

# Explanatory Notes

Items marked in this way (Highlighted in yellow) are highlighted for re-referencing the document after the members decisions are known. They have no material impact on the content of the text and are for compilation purposes only.

~~Items marked in this way (Struck through in red) are proposed deletions.~~

*Items marked in this way (Italics in blue) are proposed insertions or substitutions.*

Items marked in this way (Standard text in purple) are notes in explanation of the proposed change.

Company number 5185562

**THE COMPANIES ACT 1985 AND 1989**

**COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL**

**MEMORANDUM AND ARTICLES OF ASSOCIATION OF**

# **Coedwig Gymunedol Long Wood Community Woodland**

**Incorporated on the 21<sup>st</sup> day of July 2004**

THE COMPANIES ACT 1985 and 1989

A PRIVATE

COMPANY LIMITED BY GUARANTEE AND  
NOT HAVING A SHARE CAPITAL

MEMORANDUM OF ASSOCIATION OF

### Coedwig Gymunedol Long Wood Community Woodland

1. The name of the Company (herein after called "Company") is Coedwig Gymunedol Long Wood Community Woodland.
2. The registered office of the Company will be situated in Wales.
3. The Company's objects shall include carrying on the business of: -
 

To promote and develop local community involvement in the sustainable management of Long Wood ~~and associated woodlands in the upper Teifi Valley~~, for the social, economic and *environmental* benefit of the surrounding communities in Ceredigion and Carmarthenshire.
4. In furtherance of the Objects but not otherwise the Company may exercise the following powers;
  - i. to draw, make, accept, endorse, discount, execute and issue promissory notes, bills, cheques and other instruments, and to operate bank accounts in the name of the Company;
  - ii. to raise funds and to invite and receive contributions: provided that in raising funds, the Company shall not undertake any ~~substantial~~ *disproportionate* permanent trading activities and shall conform to any relevant statutory regulations;
  - iii. to acquire, alter, improve and (subject to such consents as may be required by law) to charge or otherwise dispose of property;
  - iv. subject to clause 5 below employ such staff, who shall not be Directors of the Company (herein after referred to as "the Directors"), as are necessary for the proper pursuit of the Objects and to make all reasonable and necessary provision for the payment of pensions and superannuation to staff and their dependants;
  - v. to establish or support any charitable trusts, associations or institutions formed for all or any of the Objects;
  - vi. to co-operate with other charities, voluntary bodies and statutory authorities operating in furtherance of the Objects or similar charitable purposes and to exchange information and advice with them;
  - vii. to pay out of the funds of the Company the costs, charges and expenses of and incidental to the formation and registration of the Company;
  - viii. to do all such other lawful things as are necessary for the achievement of the Objects;

5. The income and property of the Company shall be applied in accordance with the Objects and powers of the Company and no portion shall be paid or transferred directly or indirectly to the members of the Company except by way of payment in good faith of reasonable and proper wages, and repayments (including loans) of expenses to any member or employee of the Company in return for any services actually rendered to the Company, and
  - 1) of the usual professional charges for business done by any Director who is a solicitor, accountant or other person engaged in a profession, or by any partner of theirs, when instructed by the Company to act in a professional capacity on its behalf. Provided that at no time shall a majority of the Directors benefit under this provision and that a Director shall withdraw from any meeting at which their appointment or remuneration, or that of their partner, is under discussion;
  - 2) of reasonable and proper remuneration for any services rendered to the Company by any member, officer or servant of the Company who is not a Director;
  - 3) of interest on money lent by any member of the Company or Director at a reasonable and proper rate per annum **not exceeding 2 per cent less than the published base lending rate of a clearing bank** to be selected by the Directors; *See Note 1.*
  - 4) of fees, remuneration or other benefit in money or money's worth to any Company of which a Director may also be a member holding not more than 1/100<sup>th</sup> part of the issued capital of the Company;
  - 5) of reasonable and proper rent for premises demised or let by any member of the Company or a Director;
  - 6) to any Director of reasonable out-of-pocket expenses.
6. The liability of the members is limited.
7. Every member of the Company undertakes to contribute such amounts as may be required to the Company's assets if it should be wound up while they are a member or within one year after they cease to be a member, for payment of the Company's debts and liabilities contracted before they cease to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding one pound. *This sum to be raised through a token membership fee of £1.00 to be held ring-fenced in a separate account opened for this purpose. Adding this sentence highlights member liability and gives clarity to the intentions regarding the use of the membership fee. Additionally, it forestalls any problems collecting the monies in the unlikely event that LW should fall into this unfortunate situation.*
8. If the Company is wound up or dissolved and after all its debts and liabilities have been satisfied there remains any property it shall not be paid to or distributed among the members of the Company, but shall be given or transferred to some other Company or charities having objects similar to the Objects which prohibits the distribution of its or their income and property to an extent at least as great as is imposed on the Company by Clause 5 above, chosen by the members of the

Company at or before the time of dissolution and if that cannot be done then to some other charitable object.

9. Words and expressions defined in the Articles have the same meanings in this Memorandum.

**Note: Names and addresses of original signatories withheld for their privacy. Details available on Companies House website.**

Note 1 – Current Bank of England (and three clearing banks) base lending rate is 0.75%. “not exceeding 2 per cent less than the published base lending rate of a clearing bank” means that we are looking at a negative rate ie. -1.25% effectively compelling anyone who might lend money to the Company to pay to do so! This is clearly not the intention of the clause which was written when the rate was 4.5% and climbing. Revision of the wording needs to be made. Any suggestions?