

No. of Company 2491685

The Companies Act 1985

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

**MEMORANDUM AND ARTICLES OF
ASSOCIATION OF
ARTS FACTORY LIMITED**



Incorporated the 11th day of April 1990

The Companies Act 1985

COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL

MEMORANDUM AND ARTICLES OF ASSOCIATION OF ARTS FACTORY LIMITED

1. The name of the Company (hereinafter called “the Company”) is Arts Factory Limited.
2. The registered office of the Company will be situated in Wales
3. The objects for which the Company is established are:
 - 3.1 To provide or assist in the provision of facilities of social welfare for recreation or other leisure time, occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances with the object of improving their conditions of life.
 - 3.2 To engage in any business, trade, or industry which may seem to the Company directly or indirectly conducive to the interests or convenience of the Company’s members, or of any section thereof, or of the community in the Company’s area of activity generally.
 - 3.3 To promote and assist in the development of other initiatives elsewhere in the United Kingdom, which will pursue objects similar to, or compatible with, those of the Company.
4. In furtherance of the above objects, but not otherwise, the Company shall have the following powers:
 - 4.1 To carry on any other objects whatsoever which are, in the opinion of the Company, incidental with, or conducive to, or ancillary to any of the objects of the Company, or are calculated directly to benefit the Company, or enhance the value of, or render profitable any of the Company’s property or rights, or any required by the client or customer, or persons (legal or natural) dealing with the Company.
 - 4.2 To establish, maintain, or join or subscribe to any retirement benefit scheme (within the meaning of national legislation relating to such schemes and applying at the date of incorporation of the Company) for the benefit of any persons who are, or were, at any time employees or Directors of the Company, or their dependants.

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- 4.3 To purchase, take on lease, or exchange, hire, or otherwise acquire and hold for any estate or interest, any lands, building, easements, rights, privileges, concessions, patent rights, licences, secret processes, property of any kind necessary or convenient to, or subsidise the erection, construction, and maintenance of any of the above.
- 4.4 To erect, construct, lay down, enlarge, alter and maintain any shops, stores, factories, buildings, works, ways, plant and machinery necessary or convenient to, or subsidise the erection, construction and maintenance of any of the above.
- 4.5 To borrow or raise or secure the payment of money for the purposes of, or in connection with, the Company's objects, and for the purpose of and in connection with the borrowing or raising of money by the Company to become a member of any Building Society, subject to the provisions of Clause 5 hereof.
- 4.6 To mortgage and charge the undertaking and all or any of the real and personal property and assets, present or future, and to issue at par, or at a premium or discount, and for such considerations and with the subject to such rights, powers, privileges and conditions as may be thought fit, debentures or debenture stock, either permanent or repayable, and collaterally or further to secure any securities of the Company by a trust deed or any assurance subject to the provisions of Clause 5 thereof.
- 4.7 To issue and deposit any securities which the Company has power to issue by way of mortgage and to secure any sum less than the nominal amount of such securities, and also by way of the security for the performance of any contracts or obligations of the Company, or in whose undertakings the Company is interested, whether directly or indirectly.
- 4.8 To receive money on deposit or loan upon such terms as the Company may approve and guarantee the obligations and contracts of clients and customers, and others, including members of the Company, subject to Clause 5 hereof.
- 4.9 To draw, make, accept, endorse, negotiate, discount, and execute promissory notes, bills of exchange, cheques, and other negotiable instruments.
- 4.10 To invest and deal with the monies of the Company not immediately required for the purpose of its objects in or upon such investments or securities, and in such manner as may, from time to time, be determined by the Company.
- 4.11 To accept payment for any property or rights sold or otherwise disposed of, or dealt with by the Company, either in cash, by instalments or otherwise, or in fully or partly paid up shares of any company or corporation, with or without deferred or preferred or special rights or restrictions in respect of dividend, repayment of capital, voting or otherwise, or in mortgage debentures or

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debenture stock, mortgages or other securities of any company or corporation, or partly in one mode and partly in another, and generally in such terms as the Company may determine, and to hold, dispose of, or deal with any shares, stock or securities so acquired.

