

## Register of members

- 23 The board must keep a register of members, setting out
  - 23.1 for each current Ordinary member
    - 23.1.1 Their full name and address; and
    - 23.1.2 the date on which they were registered as a member of the organisation;
    - 23.1.3 the date on which they ceased to be an Ordinary member.
    - 23.1.4 for each former Ordinary member - for at least six years keep the date on which they ceased to be a member
  - 23.2 for each Visitor member -:

23.2.1 Their name; and post code

23.2.2 The date on which they used the transport.

23.2.3 The route they were conveyed

24 The board must ensure that the register of members is updated within 28 days of any change:

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

24.2 which is notified to the organisation.

25 If a member or charity trustee of the organisation requests a copy of the register of members, the board must ensure that a copy is supplied to him/her within 28 days, providing the request is reasonable. If the request is made by a member (rather than a charity trustee), the board may provide a copy which has the addresses blanked out..

## Withdrawal from membership

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

## Transfer of membership

27 Membership of the organisation may not be transferred by a member.

## Re-registration of members

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

29 If a member fails to provide confirmation to the board (in writing or by e- mail) that they wish to remain as a member of the organisation before the expiry of the 28-day period referred to in clause 25, the board may expel him/her from membership.

30 A notice under clause 28 will not be valid unless it refers specifically to the consequences (under clause 29) of failing to provide confirmation within the 28-day period.

## Expulsion from membership

- 31 Any person may be expelled from membership by way of a resolution passed by not less than two thirds of those present and voting at an ordinary members' meeting, providing the following procedures have been observed:-
- 31.1 at least 21 days' notice of the intention to propose the resolution must be given to the member concerned, specifying the grounds for the proposed expulsion;
  - 31.2 the member concerned will be entitled to be heard on the resolution at the ordinary members' meeting at which the resolution is proposed.

## DECISION-MAKING BY THE ORDINARY MEMBERS

### Ordinary Members' meetings

- 32 The board must arrange a meeting of ordinary members (an annual general meeting or "AGM") in each calendar year. Where necessary, for the protection of the health and safety of participants and / or in response to statutory prohibition of gatherings in person, meetings may be held by means of real-time audio or video media.
- 33 The gap between one AGM and the next must not be longer than 15 months.
- 34 Notwithstanding clause 32, an AGM does not need to be held during the calendar year in which the organisation is formed; but the first AGM must still be held within 15 months of the date on which the organisation is formed.
- 35 The business of each AGM must include:-
- 35.1 a report by the chair on the activities of the organisation;
  - 35.2 consideration of the annual accounts of the organisation;
  - 35.3 the election/re-election of charity trustees, as referred to in clauses 66 to 69;
  - 35.4 a resolution to fix the amount of the appropriate membership subscription/s (if any), and the date upon which it falls due
- 36 The board may arrange a special meeting of ordinary members' at any time.

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

- 37 The board must arrange a special ordinary members' meeting if it is requested to do so by a notice (which may take the form of two or more documents in the same terms, each signed by one or more ordinary members) by ordinary members who amount to 5% or more of the total ordinary membership of the organisation at the time, providing:
- 37.1 the notice states the purposes for which the meeting is to be held; and
  - 37.2 those purposes are not inconsistent with the terms of this constitution,

the Charities and Trustee (Investment) Scotland Act 2005 or any other statutory provision.

- 38 If the board receives a notice under clause 37, the date for the meeting which they arrange in accordance with the notice must not be later than 28 days from the date on which they received the notice.

