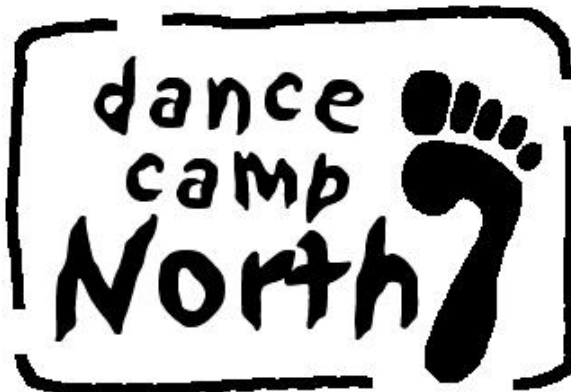


COMPANY LIMITED BY GUARANTEE

Memorandum and Articles  
of Association of

# **DANCE CAMP NORTH LTD**

Company N<sup>o</sup> 3633396



**The Companies Acts 1985 & 1989**  
**Company Limited by Guarantee**  
**Memorandum of Association of**  
**DANCE CAMP NORTH LTD.**

1. The name of the Company is 'Dance Camp North Ltd'.
2. The Registered Office of the Company will be situated in England and Wales.
3. A The objects for which the Company is established are:
  - a) To promote and celebrate physical, emotional and spiritual community through the arts and to encourage self-transformation through the release of creative energy.
  - b) 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 any section thereof or of the Community in the Company's area of activity generally;
  - c) To promote and encourage 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.
3. B In furtherance of the above objects, but not otherwise, the Company shall have the following powers:
  - a) To carry on any other activities whatsoever which can in the opinion of the Company be advantageously carried on by the Company incidental with or conducive to or ancillary to any of the objects of the Company or is calculated directly to benefit the Company or enhance the value of or render profitable any of the Company's property or rights or is required by any client or customer or persons (legal or natural) dealing with the Company.
  - b) To provide educational, training, advisory, counselling, consultancy, administrative, professional and technological support services in furtherance of the objects of the Company.
  - c) To purchase, take on lease or in exchange, hire or otherwise acquire and hold for any estate or interest any lands, buildings, easements, rights, privileges, concessions,, patent rights, licences, secret processes, or property of any kind necessary or convenient for the purpose of or in connection with the Company's objects or any branch or department thereof.
  - d) To erect, construct, lay down, enlarge, after and maintain any shops, stores, factories, buildings, works, ways, plant and machinery necessary or convenient for the Company's objects and to contribute to or subsidise the erection, construction and maintenance of any of the above.
  - e) 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 conditions compatible with the objects of the Company and to undertake to carry out any such trust and/or conditions compatible with the objects of the Company.
  - f) To borrow or raise or secure the payment of any 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 4 hereof.
  - g) To mortgage and charge the undertaking and all or any of the real or personal

- property and assets, present and future, and to issue at par or at a premium or discount, and for such consideration and with and subject to such rights, powers and 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 other assurance subject to the provisions of clause 4 hereof.
- h) To issue and deposit any securities which the Company has power to issue by way of mortgage to secure any sum less than the nominal amount of such securities and also by way of security for the performance of any contracts or obligations of the Company or in whose undertakings the Company is interested, whether directly or indirectly.
  - i) To receive money on deposit or loan upon such terms as the Company may approve and to guarantee the obligations and contracts of clients and customers including members of the Company, subject to the provisions of clause 4 hereof.
  - j) To draw, make, accept, endorse, negotiate, discount and execute promissory notes, bills of exchange, cheques and other negotiable instruments.
  - k) To invest and deal with the monies of the Company not immediately required for the purposes 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.
  - l) 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 debenture stock, mortgages or other securities of any company or corporation, or partly in one mode and partly in another, and generally on such terms as the Company may determine, and to hold, dispose of or otherwise deal with any shares, stock or securities so acquired.
  - m) To enter into any partnership or joint-purse arrangement for sharing profits, union of interests or co-operation, or amalgamate with any company, firm or person carrying on or proposing to carry on any objects within the objects of 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 4 hereof.
  - n) To establish or promote or concur in establishing or promoting any company, firm, co-operative or other organisation the promotion of which shall in any manner be calculated to advance directly or indirectly the objects or interests 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.
  - o) To make donations for social or charitable purposes either in cash or assets which the Company may deem expedient.
  - p) 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.
  - q) To make, publish, supply, sell or deal in books, periodicals, audio film and video recordings, and other publications in any medium or any other educational or training materials.
  - r) 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.