- 4.12 To enter into any partnership or joint purse arrangement or arrangement for sharing profits, union of interests of co-operation, or amalgamate with any company, firm, or person carrying on, or proposing to carry on, any objects or objects within the Company, and to acquire and hold, sell, deal with, or dispose of shares, stock, securities, or property of any such body, and to guarantee the contracts or liabilities of or payments of the dividends, interest, or capital of any shares, stock, securities, or property of, and to subsidise, or otherwise assist, any such body, subject to the provisions of Clause 5 hereof.
- 4.13 To establish or promote, or concur in establishing or promoting, any company, firm, co-operative, or other organisation, the promotion of which shall be in any manner calculated to advance, directly or indirectly, the objects or interest of the Company, and to acquire and hold or dispose of shares, stock, securities, or property issued by or any other obligations of such organisation.
- 4.14 To make any charitable donation, either in cash or in assets, which the Company may deem expedient.
- 4.15 To purchase or otherwise acquire, and undertake all or any part of the business, property, assets, liabilities and transactions of any person, firm or company carrying on any business which the Company is authorised to carry on.
- 4.16 To make, publish, supply, sell, or deal in books, periodicals, audio film and video recordings, and any other publications in any other medium or any other educational or training materials.
- 4.17 To obtain, acquire, and purchase all necessary permits, licences or trade marks and other intellectual property rights required for the purpose of enabling the Company to carry on its objects upon such terms and conditions as it may think fit.
- 4.18 To make appeals for money and solicit subscriptions to the funds of the Company, and to accept any gifts of real or personal property, including those subject to any trust, and/or compatible with the objects of the Company, and to carry out any such trust and/or conditions compatible with the objects of the Company.
- 4.19 To sell, improve, manage, develop, turn to account, exchange, let or rent, royalty, share of profits or otherwise, grant easements, licences and other rights in or over, and in any manner deal with or dispose of the undertaking, and all or any of the property and assets for the time being of the Company for such consideration as the Company may think fit, subject to the provisions of Clause 6

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In carrying out the aforesaid objects, the Company shall have regard to the physical, mental, and emotional well being of the community.

5. The rate of interest on money borrowed, except by way of loan, overdraft, or mortgage from a Bank, Building Society, Local Authority, or a Finance House, shall not exceed 6.5% per annum, or 3% above the base lending rate of the High Street Clearing Banks, whichever is the higher.

The company may receive interest-free loans and donations towards its objects.

6. The income and property of the Company, whencesoever derived, shall be applied solely towards the promotion of the objects of the Company as set out herein, and no portion shall be paid, directly or indirectly, to the members of the Company, except by way of payment in good faith, or reasonable and proper wages, bonuses and repayments (including loans) of expenses to any member or employee of the Company in return for services actually rendered to the Company.
7. The liability of the members is limited.
8. Every member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while they are a member, or within one year after they cease to be a member, and the costs, charges, and expenses of winding up, and for the adjustment of the rights and contributions amongst themselves, such amount as may be required, not exceeding one pound.
9. Each member will only be entitled to cast one vote when any resolution is put to any ballot conducted, irrespective of the amount of monies, assets, or guarantees that they have loaned or contributed in any way to the Company.
10. In the event of the dissolution, or winding up of the Company, after the satisfaction of all its debts and liabilities, the assets remaining shall not be distributed among the members, but shall be transferred in the furtherance of the aforementioned objects to any organisation having objects similar to, or compatible with, the objects of the Company as may be determined by a General Meeting, or insofar as the assets are not transferred, shall be held for charitable purposes.

This Clause 10 may only be changed by a unanimous vote of all members at an Extraordinary General Meeting, and section 17 of the Act shall not apply.

11. Clauses in the Memorandum of Association, except for Clause 10 above, may be altered by Special Resolution, which is hereby defined as one passed by a majority of not less than three-fourths of the membership voting in person at an Extraordinary General Meeting, of which not less than twenty-one clear days' notice has been given, specifying the purpose for which the meeting has been called.

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We, the several persons whose names, addresses, descriptions, and signatures are subscribed, are desirous of being formed into a company in pursuance of this Memorandum of Association:

Name..... Signature.....

Description.....

Address.....

.....

Name..... Signature.....

Description.....

Address.....

.....

Name..... Signature.....

Description.....

Address.....

.....

Name..... Signature.....

Description.....

Address.....

.....

Name..... Signature.....

Description.....

Address.....

.....

.....

Dated this.....day of.....19.....

Witness to the above signatures.....

Name and address of witness.....

.....

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

**ARTICLES OF ASSOCIATION OF
ARTS FACTORY LIMITED**

PRELIMINARY

1. Subject as hereinafter provided, the regulations contained in Table A of the Companies (Tables A-F) Regulations 1985 shall apply to the Company but, in the case of any variation or inconsistency between these Articles and Table A, the Articles shall prevail and apply.