## Notice of ordinary members' meetings

- 39 At least 14 clear days' notice must be given of any AGM or any special ordinary members' meeting.
- 40 The notice calling an ordinary members' meeting must specify in general terms what business is to be dealt with at the meeting; and
- 40.1 in the case of a resolution to alter the constitution, must set out the exact terms of the proposed alteration(s); or
- 40.2 in the case of any other resolution falling within clause 51 (requirement for two-thirds majority) must set out the exact terms of the resolution.
- 40.3 In the case of a meeting to be held by use of real-time audio or video media (see clause 32), provide full details of how members may participate.
- 41 The reference to "clear days" in clause 39 shall be taken to mean that, in calculating the period of notice,
- 41.1 the day after the notices are posted (or sent by e-mail) should be excluded; and
- 41.2 the day of the meeting itself should also be excluded.
- 42 Notice of every ordinary members' meeting must be given to all the ordinary members of the organisation, and to all the charity trustees; but the accidental omission to give notice to one or more ordinary members will not invalidate the proceedings at the meeting.
- 43 Any notice which requires to be given to an ordinary member under this constitution must be:-
- 43.1 sent by post or hand-delivered to the ordinary member, at the address last notified by them to the organisation; or
- 43.2 sent by e-mail to the ordinary member, at the e-mail address last notified by them to the organisation.

## Procedure at members' meetings

- 44 No valid decisions can be taken at any ordinary members' meeting unless a quorum is present.
- 45 The quorum for an ordinary members' meeting is 8 ordinary members or 10% of the ordinary membership (whichever is the greater), present in person. In

the event that the ordinary members' meeting is conducted by real-time audio or video media (see clause 29) "present in person" will include all those so participating.

- 46 If a quorum is not present within 15 minutes after the time at which an ordinary members' meeting was due to start - or if a quorum ceases to be present during an ordinary members' meeting - the meeting cannot proceed; and fresh notices of meeting will require to be sent out, to deal with the business (or remaining business) which was intended to be conducted.
- 47 The chair of the organisation should act as chairperson of each ordinary members' meeting.
- 48 If the chair of the organisation is not present within 15 minutes after the time at which the meeting was due to start (or is not willing to act as chairperson), the charity trustees present at the meeting must elect (from among themselves) the person who will act as chairperson of that meeting.

## Voting at ordinary members' meetings

- 49 Every ordinary member has one vote, which must be given personally.
- 50 All decisions at ordinary members' meetings will be made by majority vote - with the exception of the types of resolution listed in clause 48.
- 51 The following resolutions will be valid only if passed by not less than two thirds of those voting on the resolution at an ordinary members' meeting (or if passed by way of a written resolution under clause 55):
  - 51.1 a resolution amending the constitution;
  - 51.2 a resolution expelling a person from membership under clause 31;
  - 51.3 a resolution directing the board to take any particular step (or directing the board not to take any particular step);
  - 51.4 a resolution approving the amalgamation of the organisation with another SCIO (or approving the constitution of the new SCIO to be constituted as the successor pursuant to that amalgamation);

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

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

52 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.

53 A resolution put to the vote at an ordinary members' meeting will be decided on a show of hands - unless the chairperson (or at least two other ordinary members present at the meeting) ask for a secret ballot.

54 The chairperson will decide how any secret ballot is to be conducted, and he/she will normally declare the result of the ballot at the meeting. In the event that a decision is made in the course of a real-time audio or video meeting (see clause 29) to hold a secret ballot the chairperson will, before the end of the meeting, specify how the ballot is to be arranged and how the result will be declared.

## Written resolutions by ordinary members

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

## Minutes

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

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

58 Minutes of ordinary members' meetings shall be regarded as draft minutes until formally adopted as an accurate record at a subsequent ordinary members' meeting.

59 Draft minutes of ordinary members' meetings shall be reviewed at a subsequent board meeting before being made available to members of the public within three months of the ordinary members' meeting.

60 In making copies of minutes available to members of the public the board may exclude confidential material to the extent permitted under clause 101.

## BOARD

### Number of charity trustees

61 The maximum number of charity trustees is [ 11 ]

62 The minimum number of charity trustees is 6

## Eligibility

- 63 A person will not be eligible for election or appointment to the board unless they are an ordinary member of the organisation.
- 64 A person will not be eligible for election or appointment to the board if they are: -
- 64.1 disqualified from being a charity trustee under the Charities and Trustee Investment (Scotland) Act 2005; or
  - 64.2 an employee of the organisation.

