



The following Constitution was approved by the Council of the ICAEW on 8 June 2005.

## Name

- 1 The Faculty shall be called the Corporate Finance Faculty of ICAEW.

## Objectives

- 2 The Objectives of the Faculty shall be:
  - (a) To further the study of corporate finance in all its forms, including the development of thought leadership and research.
  - (b) To act as the professional and public interest voice of ICAEW in the field of corporate finance and to maintain and enhance the reputation and status of ICAEW and its Members in this area; in particular to make representations on corporate finance matters to the Government and to other bodies and authorities as appropriate, and to develop contacts with relevant bodies in the United Kingdom and overseas.
  - (c) To provide such facilities, services and support as may be appropriate to assist Faculty Members in carrying out corporate finance activities.
  - (d) To provide a centre of excellence in the field of corporate finance so as to enhance the reputation and status of ICAEW, ICAEW Members and the Faculty Members, and in so doing, promote best practice in corporate finance.
  - (e) To provide and facilitate the provision of education and training through technical releases, publications, events and other means, and to support and develop specialist qualifications in corporate finance.
  - (f) To do all such things as are necessary to advance the achievement of these Objectives.

## Definitions

- 3 Words in this Constitution, referring to the Royal Charter and Supplemental Charter and the bye-laws of ICAEW, have the same meaning as the definitions in those Royal Charters and bye-laws.

<b>ICAEW</b>	means the Institute of Chartered Accountants in England and Wales;
<b>Council</b>	means the Council of ICAEW;
<b>Faculty</b>	means the Corporate Finance Faculty of ICAEW;
<b>Office-Holder</b>	means, in the singular either the Chairman, or, if so appointed, Deputy-Chairman and a Vice-Chairman of the Faculty; or in the plural, any two or more of these;
<b>Faculty Member</b>	means a person admitted to membership of the Faculty in accordance with paragraph 30 of this Constitution;
<b>Member</b>	means a person admitted to membership of ICAEW;
<b>Head of Faculty</b>	means the person appointed to the post of Head of the Corporate Finance Faculty by the Chief Executive of ICAEW.

## Accountability

- 4 The Faculty Committee, through its Technical Committee, will undertake technical work and makes representations on corporate finance matters in accordance with the Objectives of this Constitution on behalf of Members. The Faculty Committee is accountable to Council for the provision of an agreed level of facilities, services and support to Members, and for the proper disbursement of income assigned to the Faculty from the ICAEW's general subscription.
- 5 The Faculty Committee is also accountable to Faculty Members for the provision of services, facilities and support and for the proper disbursement of revenue from Faculty Member subscriptions.
- 6 The Faculty Committee, which is a Standing Committee of Council, will report, via the Technical Strategy Board, to the Council at least annually on the matters in paragraph 25 of this Constitution. The Faculty Committee will report to Faculty Members on the matters in paragraph 26 of this Constitution.

## Management of the Faculty

- 7 The Head of Faculty will be responsible for the day-to-day management of the Faculty and will work within ICAEW's management framework and the operational policies approved by Council.

- 8** The Head of Faculty will be responsible to the Faculty Committee for the management of the activities of the Faculty, in accordance with the strategy set by the Faculty Committee and the Annual Operational Plan as approved by Council. The Head of Faculty will work in partnership with the Faculty Committee to balance the overall strategy and activities of the Faculty with its resources.
- 9** The Head of Faculty will be an employee of ICAEW and ICAEW shall consult with the Faculty Chairman before making an appointment and, in normal circumstances, terminating an appointment to the position.
- 10** It is the responsibility of ICAEW management in conjunction with the Faculty Chairman to resolve conflicts in priorities.

## Composition of the Faculty Committee

- 11** The Faculty Committee shall consist of not more than 12 elected members and it shall have the power to co-opt up to nine additional Committee members from the Faculty membership for such period as the Committee shall determine, up to a maximum co-opted term of three years. No co-opted member may serve as a co-opted member of the Faculty Committee for more than three consecutive terms of three years. A member who stands for election or re-election but is not elected may not be co-opted to the Faculty Committee until the Committee meeting following the Annual Meeting held in the following calendar year.

## Elections to the Faculty Committee

- 12** Election to Faculty Committee membership shall be for a period of three years commencing at the conclusion of the Faculty's Annual Meeting of the year of election and expiring on conclusion of the Annual Meeting three years later.
- 13** Elections shall be held annually so that up to one-third of the Faculty Committee seats shall be vacated for election or re-election each year. Candidates for election must be Faculty Members. Rules for election are to be approved and issued by the Faculty Committee and made available to Faculty Members.