INTERPRETATION

2. In these regulations:

“The Act” means the Companies Act 1985, including any statutory amendments or re-enactment thereof for the time in force.

“The articles” means the Articles of the Company.

“Clear days”, in relation to the period of a notice, means that period, excluding the day when the notice is given, or deemed to be given, or on which it is to take effect.

“Executed” means any mode of execution.

“Secretary” means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant, or deputy secretary.

“The United Kingdom” means Great Britain and Northern Ireland.

Unless the context otherwise requires, words or expressions contained in these regulations bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company.

MEMBERS

3. (a) Those eligible for membership of the Company shall consist of the subscribers to the Memorandum of Association and individuals who have attained the age of 18 and are

- (i) people who live or work, or have interests within the community of the Rhondda, Cynon, and Taff Ely.

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- (ii) People who have volunteered for the Arts Factory for 1 year
 - (iii) The provisions of Section 352 and 353 of the Act as regards to the Register of Members shall be observed by the Company, and every member shall sign and Application and consent to becoming a member.
 - (iv) The number of members with which the Company proposes to register is 100 but the Company may, from time to time, register and increase.
- (b) Admission Procedure – The Directors
- (i) may require applications for membership to be made in a reasonable way that they decide;
 - (ii) shall, if they approve an application for membership, notify the applicant of their decision within [21 days]
 - (iii) may refuse an application for membership if they believe it is in the best interests of the Arts Factory for them to do so;
 - (iv) shall, if they decide to refuse an application for membership, give the applicant their reasons for doing so, within [21 days] of the decision being taken, and give the applicant the opportunity to appeal against the refusal; and
 - (v) shall give fair consideration to any such appeal, and shall inform the applicant of their decision, but any decision to confirm refusal of the application shall be final.
- (c) Transfer of Membership
- Membership of the Arts Factory cannot be transferred to anyone else [except in the case of individual or corporate body representing an organisation which is not incorporated, whose membership may be transferred by the unincorporated organisation to a new representative. Such transfer of membership does not take effect until the Arts Factory has received written notification of the transfer]
- (d) Duty of Members
- (i) The Directors decide that it is in the best interests of the Arts Factory that the member in question should be removed from membership and pass a resolution to that effect.
 - (ii) Before the charity trustees take any decision to remove someone from membership of the Arts Factory they must:

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- (a) inform the member of the reasons why it is proposed to remove him, her or it from membership.
- (b) give the member at least 21 days clear notice in which to make representations to the charity trustees as to why he, she or it should not be removed from membership.
- (c) at a duly constituted meeting of the charity trustees, consider whether or not the member should be removed from membership.
- (d) consider at that meeting and representations which the member makes as to why the member should not be removed; and
- (e) allow the member, or the member's representative, to make those representations in person at that meeting, if the member so chooses.

CESSATION OF MEMBERSHIP

- 4. (a) The rights and privileges of a member shall not be transferable or transmissible, and all such rights and privileges shall cease upon the member ceasing to be such.
- (b) A member shall cease to be a member immediately that they:
 - (i) cease to fulfil any of the qualifications for membership as specified by Article 3 or by the Directors from time to time; or
 - (ii) resign in writing to the Secretary; or
 - (iii) are expelled by a Special Resolution, carried in accordance with Article 9 at an Extraordinary General Meeting called to consider the matter; or
 - (iv) die, or becomes bankrupt, if an individual person; or
 - (v) cease to be a body corporate or goes into liquidation, if a corporate body.