## Initial charity trustees

- 65 The individuals who signed the charity trustee declaration forms which accompanied the application for incorporation of the organisation shall be deemed to have been appointed by the ordinary members as charity trustees with effect from the date of incorporation of the organisation.

## Election, retiral, re-election

- 66 At each AGM, the ordinary members may elect any ordinary member (unless he/she is debarred from serving as a charity trustee under clauses 63 and 64) to be a charity trustee.
- 67 The board may at any time appoint any ordinary member (unless they are debarred from serving as a charity trustee under clauses 63 and 64) to be a charity trustee.
- 68 At each AGM, all of the charity trustees must retire from office - but may then be re-elected under clause 66.
- 69 A charity trustee retiring at an AGM will be deemed to have been re-elected unless: -
- 69.1 they advise the board prior to the conclusion of the AGM that they do not wish to be re-appointed as a charity trustee; or
  - 69.2 an election process was held at the AGM and they were not among those elected/re-elected through that process; or
  - 69.3 a resolution for the re-election of that charity trustee was put to the AGM and was not carried.

## Termination of office

- 70 A charity trustee will automatically cease to hold office if: -
- 70.1 They become disqualified from being a charity trustee under the Charities and Trustee Investment (Scotland) Act 2005;
  - 70.2 They become incapable for medical reasons of carrying out his/her duties

as a charity trustee - but only if that has continued (or is expected to continue) for a period of more than six months; they cease to be an ordinary member of the organisation;

- 70.3 They become an employee of the organisation;
- 70.4 They give the organisation a notice of resignation, signed by him/her;
- 70.5 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 him/her from office;
- 70.6 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 87);
- 70.7 They are removed from office by resolution of the board on the grounds that he/she is considered to have been in serious or persistent breach of their duties under section 66(1) or (2) of the Charities and Trustee Investment (Scotland) Act 2005; or
- 70.8 They are removed from office by a resolution of the ordinary members passed at an ordinary members' meeting.

71 A resolution under paragraph 70.7, 70.8 or 70.9, shall be valid only if: -

- 71.1 the charity trustee who is the subject of the resolution is given reasonable prior written notice of the grounds upon which the resolution for his/her removal is to be proposed;
- 71.2 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
- 71.3 (in the case of a resolution under paragraph 70.7 or 70.8) at least two thirds (to the nearest round number) of the charity trustees then in office vote in favour of the resolution.

## Register of charity trustees

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

- 72.1 for each current charity trustee:
  - 72.1.1 Their full name and address;
  - 72.1.2 the date on which they were appointed as a charity trustee; and
  - 72.1.3 any office held by them in the organisation;
- 72.2 for each former charity trustee - for at least 6 years from the date on which they ceased to be a charity trustee:
  - 72.2.1 the name of the charity trustee;

72.2.2 any office held by them in the organisation; and

72.2.3 the date on which they ceased to be a charity trustee.

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

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

73.2 which is notified to the organisation.

74 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 of the organisation, the board may provide a copy which has the addresses blanked out - if the SCIO is satisfied that including that information is likely to jeopardise the safety or security of any person or premises.

## Office-bearers

75 The charity trustees must elect (from among themselves) a chair, a treasurer and a secretary.

76 In addition to the office-bearers required under clause 75, the charity trustees may elect (from among themselves) further office-bearers if they consider that appropriate.

77 All of the office-bearers will cease to hold office at the conclusion of each AGM, but may then be re-elected under clause 75 or 76.

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

78.1 if they cease to be a charity trustee; or

78.2 if they give to the organisation a notice of resignation from that office, signed by him/her.