- s) To sell, improve, manage, develop, turn to account, exchange, let on rent, royalty, share of profits or otherwise, grant easements, licences and other rights in or over, and in manner deal with or dispose of the undertaking and any or all 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 5.
3. C In carrying out the aforesaid objects, the Company shall encourage people to take responsibility for their own lives and to work for a world in which all persons are equal members of society. The Company will support and encourage lifestyles which, without jeopardising the rights of future generations, include equal access to resources and opportunities, the preservation (at least) of the biosphere, non-oppressive behaviour and freedom of choice.
4. The rate of interest on money borrowed, except by way of loan, overdraft or mortgage from a Bank, Building Society, Local Authority or established Finance House shall not exceed 10 per cent per annum or 3 per cent above the base lending rate of the Co-operative Bank plc, whichever is the higher.
5. 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 or transferred directly or indirectly to any members of the Company except by way of payment in good faith of reasonable and proper wages, and repayments of expenses to any member of the Company in return for any services actually rendered to the Company, and by way of bonuses paid to employees in accordance with clause 6 of this Memorandum of Association.
6. The Company may operate a staff bonus scheme provided that any such bonuses paid to employees in pursuance of the scheme in any year (in aggregate) shall not exceed 25% of the total sum distributed in that year both for social or charitable purposes and as staff bonuses.
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 s/he or it is a member or within one year after s/he or it ceases to be a member for payment of the debts and liabilities of the Company contracted before s/he or it ceased to be a member, and of the costs, charges or expenses of winding up and for the adjustments of the rights of the contributories amongst themselves, such amount as may be required not exceeding £1.00.
9. Each member will only be entitled to cast one vote when any resolution is put or ballot conducted, irrespective of the amount of monies, assets or guarantees that s/he or it has loaned or contributed in any way to the Company.
10. In the event of the winding up or dissolution of the Company, after the satisfaction of all its debts and liabilities, the assets remaining shall be transferred in the furtherance of the aforementioned objects to any organisation having objects similar to or compatible with any of 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 the 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 shall only be altered by a Special Resolution which is hereby defined as one passed by a majority of not less than three-fourths of the members voting in person at a General Meeting of which not less than twenty-one clear days notice has been given specifying the purpose for which the meeting has been given.

The Companies Act 1985 & 89  
Company Limited by Guarantee  
Articles of Association of

## DANCE CAMP NORTH LTD

### Interpretations

1. In these Articles:

"the Act means the Companies Act 1985 as amended by the 1989 Act and any further amendments from time to time in force.

"the Seal" means the Common Seal of the Company.

"Secretary" means any person appointed to perform the duties of the Secretary of the Company.

"the Management Committee" means all those persons appointed to perform the duties of Directors of the Company.

"employee" means anyone holding a contract of employment with the Company to perform at least eight hours of work per week for the Company.

"In writing" shall, unless the contrary intention appears, be construed as including references to printing, lithography, photography and other modes of representing or reproducing words in a visible form.

Words importing the singular number shall include the plural and vice versa unless a contrary intention appears.

Words importing persons shall include corporate bodies and associations if not inconsistent with the context.

Unless the context requires otherwise, words or expressions contained in these Articles shall bear the same meaning as in the Act.

2. Any statutory instruments or regulations from time to time in force shall be deemed to apply to this Co-operative, whether or not these Articles have been amended to comply with such instrument or regulation.

### Members

3. The first members of the Company shall be the Subscribers to the Memorandum of Association.

4. The Management Committee may admit to membership any person who is in agreement with the objects of the Company, without discrimination between persons by reference to wealth, politics, race, religion, sex, levels of ability or age.

PROVIDED THAT only persons and organisations shall be admitted who qualify for one of the membership categories specified in Article 7.

5. Every application for membership shall be considered by the Management Committee at its first meeting after the application was made or as soon thereafter as is practicable. Any applicant who is refused admission to membership may require that the question of their application be considered by the next meeting of the General Meeting whose decision on the matter shall be final. When refusing any application for membership, the Management Committee shall ensure that the applicant is aware of her/his right of appeal under the provisions of this Article.