## Election of Chairman, Deputy-Chairman and Vice-Chairman

- 14** At the first meeting following the Annual Meeting of the Faculty in alternate years the Faculty Committee shall by simple vote elect a Chairman who shall hold office for two years. The Chairmanship shall be restricted to members of ICAEW. The Chairman shall have *ex officio* membership of Council and of the Technical Strategy Board for the duration of his or her term of office as Chairman. No member shall serve as Chairman for more than two consecutive terms of two years in each of these offices.
- 15** The Faculty Committee may, if it so decides, also elect by a simple vote a Deputy-Chairman and one or more Vice-Chairmen to serve for a period of two years. Deputy-Chairman and Vice-Chairmen may be elected for further terms in such office.

- 16** A Chairman, Deputy-Chairman or Vice-Chairman who is an elected member of the Faculty Committee whose period of election expires during his term of office may either:

- (a) be co-opted by the Faculty Committee as one of its co-opted members from the date that person's elected period expires, or;
- (b) continue as an elected member until the conclusion of the Annual Meeting of the Faculty next following the date on which the member ceases to hold such office, when the member shall retire but shall be eligible for re-election to the Faculty Committee. The elected term of office of the person elected to fill the vacancy then created shall be computed as if it had commenced immediately after the Annual Meeting at which, but for this provision, the retiring office-holder would have ceased to have been a Committee member.

## Incapacity of Faculty Office-Holder

- 17** In the event of the resignation or incapacity of a Chairman or Deputy-Chairman between planned elections, the Faculty Committee shall hold an election to fill the vacant office at its next convenient meeting, and the elected Office-Holder shall then serve until the date the Office-Holder who vacated the office would have retired from office. The Faculty Committee may make similar arrangements, if it so decides, to fill a vacated post of Vice-Chairman.

## Committees and Sub-Committees

- 18** The Faculty Committee may appoint a Technical Committee and such other Committees, Sub-Committees and Working Parties as it considers necessary to enable it to meet its objectives, issuing terms of reference, and delegating such authority as it considers appropriate. The working procedures adopted by Committees, and the arrangements for Faculty Committee members' expenses, shall follow the guidelines set out for Council and Committee members in the bye-laws of ICAEW and associated regulations.

## Faculty Committee Meetings

- 19** The Faculty Committee shall meet at least four times in each calendar year on such occasions as it considers necessary, but no interval between meetings shall exceed four calendar months.
- 20** A minimum of one-half of the Committee membership shall form a quorum. At least five working days' notice must be given of meetings. Voting at meetings will be by simple vote, and in the event of equal voting the Chairman shall have a casting vote in addition to the Chairman's original vote. Minutes shall be kept of the proceedings of all Faculty Committee and Sub-Committee meetings, and when approved by Faculty Committee members shall be sufficient evidence of the facts recorded.

## Cessation of Committee Membership

- 21** A member of the Faculty Committee will cease to be a member of the Committee:

- (a) on termination of his or her period of election if he or she does not stand for re-election, or if he or she stands and is not re-elected;
- (b) on termination of a period of co-option if not re-co-opted;
- (c) if he or she ceases to be a Faculty Member;
- (d) if his or her resignation from the Committee, which may be submitted at any time, is accepted by the Faculty Committee;
- (e) if he or she is absent from Committee meetings for three consecutive meetings without the Committee's approval;
- (f) if an adverse finding, other than a finding of a *prima facie* case with an order that no further action be taken, is made against him or her under the Investigation and Discipline Scheme or the Disciplinary Bye-laws.

**22** If a vacancy arises for an elected seat, it is for the Faculty Committee to decide whether it should hold a special by-election to fill the vacant seat, or wait until the next planned election.

### Removal of a Committee Member from Office

- 23** The Faculty may, by a resolution passed by a majority of its Faculty Members voting (in person or by proxy) at a meeting specially convened for the purpose, remove any member of the Faculty Committee from office.
- 24** Notice of a proposal to remove a Committee member from office must be sent to the Head of the Faculty, supported in writing by at least 50 Faculty Members. The Head of the Faculty shall, within one calendar month of receipt of such notice, convene a meeting on a suitable date, giving at least one month's notice. The notice of the meeting shall include the motion proposing the removal of the member concerned from office, and may, if he so wishes, include that member's response in not more than 300 words; he shall also have the right to speak at the meeting. Such a meeting shall, if convenient, be held on the same day as and immediately following the Annual Meeting.

### Annual Operational Plan

**25** The Faculty Committee will approve an Annual Operational Plan, including the proposed standard annual Faculty subscription for the year concerned, for consideration and approval by the Board and Council as part of its strategic planning process. The plan will identify that element of planned income and expenditure arising from Faculty Members' subscriptions, and that which is to fund work undertaken by the Faculty on behalf of ICAEW and its Members which is funded by ICAEW's general subscription. The accounts of the Faculty will form a part of the accounts of ICAEW, and will be audited accordingly.