## Powers of board

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

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

81 The ordinary members may, by way of a resolution passed in compliance with clause 51 (requirement for two-thirds majority), direct the board to take any particular step or direct the board not to take any particular step; and the board shall give effect to any such direction accordingly.

## Charity trustees - general duties

- 82 Each of the charity trustees has a duty, in exercising functions as a charity trustee, to act in the interests of the organisation; and, in particular, must:-
- 82.1 seek, in good faith, to ensure that the organisation acts in a manner which is in accordance with its purposes;
  - 82.2 act with the care and diligence which it is reasonable to expect of a person who is managing the affairs of another person;
  - 82.3 in circumstances giving rise to the possibility of a conflict of interest between the organisation and any other party:
    - 82.3.1 put the interests of the organisation before that of the other party;
    - 82.3.2 where any other duty prevents them from doing so, disclose the conflicting interest to the organisation and refrain from participating in any deliberation or decision of the other charity trustees with regard to the matter in question;
  - 82.4 ensure that the organisation complies with any direction, requirement, notice or duty imposed under or by virtue of the Charities and Trustee Investment (Scotland) Act 2005.
- 83 In addition to the duties outlined in clause 82, all of the charity trustees must take such steps as are reasonably practicable for the purpose of ensuring: -
- 83.1 that any breach of any of those duties by a charity trustee is corrected by the charity trustee concerned and not repeated; and
  - 83.2 that any trustee who has been in serious and persistent breach of those duties is removed as a trustee.
- 84 Provided they have declared their interest - and have not voted on the question of whether or not the organisation should enter into the arrangement - a charity trustee will not be debarred from entering into an arrangement with the organisation in which they have a personal interest; and (subject to clause 85 and to the provisions relating to remuneration for services contained in the Charities and Trustee Investment (Scotland) Act 2005), they may retain any personal benefit which arises from that arrangement.
- 85 No charity trustee may serve as an employee (full time or part time) of the organisation; and no charity trustee may be given any remuneration by the organisation for carrying out their duties as a charity trustee.
- 86 The charity trustees may be paid all travelling and other expenses reasonably

incurred by them in connection with carrying out their duties; this may include expenses relating to their attendance at meetings.

## Code of conduct for charity trustees

- 87 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.
- 88 The code of conduct referred to in clause 87 shall be supplemental to the provisions relating to the conduct of charity trustees contained in this constitution and the duties imposed on charity trustees under the Charities and Trustee Investment (Scotland) Act 2005; and all relevant provisions of this constitution shall be interpreted and applied in accordance with the provisions of the code of conduct in force from time to time.

## DECISION-MAKING BY THE CHARITY TRUSTEES

### Notice of board meetings

- 89 Any charity trustee may call a meeting of the board *or* ask the secretary to call a meeting of the board.
- 90 At least 7 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.

### Procedure at board meetings

- 91 No valid decisions can be taken at a board meeting unless a quorum is present; the quorum for board meetings is 4 charity trustees, present in person. Where necessary, for the protection of the health and safety of participants and / or in response to statutory prohibition of gatherings in person, board meetings may be arranged using real-time audio or video media or, if appropriate, by correspondence (including email).
- 92 If at any time the number of charity trustees in office falls below the number stated as the quorum in clause 91, the remaining charity trustee(s) will have power to fill the vacancies or call a members' meeting - but will not be able to take any other valid decisions.
- 93 The chair of the organisation should act as chairperson of each board meeting.
- 94 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.
- 95 Every charity trustee has one vote, which must be given personally.