GENERAL MEETINGS AND RESOLUTIONS

5. The Company shall, in each calendar year, hold a General Meeting as its Annual General Meeting and shall specify the meeting as such in the notices calling it, providing that every Annual General Meeting, except the first, shall be held not more than fifteen months after the holding of the last preceding Annual General Meeting. The first Annual General Meeting shall be held within eighteen months of incorporation.
6. Ordinary General Meetings of the Company shall be held at quarterly intervals; but the Company may decide to hold a General Meeting more or less frequently.
7. The Management Committee, or 10% of the members for the time being, may, whenever they think fit, convene an Extraordinary General Meeting of the Company. The notice of such a meeting must be given in accordance with Article 10 below and must state the objects of the meeting.
8. An Annual General Meeting, an Ordinary Meeting, or an Extraordinary Meeting, shall constitute a General Meeting of the Company.
9. Decisions at General Meetings shall be made by passing resolutions. The decision involving an alteration to Clause 10 of the Memorandum of Association, and to Article 54 and this, Article 9, of these Articles of Association shall require the unanimous vote of all the members of the Company at an Extraordinary Meeting testified by their signatures. The decisions involving an alteration of the Memorandum and Articles of Association of the Company, and other decisions so required from time to time by statute, shall be made by special resolution. A special resolution is one passed by a majority of not less than three-fourths of such members as being entitled so to vote in person at a General Meeting. All other decisions shall be made by ordinary resolution requiring a simple majority.
10. (a) An Annual General Meeting and a meeting called for the passing of a special resolution shall be called by giving at least twenty-one days' clear notice. Any other General Meeting shall be called by giving at least fourteen days' clear notice.
 - (b) In the case of an Annual General Meeting, or a meeting called for the passing of a special resolution, notice shall be given in writing to every member of the Company and to such persons who are entitled to receive notice by virtue of statute or sub-clause (d) below, and shall be given personally or by sending it by post to them or their registered office, or any address given by them for this purpose within the United Kingdom. !
 - (c) In the case of a General Meeting, other than described in (b) above, the Company in General Meeting may decide either to give notice pursuant to the provision of (b) above, or by displaying the notice in such prominent positions

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as such place or work of the Company as the Company General Meeting shall decide.

- (d) The auditors of the Company shall receive notice of all General Meetings.
- (e) The Company in General Meeting may decide from time to time to invite by notice any person to a General Meeting of the Company.
- (f) Notice shall be exclusive of the day on which it is served or given and shall specify the place and exact time of the meeting, and the general nature of the business to be dealt with.
- (g) Where notice is sent by post, service of the notice shall be deemed to be affected by properly addressing, prepaying and posting the notice, and to have been affected at the expiration of forty-eight hours after notice has been posted.
- (h) The accidental omission to give notice of a meeting to or non-receipt of notice of a meeting by any person entitled to receive notice shall not invalidate proceedings at that meeting.

PROCEEDINGS AT GENERAL MEETINGS

- 11. Every member, and such other persons as receive notice, shall be entitled to attend and speak at a General Meeting.
- 12. No business shall be transacted at a General Meeting unless a quorum of members is present; 50 % of the membership, or 20 voting members, whichever is the greater, for the time being shall be the quorum.
- 13. If, within half an hour from the time appointed for the meeting, a quorum is not present, it shall stand adjourned to the same time and same place, or otherwise as the Company in General Meeting may determine, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.
- 14. The Chairperson or, in their absence, some other Director nominated by the Directors, shall preside as Chair of the meeting, but if neither the Chairperson nor such other Director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be Chair.
- 15. The Chairperson may, with the consent of the meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time, and place to place, but no business shall be transacted at an adjourned meeting, other than business which might have been transacted at the meeting from which the adjournment took place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given, specifying the time and place of the adjourned meeting, and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice.

16. At any General Meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is, before or upon the declaration of the result of the show of hands, determined by:
 - (a) the Chairperson;
 - (b) a member or members representing not less than 10% of the total voting rights of all the members having the right to vote at the meeting.

Unless a poll be so demanded, a declaration by the Chairperson that a resolution has been carried, or lost, and an entry to that effect in the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of votes recorded in favour of, or against, the resolution. The demand for a poll may be withdrawn.

17. If a poll is duly demanded, it shall be taken in such a manner as the Chairperson of the meeting directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
18. Subject to the provisions of the Act, a resolution in writing signed by all the members for the time being shall be valid and effective as if the same had been passed at a General Meeting duly convened and held and may consist of several documents in the like form, each signed by one or more members.
19. Votes may be given personally, or by proxy appointed by the member, and no member or proxy shall have more than one vote.

CASTING VOTES

20. In the case of an equality of votes, whether on a show of hands or on a ballot, the Chair shall have a second, or casting, vote.

MANAGEMENT COMMITTEE

21. The day-to-day affairs of the Company shall be managed by a Management Committee, which shall be accountable to the members.
22. New members need to apply to the board when a vacancy arises, or the Directors require the approval of 5% of the Board of Directors, no person may be a member of the management committee if he/she has been a member in two or more similar local community organisation which has gone into receivership or liquidation unless there is a unanimous vote of approval of the full Board of Directors.
23. Unless otherwise determined by the company in General meeting, the number of members of the Management Committee shall be not fewer than 3, and not more than 12.