6. Any acceptance of an application for membership shall be conditional on payment by the applicant of the full amount of the annual membership subscription. No applicant shall be entered in the Register of Members unless and until such subscription has been received by the Company, unless the Management Committee decides to waive the subscription in any particular case.
7. Every member upon admission shall be allocated one of the following categories of membership at the absolute discretion of the Management Committee:
  - a. "Supporter Members" shall be members who have an interest in the Company primarily by virtue of providing funds, facilities or other practical aid directly to the Company.
  - b. "Employee Members" shall be members who are employees of the Company.
  - c. "Community Members" shall be members who participate in the activities of the company and who wish to see the values of the company promoted through the arts.
  - d. "Honorary members" shall be members below the age of eighteen years who participate in the activities of the Company and who wish to see the values of the Company promoted through the arts. Such membership shall carry all rights and responsibilities of full membership but be free from annual subscription.
8. The Management Committee may at any time amend a member's category of membership in the event of a change in circumstances, and shall notify the member in question of their decision within fourteen days of so doing.

## Register of Members

9. The Company shall keep a Register of Members containing the name and address of every member, the date on which s/he or it became a member and the date on which s/he or it ceased to be a member. Every member shall either sign a written consent to become a member or sign the Register on becoming a member.
10. The entry for every member shall include a note of the category of membership of that member.
11. A member shall notify the Secretary in writing within seven days of a change to their name or address.

## Cessation of Membership

12. The rights and privileges of a member shall not be transferable nor transmissible, and all such rights and privileges shall cease upon the member ceasing to be such.
13. A member shall cease to be a member immediately that s/he or it:
  - a. in the opinion of the Management Committee, ceases to fulfil any of the qualifications for membership specified in Article 4, or ceases to qualify for any of the categories of membership specified in Article 8; or
  - b. fails in the opinion of the Management Committee to pay the annual subscription or any other monies due to the Company; or
  - c. resigns in writing to the Secretary; or
  - d. dies, if an individual person; or

## General Meetings

14. The Company shall in each calendar year hold at least two General Meetings, one of these shall be its Annual General Meeting. The Company shall specify the Annual General Meeting as such in the notices calling it, provided 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 need not be held in the year of incorporation nor the following year provided that it shall be held within eighteen months of incorporation.



15. The business of an Annual General Meeting shall include:
- i. the receipt of the reports of Chairperson and Management Committee of the Company;
  - ii. the consideration of the audited accounts presented by the Management Committee;
  - iii. the selection of the Management Committee;
  - iv. a. the selection of a Chairperson who shall preside at all General Meetings and meetings of the Management Committee;  
b. The selection of a Treasurer, being a member of the Management Committee.
  - v. a decision on the application of any surplus (profit);
  - vi. the appointment and the fixing of the remuneration of the Auditor or Auditors.

All other business transacted at an Annual General Meeting shall be deemed Special.

16. The Management Committee may, whenever they think fit, convene an Extraordinary General Meeting of the Company, or any two members or ten percent of the membership, whichever is greater, may convene an Extraordinary General Meeting as provided by section 368 of the Act.
17. Decisions at General Meetings shall be made by passing resolutions:
- a. Decisions involving an alteration to Clause 10 of the Memorandum of Association and to Articles 91 and 92 and this Article 18(a) of these Articles of Association shall require the unanimous vote of all the members of the Company at an Extraordinary General Meeting testified by their signatures.
  - b. Decisions involving an alteration to clauses of the Memorandum or Articles of Association, other than those specified above, and other decisions so required from time to time by statute shall be made by a Special Resolution. A Special Resolution is here defined as one passed by a majority of not less than three-fourths of the members of the Company present and voting at an Extraordinary General Meeting.
  - c. Decisions to dispense with the requirement to hold Annual General Meetings, to re-appoint auditors annually, or to lay accounts before the Company in General Meeting shall be made by Elective Resolution. An Elective Resolution is one passed by all the Members of the Company for the time being testified by their signatures. Any Elective Resolution once passed may be revoked by a subsequent Ordinary Resolution.
  - d. All other decisions shall be made by ordinary resolution requiring agreement reached by consensus.