- 96 All decisions at board meetings will be made by majority vote.
- 97 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.
- 98 The board may, at its discretion, allow any person to attend and speak at a board meeting notwithstanding that he/she is not a charity trustee - but on the basis that he/she must not participate in decision-making.
- 99 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 they have a personal interest or duty which conflicts (or may conflict) with the interests of the organisation; they must withdraw from the meeting while an item of that nature is being dealt with.
- 100 For the purposes of clause 99: -
- 100.1 an interest held by an individual who is “connected” with the charity trustee under section 68(2) of the Charities and Trustee Investment (Scotland) Act 2005 (husband/wife, partner, child, parent, brother/sister etc.) shall be deemed to be held by that charity trustee;
- 100.2 a charity trustee will be deemed to have a personal interest in relation to a particular matter if a body in relation to which he/she is an employee, director, member of the management committee, officer or elected representative has an interest in that matter.

## Minutes

- 101 The board must ensure that proper minutes are kept in relation to all board meetings and meetings of sub-committees.
- 102 The minutes to be kept under clause 101 must include the names of those present; and (so far as possible) should be signed by the chairperson of the meeting.
- 103 The board shall (subject to clause 104) make available copies of the minutes referred to in clause 98 (following their formal adoption as a true record at a subsequent board meeting) to any member of the public requesting them.
- 104 The board may exclude from any copy minutes made available to a member of the public under clause 103 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 organisation or on the basis that the material contains reference to an employee, or other matters which it would be inappropriate to divulge.

# ADMINISTRATION

## Delegation to sub-committees

- 105 The board may delegate any of its 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.
- 106 The board may also delegate to the chair of the organisation (or the holder of any other post) such of its powers as it may consider appropriate.
- 107 When delegating powers under clause 105 or 106, the board must set out appropriate conditions (which must include an obligation to report regularly to the board).
- 108 Any delegation of powers under clause 105 or 106 may be revoked or altered by the board at any time.
- 109 The rules of procedure for each sub-committee, and the provisions relating to membership of each sub-committee, shall be set by the board.

## Operation of accounts

- 110 Subject to clause 111, the signatures of two out of a maximum of four signatories appointed by the board will be required in relation to all operations over £150, below £150 only one signature, usually the treasurer, will be required (other than the lodging of funds) on the bank and building society accounts held by the organisation; at least one out of the two signatures must be the signature of a charity trustee.
- 111 Where the organisation uses electronic facilities for the operation of any bank or building society account, the authorisations required for operations on that account must be consistent with the approach reflected in clause 110.

## Accounting records and annual accounts

- 112 The board must ensure that proper accounting records are kept, in accordance with all applicable statutory requirements.
- 113 The board must prepare annual accounts, complying with all relevant statutory requirements. If an audit is required under any statutory provisions (or if the board considers 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.
- 114 Where under clause 113 no audit is required the board shall ensure that the annual accounts are subject to independent examination.

# MISCELLANEOUS

## Winding-up

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

## Alterations to the constitution

- 117 This constitution may (subject to clause 118) be altered by resolution of the members passed at a members' meeting (subject to achieving the two thirds majority referred to in clause 51) or by way of a written resolution of the members.
- 118 The Charities and Trustee Investment (Scotland) Act 2005 prohibits taking certain steps (e.g. change of name, an alteration to the purposes, amalgamation, winding-up) without the consent of the Office of the Scottish Charity Regulator (OSCR). Interpretation
- 119 References in this constitution to the Charities and Trustee Investment (Scotland) Act 2005 should be taken to include: -
  - 119.1 any statutory provision which adds to, modifies or replaces that Act; and
  - 119.2 any statutory instrument issued in pursuance of that Act or in pursuance of any statutory provision falling under paragraph 119.1 above.
- 120 In this constitution: -
  - 120.1 "charity" means a body which is either a "Scottish charity" within the meaning of section 13 of the Charities and Trustee Investment (Scotland) Act 2005 or a "charity" within the meaning of section 1 of the Charities Act 2006, providing (in either case) that its objects are limited to charitable purposes;
  - 120.2 "charitable purpose" means a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of the Taxes Acts. "Charitable purpose" means a charitable purpose under section 7 of the Charities and Trustee Investment (Scotland) Act 2005 which is also regarded as a charitable purpose in relation to the application of the Taxes Acts.