

Knocknagael Ltd – Standing Orders for the conduct of Annual General Meetings

Date adopted by the Directors/Trustees: 15 December 2021

Introduction

These standing orders (SOs) have been drawn up by combining specific parts of the Articles of Association, as at the date of adoption, with more detailed text adapted from a model constitution developed by the Scottish Council for Voluntary Organisations (SCVO), as supplied to Knocknagael Ltd by Highland Third Sector Interface (Highland TSI) on 9 November 2021. The SCVO document covers recommended practice for remote participation in meetings and more detail than is covered in the Articles. The SOs are intended to comply with good practice as at the date of adoption.

For the avoidance of doubt, where parts in the Articles are referenced in the SOs the relevant part is shown as eg (A7) – Articles part 7. Direct quotations from the Articles are shown in quotation marks. Where relevant parts of the SCVO model document are referenced the relevant part is shown as eg (S59). The abbreviation AGM is used to denote annual general meeting.

Nothing in these standing orders may override the Articles of Association

1 Timing (A45-46)

- 45 “The directors shall convene an annual general meeting in each year (but excluding the year in which the company is formed); the first annual general meeting shall be held not later than 18 months after the date of incorporation of the company.
- 46 Not more than 15 months shall elapse between one annual general meeting and the next.”

2 Purposes (A47)

- 47 “The business of each annual general meeting shall include:
- (a) a report by the chair on the activities of the company
 - (b) consideration of the annual accounts of the company
 - (c) the election/re-election of directors.”

In addition, (A32-34) an annual membership subscription and fixed annual renewal date must be in place for the company. The Directors have the power to set both the amount and the date: amount and date may be varied by ordinary resolution at the annual general meeting.

Any other competent business.

3 Notice (A50-54)

- 3.1 At least 14 clear days' notice must be given, excluding the day notice is issued and the day of the meeting.
- 3.2 Notice must be given to all members, all directors, and the auditors or independent examiner if either is in place. Accidental omission to give notice to one or more members will not invalidate the meeting (S37).
- 3.3 Notice may be by e-mail, hard copy (including post) or by website (as long as members are informed the notice is on the website.)
- 3.4 Notice must include the time, date and place of the meeting. If the meeting is wholly or partly held by way of audio and/or audio-visual links it will include details of how to connect and participate via that link or links (S39).
- 3.5 Notice must state the meeting is an AGM and include an agenda. The agenda will include a list of subjects for discussion and, where appropriate, the precise wording of any resolution the directors wish to place before members for approval.

4 Pre-notice communication

- 4.1 The Board may issue an invitation to members to put themselves forward for election as directors, submit a brief resume for members consideration, submit a resolution to the AGM, to submit questions to the Board, or other matters the Board deems relevant, in advance of giving formal notice of the meeting
- 4.2 Responses to such an invitation may be included in the AGM agenda unless of an unreasonable length, defamatory, racist or otherwise offensive nature (S41).
- 4.3 Any such invitation must be issued in time to allow a reasonable period for response and inclusion in the notice and agenda. A minimum of seven clear days to respond and seven clear days for inclusion will be given.

5 Conduct of meeting (A59-75)

- 5.1 There must be a minimum 4 ordinary members present. If at any time the number present falls below 4 the meeting must be suspended and fresh notice of meeting issued for completion of the remaining business of the meeting (S37).
- 5.2 Ordinary members must be a majority of those present
- 5.3 Only ordinary members may vote.
- 5.4 The company chair will usually, if both present and willing to do so, chair the AGM: if the company chair is not present within 15 minutes of the notified start date, or not willing to chair the meeting, the directors present will elect from among themselves the AGM chair.
- 5.5 The company chair and/or meeting chair will not have a casting vote.
- 5.6 Ordinary members may appoint a proxy to vote on their behalf by providing written notice at least 48 hours before the AGM start time. A duly appointed proxy will have the same right to speak and vote as the member appointing them.

- 5.7 Voting will normally be by a show of hands unless a secret ballot is demanded by the chair or at least two members present and entitled to vote, whether as ordinary members or as proxies for ordinary members.
- 5.8 If members are participating in a meeting via an audio or audio-visual link, they may vote orally, by way of some form of visual indication, by use of a voting button or similar, or a message sent electronically. Unless the directors have reasonable grounds for suspecting the authenticity of the method this will be deemed equivalent to a show of hands (S56).
- 5.9 A secret ballot may allow members to cast their votes using any of the methods above providing reasonable steps are taken to preserve anonymity (S59).
- 5.10 Unless voting is on a special resolution, which requires approval by 75% of those present, entitled to vote and voting (A55), all votes will be by majority voting, that is to say over 50% of those present, entitled to vote and voting must approve a resolution
- 5.11 Where a vote is evenly split, it will not be considered to be passed. If requested by two or more ordinary members, a second and final vote will be held on the subject.
- 5.12 The meeting will follow generally accepted principles for the conduct of meetings as follows:
 - 5.12.1 Amendments to resolutions may be proposed but will require a proposer and seconder before voting. Both must be ordinary members
 - 5.12.2 Amendments must be in writing and must be made available to all voting members before voting. This may be provided by electronic means.
 - 5.12.3 Any member present may stand as a Director, but will require a seconder who must be an ordinary member
 - 5.12.4 All members are entitled to speak at the meeting. Only ordinary members are entitled to vote. The Chair may impose a reasonable time limit on individual subject debates or individual contributions. Any such time limit may be overruled by a majority of members subject to having a proposer and seconder before voting. Both must be ordinary members

6 Minutes

- 6.1 The board will ensure proper minutes are kept (A129).
- 6.2 Minutes will include the names of all those present (A129).
- 6.3 Minutes will record, as a minimum, a summary of matters discussed, decisions made and numbers of votes cast for and against any resolution but need not include full details of these discussions.
- 6.4 Minutes will, as far as possible, be signed by the chair of the meeting (A129).
- 6.5 Minutes will be published on the website

APPENDIX 1 Notes on section 2 – Purposes

1 Directors Report and Annual Accounts

Under company law the Directors are jointly responsible for ensuring that “proper accounting records are maintained in accordance with all applicable statutory requirements” (A132). This includes production of the Annual Report and Accounts. In practical terms this is a single document with two sections: the Directors’ Annual report, and the Annual Accounts. Both must be presented to members at the AGM, but this is for information not acceptance – no vote is required on either matter. Directors will provide a brief oral overview of each, highlighting any key issues, to inform members & enable them to ask questions.

2 Election/re-election of Directors

The minimum number of Directors is 3 (A79), the maximum is 10 (A77). Principles for election of Directors are covered in detail in Articles 82-89. No Director can remain in office for more than 3 years without standing down, but may then stand for re-election. Co-opted Directors must stand down at each AGM, but may then stand for re-election for a further 3 years.

However, the Articles offer no guidance on the method of election.

A80 states that company members are eligible for election: there is no provision in the Articles for pre-vetting candidates.

2.1 If there are 10 or fewer candidates, the Directors agree to

Propose that members accept all candidates without a vote, unless a vote is requested and seconded by ordinary members

2.2 If there are more than 10 candidates, the Directors agree to

Present a list of candidates to the ordinary members allowing members a single vote per candidate for up to a maximum of 10 candidates,

3 Annual subscription amount and date

The Directors have the powers to decide these matters and members have the power to change these matters at the AGM. To ensure inclusiveness the Directors agree to present a resolution to the Board for members to discuss and agree an annual subscription amount and date.