## Notices

18. An Annual General Meeting and an Extraordinary General Meeting called to consider the making of the decisions described in Articles 18(a) and 18(b) above shall be called by at least twenty-one clear days notice. Any other General Meeting shall be called by at least fourteen clear days notice.
19. Notice of every General Meeting shall be given in writing to every member of the Company and to the Auditors and shall be given personally or sent by post to each member at the address recorded in the Register of Members and to other persons at their Registered Office.
20. Notice of all meetings shall be given exclusive of the day on which it is effected and shall specify the exact time and place of the meeting. In the case of an Extraordinary General Meeting the exact nature of the business to be raised thereat shall be specified.
21. Where notice is sent by post, the notice shall be deemed to have been served forty-eight hours after the notice has been posted, provided that it was properly addressed and pre-paid.
22. 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

23. Votes may only be given personally and no member shall have more than one vote.
24. Every member and such other persons as receive notice shall be entitled to attend and speak at a General Meeting.
25. No business shall be transacted at a General Meeting unless a quorum of members is present. Ten percent of the membership or ten members, whichever is the greater, shall be a quorum.
26. If within half an hour from the time appointed for the meeting a quorum is not present, it shall stand adjourned until the same day in the next week at the same time and same place or otherwise as the Company may decide in General Meeting, and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, then the meeting shall be dissolved.
27. At any General Meeting where the Chairperson is not present within twenty minutes of the time appointed for the meeting, the members present shall choose one of their number to be Chairperson of that meeting, whose function shall be to conduct the business of the meeting in an orderly manner.
28. The Chairperson may with the consent of any meeting at which a quorum is present, and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. Where a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of the original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.
29. At any General Meeting an ordinary resolution shall be decided by consensus unless a secret ballot is, before or on the declaration of the result, demanded by at least two persons present in person.
30. Unless a secret ballot be so demanded a declaration by the Chairperson that a resolution has by consensus or on a show of hands been carried or lost and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportions of the votes recorded in favour or against such resolutions. The demand for a secret ballot may be withdrawn.
31. If a secret ballot is duly demanded it shall be taken in such a manner as the Chairperson directs, provided that each member shall have only one vote, and the result of the ballot shall be deemed to be the resolution of the meeting at which the ballot was demanded.
32. The demand for a secret ballot shall not prevent the continuance of a meeting for the transaction of any other business than the question upon which a ballot has been demanded.
33. In the case of an equality of votes, whether on a show of hands or on a ballot, the Chairperson shall have a second or casting vote.
34. A resolution in writing signed by all the current members 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 identical documents each signed by one or more members.
35. The Company may at its discretion invite other persons to attend its meetings, with or without speaking rights, and without voting rights.

## The Management Committee

36. The qualification of a Management Committee member shall be that s/he is a member of the Company and there shall be no further qualification required.
37. Unless otherwise determined by the Company in General Meeting, the number of Management Committee members shall be not more than 21 and not less than 7.
38. The initial Management Committee of the Company shall be appointed by the subscribers to the Memorandum of Association, who shall serve until such time (being not more than twenty months following incorporation) as the General Council may appoint a new Management Committee.
39. New Management Committee members shall be appointed individually at each Annual General Meeting by all the members present..
40. The Management Committee may appoint any member of the Company to the Management Committee to serve until the following AGM, either as an addition or to fill a casual vacancy, provided that the maximum number prescribed in these Articles is not exceeded and that no more than five such appointments are made between one Annual General Meeting and the next. The Management Committee may also co-opt no more than three people on to the Committee for such term as they shall determine provided that the maximum number of people on the Management Committee including those co-opted shall not exceed the number prescribed in these articles.
41. A Management Committee member shall, subject to Article 45 below, hold office until the next Annual General Meeting after her/his appointment. On expiration of the period of office for which s/he was appointed, a Management Committee member shall be eligible for re-appointment.
42. A Management Committee member shall not vote in respect of any contract in which s/he is directly or indirectly interested or any matter arising there from and if s/he does so vote her/his vote shall not be counted.
43. Any remuneration of Management Committee members shall only be in respect of services actually rendered to the Company, including the payment of fair and proper wages and bonuses in the case of Management Committee members employed by the Company. Management Committee members may also be paid all reasonable expenses incurred by them in attending and returning from meetings of the Management Committee or General Meetings of the Company or in connection with the business of the Company.
44. Any Management Committee member may act in a professional capacity for the Company, and s/he or her/his firm shall be entitled to remuneration for professional services as if s/he were not a Management Committee member; provided that nothing contained herein shall authorise a Management Committee member or her/his firm to act as Auditor to the Company.
45. The office of Management Committee member shall be immediately vacated if s/he:
  - a. resigns her/his office in writing to the Company; or
  - b. ceases to be a member of the Company in accordance with Article 14; or
  - c. fails to declare her/his interest in any contract as referred to in Article 56; or
  - d. becomes bankrupt or of unsound mind; or
  - e. is removed from office by resolution of the Company in General Meeting in accordance with Section 303 of the Act; or
  - f. ceases to hold office by reason of any order made under Sections 295 to 300 of the Act.