24. Except as hereinafter provided, the qualification of a member of the Management Committee shall be that he, or she, is a member of the Company.

PROCEEDINGS OF THE MANAGEMENT COMMITTEE

25. Members of the Management Committee may meet together for the dispatch of business; adjourn, and otherwise regulate their meetings as they think fit; and questions arising at any meeting shall be decided by a majority of votes. In the case of an equality of votes, whether on a show of hands or on a ballot, the Chair shall have a second or casting vote.
26. A Management Committee member may, and the Secretary shall, on the instruction of the Management Committee, summon a meeting of the Management Committee at any reasonable time.
27. The quorum necessary for the transaction of business of the Management Committee shall be 2, or 50%, whichever is greater.
28. If the Management Committee shall at any time be reduced in number to fewer than the minimum prescribed in Article 23, it may act as the Management Committee for the purpose of filling up vacancies in their body, or summoning a General Meeting of the Company, but no other purpose.
29. The Chairperson or, in their absence, some other Director nominated by the Directors, shall preside as Chair of the meeting, but if neither the Chairperson nor such-other Director, (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the Directors present shall elect one of their number to be Chair.
30. The Management Committee shall cause proper minutes to be made of the proceedings of all meetings of the Company, of the Management Committee and any sub-committees, and of all business transacted at such meetings. All such minutes shall be open to inspection by any member of the Company during his/her normal working hours, and by any other person authorised by the Company in General Meeting.
31. A resolution in writing, signed by all bona fide Management Committee members for the time being who are entitled to vote, shall be valid and have the same effect as if it had been passed at a meeting of the Management Committee, and may consist of several documents in like form signed by one or more Management Committee members.
32. The Management Committee may delegate any of its powers to sub-committees consisting of such members of the Company as it thinks fit. Any sub-committee so formed shall conform to any regulations that may be imposed on it by the Management Committee.

POWERS OF DIRECTORS

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33. Subject to the provision of the Act, the Memorandum and the Articles, and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the Memorandum or Articles, and no such direction shall invalidate any prior act of the directors that would have been valid if that alteration had not been made, or that direction had not been given. The powers given by this regulation shall not be limited by a special power given to the directors by the Articles, and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
34. The directors may, by power of attorney or otherwise, appoint any person to be the agency of the Company for such purposes and on such conditions as they determine, including authority for the agency, to delegate all or any of its powers.

DELEGATION OF DIRECTORS' POWERS

35. The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director, or any director holding any other executive office, such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked and altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of directors, so far as they are capable of applying.

APPOINTMENT AND RETIREMENT OF DIRECTORS

36. The first directors will be those who sign the Memorandum of Association. At subsequent Annual General Meetings, one third of all the directors shall be available for re-election.
37. Invitations for the position of director will be sent to all members with the notice of the Annual General Meeting. Completed nominations will be accepted up to the time of the meeting. All nominations require a proposer and a seconder.
38. The directors may appoint a person who is willing to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed, by or in accordance with the articles, as the maximum number of directors.

DISQUALIFICATION AND REMOVAL OF DIRECTORS

39. The office of a director shall be vacated if:-
- (a) they cease to be a director by virtue of any provision of the Act or becomes prohibited by law from being a director; or

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- (b) they become bankrupt or make any arrangement or composition with their creditors generally; or
- (c) they are, or may be, suffering from mental disorder and either:
 - (i) are admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983, or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for their detention, or for the appointment of a receiver, curator bonis, or other person to exercise powers with respect to their property or affairs; or
- (d) they resign their office by notice to the Company; or
- (e) they have, for more than four consecutive meetings, been absent, without permission of the directors, from meetings of directors held during that period, and the directors resolve that their office be vacated.

DIRECTORS' EXPENSES

40. The Directors may be paid reasonable travelling, hotel and other expenses properly incurred by them in connection with the attendance at meetings or directors, or committees of directors. And general meetings or in connection with the discharge of their duties. Any expenses must be approved by the board.

PROCEEDINGS OF DIRECTORS

41. A director may vote, at any meeting of the directors or of any committee of the directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which they have, directly or indirectly, any kind of interest whatsoever, and if they shall vote on any such resolution as aforesaid, their vote shall be counted; and, in relation to any such resolution as aforesaid, they shall (whether or not they shall vote on the same) be taken into account in calculating the quorum present at the meeting.

SECRETARY

42. Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them.

MINUTES

43. The directors shall cause minutes to be made in books kept for the purpose:

- (a) of all appointments of officers made by the directors; and
- (b) of all proceedings at meetings of the Company, and of the directors, and of committee of directors, including the names of the directors present at each such meeting.