### Annual Report and Meeting

**26** The Faculty Committee will approve for distribution to Faculty Members, or posting on the Faculty's website,

an Annual Report including financial statements. The financial statements will show how income from Faculty Members' subscriptions has been applied.

- 27** The Head of Faculty will convene an Annual Meeting of Faculty Members to receive the Annual Report of the Faculty, and to consider such other business as is appropriate and relevant to the Faculty's affairs. One month's notice of the proposed business of the meeting shall be given.
- 28** Any Faculty Member may put a motion to the Annual Meeting. Written notice of the date of the Annual Meeting shall be sent to Faculty Members at least three months before it is held, and a motion, supported by at least 25 Faculty Members, must reach the Head of the Faculty not less than two months before the date of the meeting. Voting at the meeting shall be by personal vote or by proxy. Ten Faculty Members present within 30 minutes of the promulgated time for starting the meeting shall form a quorum for the Annual and any other General Meeting convened in accordance with this Constitution.

### Validity of Applications, Polls, Ballots and Elections

**29** Documents for Faculty Members shall be sent by post or by other proven delivery system and shall be deemed to have been received two days after posting or despatch. The accidental omission to send notices or other documents to a member entitled to receive them, or the non-receipt of such notice or documents, will not invalidate a meeting, poll, ballot or election. The effective date of receipt of any document or other communication required in accordance with this Constitution is the date of its receipt by the Head of the Faculty (or other nominated addressee) in the Head of the Faculty's office. The Head of the Faculty shall arrange any ballot, poll or election required by this Constitution.

### Faculty Membership

- 30 Admission** Any member of ICAEW may be admitted as a Faculty Member on payment of the current subscription. Holders of other memberships and/or qualifications may also be admitted to Faculty membership subject to the approval of those memberships or qualifications by the ICAEW's Board on behalf of Council following representations from the Faculty.
- 31** The Faculty Committee may allow individuals that are not entitled to be Faculty Members to subscribe to the Faculty's services. Subscribers will not be Faculty Members. Subscribers will be entitled to receive such facilities, services and support as shall be determined by the committee in exchange for a subscription.
- 32** The Faculty Committee may establish Group Subscription arrangements whereby companies/firms/employers etc, nominate individuals to the Group Subscription arrangement identifying nominated individuals as Faculty Members or subscribers depending on the circumstances of each individual. Nominated individuals shall have the same rights and benefits as other Faculty Members or subscribers, as the case may be.

**33** The Faculty Committee may from time to time, at its discretion, allow certain individuals or classes of individuals to pay a reduced or zero subscription rate and/or receive Faculty services in such form and on such conditions as the Faculty Committee determines.

**34 Exclusion from Membership** A Faculty Member will be excluded from Faculty membership if he or she:

- (a) is excluded from membership of ICAEW or, if a member of another body included under paragraph 30 of this Constitution, is excluded from such membership;
- (b) fails to pay the subscription due to the Faculty within 90 days of the due date unless the Faculty in its absolute discretion is satisfied that there was a reasonable excuse.

**35** A Faculty Member may resign from the Faculty at any time.

### **Facilities, Services and Support**

**36** In meeting the Faculty Objectives, the Faculty may produce such publications, courses, conferences and other products and services as it considers necessary, within budgetary constraints. The Faculty may also endorse such courses, conferences, publications and other products and services as it considers suitable to meet the professional and technical needs of Faculty Members.

### **Consultation**

**37** The Faculty shall from time to time take such measures as it considers necessary to consult Faculty Members in relation to the provision of facilities, services and support to Faculty Members.

**38** The Faculty shall consult other ICAEW committees on matters relating to the application of corporate finance. Such committees shall include other ICAEW technical committees, boards, faculties, district societies, special interest groups, etc, where the Faculty considers this would be appropriate to achieve the Faculty's Objectives.

### **Education and Training**

**39** The Faculty Committee may, in conjunction with the Learning and Professional Development department (LPD) develop education and training programmes in relevant subjects. Such programmes may include Continuing Professional Development and specialist qualifications, making proposals jointly LPD to Council.

### **Amendment of the Constitution**

**40** The Faculty Committee may propose amendments to this Constitution for the consideration of the Council. In the event of the Council wishing to amend the Constitution other than on the recommendation of the Faculty Committee, the Faculty Committee shall be given the opportunity to discuss such changes and to represent its views to the Council before any changes are approved. Any Faculty Member, with the support in writing of at least 50 other Faculty Members, may submit a motion seeking a change to the Constitution to the Annual Meeting described in paragraph 28. If approved by the meeting, the change will be submitted to Council for consideration and, if agreed, approval.