46. The Management Committee may establish such Sub-Committees from its own members and/or from members of the Company as it sees fit, and may delegate any of its powers to any Sub-Committee so formed; any such Sub-Committee shall conform to any regulations imposed on it by the Management Committee.
47. Unless and until otherwise determined by the Company by Special Resolution, either generally or in any particular case, Section 293 of the Act shall not apply, and therefore no person having attained the age of seventy shall be prohibited from holding the office of Management Committee member.

## **Powers and Duties of the Management Committee**

48. The business of the Company shall be managed by the Management Committee who may pay all expenses of the formation of the Company as they think fit and may exercise all such powers of the Company as may be exercised and done by the Company and as are not by statute or by these Articles required to be exercised or done by the Company in General Meeting.
49. The Management Committee shall establish and monitor the policies of the Company with reference to its objects and execute the policies of the Company as established by members of the company.
50. No regulation made by the Company in General Meeting shall invalidate any prior act of the Management Committee which would have been valid had that regulation not been made.
51. All cheques, promissory notes, drafts, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, in such manner as the Management Committee shall from time to time decide.
52. Without prior prejudice to its general powers, the Management Committee may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking and property or any part thereof and to issue debentures and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party; PROVIDED THAT the Management Committee may only exercise the powers specified in this Article with the explicit approval of a General Meeting.

## **Proceedings of the Management Committee**

53. Unless otherwise determined by a General Meeting, the Management Committee shall meet together for the despatch of business at least once every three months and shall adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meetings shall be decided by consensus. In the case of failure to reach consensus, the Management Committee shall refer the matter to a General Meeting.
54. A Management Committee member may and the Secretary on the requisition of a Management Committee member shall summon a meeting of the Management Committee. It shall not be necessary to give notice of a meeting of the Management Committee to any of its members for the time being absent from the United Kingdom.
55. The quorum necessary for the transaction of the business of the Management Committee shall be one third of the members or four members, whichever is the greater.
56. The Management Committee may act notwithstanding any vacancy in their body, but, if and so long as their number is less than the minimum prescribed in these Articles, the Management Committee may act for the purpose of summoning a General Meeting of the Company, but for no other purpose.

57. At any Management Committee meeting where the Chairperson is not present within twenty minutes of the time appointed for the meeting, the Management Committee members present shall choose one of their number to be Chairperson of the meeting, whose function shall be to conduct the business of the meeting in an orderly manner.
58. The Management Committee shall cause accurate records to be made, in books provided for that purpose, of:
- a. the names and addresses of all members;
  - b. the amount of loan stock and other property held in the Company by members;
  - c. the name and date of appointment of all persons appointed to office;
  - d. the names of the Management Committee members, officers, members and other persons present at all General, Management Committee and Sub-Committee meetings of the Company;
  - e. minutes of all proceedings and resolutions at all General, Management Committee and Sub-Committee meetings of the Company;
  - f. all applications of the Seal to any document.
- All such records and minutes shall be open to inspection during normal working hours by any member of the Company and by any person authorised by the Company in General Meeting.
59. The Management Committee may delegate any of their powers to Sub-Committees consisting of such members of their body and/or the Company as they think fit; any Sub-Committee so formed shall conform to any regulations imposed on it by the Management Committee.
60. All acts done by any meeting of the Management Committee or by any person acting as a member of the Management Committee shall, even if it is afterwards discovered that there was some defect in the appointment of any such Management Committee member or person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such person had been duly appointed and was qualified to be a Management Committee member.
61. A resolution in writing, signed by all the Management Committee members who for the time being are entitled to vote, shall be valid and effective as if it had been passed at a meeting of the Management Committee, and may consist of several identical documents signed by one or more Management Committee members.
62. The Management Committee may at its discretion invite other persons to attend its meetings, with or without speaking rights, and without voting rights.

## Secretary

63. The Management Committee shall appoint a Secretary of the Company for such term at such remuneration and upon such conditions as they think fit; and any Secretary so appointed may be removed by them.
64. A provision of the Act or these Articles requiring or authorising a thing to be done by or to a Management Committee member and the Secretary shall not be satisfied by its being done by or to the same person acting in both capacities.

## The Seal

65. The Seal, if any, shall only be used by the authority of the Management Committee and every instrument to which the Seal shall be applied shall be signed by a Management Committee member and shall be countersigned by the Secretary or by a second Management Committee member. Every such application of the Seal shall be minuted.