ACCOUNTS

44. The Management Committee shall cause proper books of account to be kept with respect to:

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place.
- (b) all sales and purchases of goods by the Company, and
- (c) the assets and liabilities of the Company.

Proper books shall be deemed to be kept if they give a true and fair record of the state of the Company's affairs and explain its transactions.

- 45. The books of account shall be kept at the registered office of the Company, or at such other places as the Management Committee think fit, and shall always be open to the inspection of all members of the Company upon approval of the directors during normal working hours, and by such other persons authorised by the Company in General Meeting.
- 46. The Management Committee shall, from time to time, in accordance with their statutory obligations, cause to be prepared and laid before the Company in General Meeting such profit and loss accounts; balance sheets; and reports as are required by statute.
- 47. In addition, the Management Committee shall, following the first General Meeting, prepare and present the members with such regular trading accounts showing, so far as is possible, the current financial position of the Company, as the Company in General Meeting shall require to be laid before them.
- 48. A copy of every balance sheet (including every document required by law to be annexed thereto) which is laid before the Company in General Meeting shall, not less than twenty-one days before the date of the meeting, be sent or delivered to every member, the Auditor, and every holder of loan stock or debentures relating to the Company. This Article shall not require a copy of those documents to be sent to any person of whose address the Company is not aware, or to more than one of the joint holders of any debenture.

SOCIAL AUDIT

49. A social audit of the Company may, by resolution of the Company in General Meeting be undertaken annually of the Company's activities, in addition to the financial audit required by law. The role of such a social audit would be to attempt to identify the social costs and benefits of the Company's work, and to enable an assessment to be made more easily than may be made from financial accounts only of the Company's overall performance in relation to its objects.

Such a social audit may be drawn up by an independent assessor appointed by the Company in General Meeting, or by the Management Committee who may submit their report for verification or comments to an independent assessor.

A social audit may include an assessment of the internal collective working of the employees of the Company, including employees views, internal democracy and decision making, wages, health and safety, skill sharing, and education opportunities, or other matters concerning their overall personal or job satisfaction; an assessment of the Company's activities externally, including its effects on persons involved in the same or similar trade, on customers and suppliers, and on persons residing in areas where the Company is located.

APPLICATION OF PROFITS

50. The surplus funds of the Company shall be applied in the following ways, in such proportions, and in such a manner as may be recommended by the Management Committee and approved at the Annual General Meeting:
- (a) First, to creating a general reserve for the continuation and development of the Company.
 - (b) Secondly, to make payments for social and charitable purposes.

INDEMNITY

51. Every director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in, or about, the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour, or in which he is acquitted or in connection with any application - under Section 727 of the Act in which relief is granted to him by the Court, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to, or be incurred by the Company in the execution of the duties of his office, or in relation thereto, but this Article shall only have effect in so far as its provisions are not avoided by Section 310 of the Act.

RULES OR BYLAWS

52. The directors may, from time to time, make such Rules or Bylaws as they may deem necessary or expedient or convenient for the proper conduct and management of the Company, and for the purposes of prescribing the classes of and conditions of membership, and in particular, but without prejudice to the generality of the foregoing, they shall by such Rules or Bylaws regulate:
- (i) The admission of a person to membership of the Company
 - (ii) The holding of, and the procedures of, periodic meetings of members and the directors together to discuss and review the affairs of the Company and any subsidiary thereof and of matters pertaining thereto.
 - (iii) The procedure at the General Meetings and meetings of the directors and committees thereof, insofar as such procedure is not regulated by these Articles.
 - (iv) And generally, all such matters as are commonly the subject matter of the Company rules. "
 - (v) The Company in General Meeting shall have power to alter or repeal the Rules or Bylaws and to make additions thereto, and the directors shall adopt such means as they deem sufficient to bring to the notice of members of the Company all such rules or Bylaws which, so long as they shall be in force, shall be binding on all members of the Company, provided, nevertheless, that no Rule or Bylaw shall be inconsistent with, or shall affect or repeal anything contained in, the Memorandum or Articles of the Company.

DISSOLUTION

53. Clause 10 of the Memorandum of Association relating to the winding up and dissolution of the Company shall have effect as if the provisions thereof were repeated in these Articles.
54. The provisions of Article 54, and of this Article 55, may only be changed by the unanimous vote of all members at an Extraordinary General Meeting.