

**Leicestershire and Rutland Wildlife Trust
Draft Articles of Association
for approval at the Extraordinary General Meeting
to be held on Saturday 22nd November, 2025.**

Explanatory note

This note provides background for Trust members to the Extraordinary General Meeting and the resolutions being put forward.

What are Articles of Association?

The Articles of Association set out the rules by which a company, including a charitable company like the Trust, operates. This includes how it conforms to company law and charity law requirements.

These rules include those specifying:

- what the company's charitable purposes are;
- what its legal powers are to carry out those purposes;
- how it organises its membership structure;
- arrangements for general meetings including timing, participation, and voting;
- how trustees are appointed and removed;
- how trustees carry on the business of the charity and run their internal meetings;
- restrictions on benefits to trustees, and
- what happens to the assets should the charity have to be wound up.

Much of what is contained in a set of Articles is prescribed by the above legislation. However whilst Articles of Association generally follow a set form, there are areas within them where they can be tailored to the company's own circumstances.

It is important that the company's Articles are kept as up-to-date as possible with changes in legislation, and reflect best practice in the sector.

Why do changes to the Articles need approval?

Company law requires that any changes to an organisation's Articles must be approved by the membership at a general meeting. This ensures there is full transparency, and the

membership can see exactly what changes are proposed to be made, and give their approval, or not.

The importance of this membership approval means that resolutions proposed on adopting new Articles are required to be 'Special Resolutions' which need a 75% majority to be passed (as opposed to Ordinary Resolutions, which are by and large what make up the Annual General Meeting, and which require only a simple majority).

In addition, certain changes to the Articles require specific approval from the Charity Commission. Articles which require such permission are:

- the 'Objects' clause (specifying the charitable purposes - i.e. what work the charity is allowed to do);
- the Dissolution clause (what happens to the assets of the charitable company should it be wound up); and
- rules relating to benefits to trustees.

In order to ensure we could bring the proposed new Articles to the membership at the Extraordinary General Meeting for approval, we sought and obtained Charity Commission approval for the Objects clause and the Dissolution clause earlier in the year.

As we had either not changed existing Articles, or we were following the exemptions set out in the Charities Act, we were not required to obtain specific prior approval from the Commission in respect of the Articles relating to benefits to Trustees.

The key nature of both the Objects clause and the Dissolution clause means that each is the subject of a separate Special Resolution.

Why have we changed the Articles now?

As noted above, it is important that the rules covering how a charitable company operates are up-to-date and follow best practice. Our current Articles date back to 2003, and whilst they still provided a workable basis for our governance, there had been a lot of changes in legislation since that time which were not fully reflected. Many of these related to changes in business practice over recent years. By amending the Articles now we are able to ensure we have a firm legal basis for adopting these new business and governance procedures. There have also been changes in the way our Trust, as with the other Wildlife Trusts, approaches the delivery of our strategy, and it was helpful to develop and clarify the Articles in this respect so that the different ways in which we carry out our mission are clearly reflected.

How have we gone about the exercise?

The updating of the Articles of Association forms part of a much wider governance review which has been in process for the last 18 months. This has included ensuring that our internal processes are fully up-to-date and reflect best practice. Adopting revised Articles at this point brings all this governance work together, and is an endpoint to the current review. However the duty to deliver governance is continuous. The processes we have put in place internally mean that we can now better review and ensure good governance on an ongoing basis.

Our approach to the review and updating of the Articles has involved a number of elements:

- we were able to use a pro forma document provided by the Wildlife Trusts Federation for application to all Wildlife Trusts. This had been prepared by the solicitors Shoosmiths, and provided a good starting point for ensuring our new Articles were fully up-to-date;
- Trustees then scrutinised the draft and added elements from the Charity Commission's own governing document pro forma where necessary, for extra clarity;
- subsequently a review of the draft Articles was carried out by our solicitors, Knights.

The Articles being put forward for membership approval at the EGM were approved by the Trust's Council on 22nd September, 2025.

What has changed from the 2003 Articles?

Whilst the wording of these Articles is all new, much of what they contain carries forward the content of the 2003 Articles. For instance, constitutional arrangements for running the meetings of the Trust are set down in the Companies Act, and therefore these are largely the same as before.

There are however some specific areas where new legislation and development of best practice meant that the Articles needed to be amended. The main examples of these are as set out below.

The Objects clause

As noted above, the Objects (or “Purposes”) clause sets out what a charity says it will do. Once that has been established, this is what the charity must adhere to. Moreover, those purposes need to be wholly charitable.

The core of the Objects clause in the 2003 Articles still remains within this new clause, but what we have sought to do is develop the wording so that it better reflects the different ways we now carry on our work as a Wildlife Trust. For instance, this includes references to restoring natural processes, and the use of natural capital and natural solutions for environmental issues, as these all form key elements of our work towards nature recovery.

Whilst these new approaches were very much inferred within the 2003 Objects clause, we believed it was important to set out more clearly the approach we now take to our work in nature recovery and engagement with the public. This also provides better information for stakeholders about the Trust’s purposes.

Rules regarding benefits to Trustees

Legislation places firm restrictions on benefits that can be paid to Trustees, envisaging only very few exceptions where these are legally appropriate.

The draft Articles make sure that all aspects of the legislation on this matter, including the few exemptions, are clearly set out, thus bringing this section of the Articles fully up-to-date and reflective of best practice.

Electronic communication and media

The draft Articles reflect recent changes in legislation, making clear that electronic communication with the membership and others is valid, and that electronic media can be used for both general meetings and internal Trustee meetings, for instance via fully online or hybrid meetings. Voting via electronic means is also included. Once again, this makes our Articles clear and fully up-to-date.

Dissolution clause

The Dissolution clause is standard to all Articles of Association, and sets out how any assets on the windup of a charity are disposed of. The rules within the clause require any such assets to be used in ways which continue to fulfil the defunct charity’s Objects. For

extra clarity, we have amended the Dissolution clause to include as the first potential recipient of any such assets the Royal Society of Wildlife Trusts, which would be bound to use the assets to fulfil the Trust's established Objects.