## Accounts

66. The Management Committee shall cause proper books of account to be kept in accordance with the law for the time being in force with respect to:
- all sums of money received and expended by the Company and the matters in which the receipt and expenditure takes place;
  - all sales and purchases of goods by the Company;
  - 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.
67. The books of account shall be kept at the Registered Office of the Company or, subject to section 222 of the Act, at such other place as the Management Committee thinks fit, and shall at all reasonable times be open to the inspection of all members and officers and by other persons authorised by the Company in General Meeting.
68. The Management Committee shall from time to time, in accordance with sections 227 and 241 of the Act, cause to be prepared and to be laid before the Company in General Meeting such profit and loss accounts, balance sheets, group accounts (if any) and any reports referred to in those sections.
69. 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, together with a copy of the Auditor's report and Management Committee's report shall not less than twenty-one days before the date of the meeting, subject nevertheless to the provisions of section 240(4) of the Act, be sent to all persons entitled to receive notice of General Meetings. The Auditor's report shall be open to inspection and shall be read before the meeting.

## Audit

70. Subject to statutory exemptions and regulations as may be in force, and unless the Co-operative is eligible for and decided to implement the small company audit exemptions, at least once in every year the accounts of the Company shall be examined and the correctness of the income and expenditure account and balance sheet ascertained by one or more properly qualified Auditor or Auditors.
71. Auditors shall be appointed and their duties regulated in accordance with sections 237 and 384 of the Act.

## Social Audit

72. A social audit of the Company's activities may, by resolution of the Management Committee, be undertaken annually in addition to the financial audit required by law. The role of the social audit shall be to identify the social costs and benefits of the Company's work, and to enable an assessment to be made of the Company's overall performance in relation to its objects more easily than may be made from financial accounts alone.
- Such a social audit may be drawn up by an independent assessor appointed 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 democracy and decision-making of the Company; the wages, health and safety, skill sharing and education opportunities of its employees, or other matters concerning their overall personal or job satisfaction; and an assessment of the Company's activities externally, including its effects on users and suppliers, on people in the same or similar field of activity, and on persons residing in areas where the Company is located.

## Application of Profits

73. The profits of the Company shall be applied in the following ways, in such proportions and in such 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 bonuses to its employees and to make payments for social and charitable purposes in furtherance of its objects as provided by Clause 6 of the Memorandum of Association.

## Wages and Welfare

74. The wages paid to employees of the Company shall be set at levels according to the principle of equal pay for equal work performed, or on such other basis, for example taking into account the needs and domestic responsibilities of employees, as determined by the Management Committee.
75. The terms and conditions of the contracts of employment of employees shall be determined by the Management Committee. Nothing shall prevent a member of the Management Committee who is also an employee from voting on her/his own contract of employment provided that no question relating to terms and conditions of employment shall be decided at a Management Committee meeting where one half or more of those present are employees of the Company.
76. The Company shall respect the rights of employees to be members of a trade union, and shall offer employees all facilities for trade union work as may be determined by statute, and as the Management Committee may from time to time agree.

## Indemnity

77. Every member, Management Committee member, Secretary, Auditor and other officer for the time being of the Company shall be indemnified out of the assets of the Company against any losses or liabilities incurred by him/her in or about the execution or discharge of the duties of her/his office subject to the provisions of section 310 of the Act, except to the extent that such losses or liabilities shall be attributable to:
- a. fraud or other matters in respect of which the member concerned shall be convicted of a criminal offence; or
  - b. negligence; or
  - c. actions knowingly beyond the scope of a specific authority or limit thereon on the part of the person in question.
78. Subject to the provisions of the Act but without prejudice to any indemnity to which a member of the Management Committee may otherwise be entitled every member of the Management committee or other officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by him or her in defending any proceedings whether civil or criminal in which judgment was given in his or her favour or in connection with any application in which relief is granted to him or her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company and against all costs, charges, losses, expenses or liabilities incurred by him or her in the execution and discharge of his or her duties or in relation thereto.

## Dissolution

79. Clause 10 of the Memorandum of Association relating to the winding up and dissolution of the Company shall have effect as if its provisions were repeated in these Articles.

## Amendments to Articles

80. The provisions of these Articles of Association may only be amended by a Special Resolution passed in accordance with Article 18(b) except Articles 18(a) and 91 and this Article 92 may only be amended by the unanimous vote of all members. No amendment of Articles is valid until registered with the Registrar of Companies.