

**Companies Act 2006**  
**Special Resolutions**

SATURDAY



A28 \*A7FHTSZ6\* #279  
29/09/2018  
COMPANIES HOUSE

**Part A**

**North Somerset Community Partnership Community Interest Company**

**Company number 07569496 (the Company)**

**Special Resolutions**

At the Annual General Meeting of the Company held on 25<sup>th</sup> September 2018 at Clevedon Hall, Elton Road, Clevedon BS21 7RH the following two resolutions listed in Part B were duly passed as special resolutions:

**Part B**

1. **IT IS RESOLVED THAT** clauses in the Articles of Association of the Company shall be amended as follows:

**(a) By the addition of wording:**

- at new Article 7 to refer to the Companies Acts;
- at new Article 9.1 to 9.9 to clarify arrangements for the calling of General Meetings;
- at new Articles 9.10, 9.11, 9.12, and 9.14 to 9.17 to clarify arrangements for the giving of notices by electronic means, for permitting participation in meetings and voting when people are not at the same location;
- at new Article 9.20 to clarify the requirements for a quorum at General Meetings;
- at new Articles 9.21, 9.23, 9.24, 9.25 9.29, 9.30, and 9.33 to 9.40 to clarify the arrangements relating to chairing of General Meetings, appointment of proxies, requesting and voting by poll and adjourning General Meetings;
- at new Article 11 to clarify arrangements as to eligibility of directors, the holding of Board meetings and to facilitate directors' participation in meetings if not all directors are at the same location ;
- at new Article 11.2 to clarify the length of time a Non-Executive Director may hold office;
- at new Articles 11.9, 11.10, 11.11 and 11.12 to clarify wording and reflect provisions of the Companies Act 2006 concerning conflicts of interest, connected persons, and at new Article 11.10. 5 requiring a director to declare "any matter which a reasonable person would regard as being likely to give rise to an actual, or potential, conflict of interest or conflict of duties";
- at new Article 12.1.2 of the words "confirmation statements";
- at new Article 12.4 to refer to "circulation" of copies of the annual accounts;
- at new Articles 12.8 to 12.10 to clarify arrangements for Directors remuneration;

- at new Article 18.6 to reflect current statutory provisions relating to requests to inspect the register of members;
- at new Article 18.10 to reflect the provisions of the Companies Act and good practice for directors and officers indemnities and insurance;
- at new Articles 21 to 24 to clarify means of communication, the requirement to keep Minutes, alterations to Articles and definitions;

**(b) By the deletion of:**

- old Articles 9.6, 9.7, 9.8 and 9.9, which provided for the holding of Special General Meetings;
- old Article 11.11 which permitted a written resolution of directors to be passed if signed by only four directors;
- old Article 9.19 which permitted the Chair to have a casting vote at General Meetings.

**(c) By consequential re-numbering.**

- 2. IT IS RESOLVED THAT** the Articles of Association of the Company shall be altered so as to take the form of the Articles of Association attached to this resolution in substitution for, and to the exclusion of, any Articles of Association of the Company previously registered with the Registrar of Companies.

*P. E. Gillard*  
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Pauline Gillard  
Company Secretary

26.9.2018

The Companies Act 2006

Community Interest Company Limited by Shares

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**Articles of Association**

**of**

**North Somerset Community Partnership Community Interest Company**

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**The Companies Act 2006  
Community Interest Company - Limited by Shares**

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**Articles of Association**  
**of**  
**North Somerset Community Partnership Community Interest Company**  
**(As amended by Special Resolutions passed on 25<sup>th</sup> September 2018)**

**1. Name**

- 1.1 The Company is called “North Somerset Community Partnership Community Interest Company” (the “Company”).

**2. North Somerset Community Partnership Community Interest Company**

- 2.1 The Company shall be a Community Interest Company.
- 2.2 The Company is not established or conducted for private gain. Any profits or assets are used principally for the benefit of the community.

**3. Objects**

- 3.1 The Company's object is to carry on business in relation to health and wellbeing *for the benefit of the community, including (without limitation):*
- 3.1.1 providing and developing integrated, sustainable high quality community health, well-being and associated services;
- 3.1.2 providing community health, well-being and associated services which value local partnership, deliver effective outcomes and provide care focussed on the individual;
- 3.1.3 providing value for money services to commissioners and stakeholders;
- 3.1.4 being a driving force for innovation in the delivery of services in community and other settings;
- 3.1.5 being regarded as a provider of choice for community services in North Somerset and beyond by supplying high quality community services which are safe, effective, trusted and valued by users and sufficiently flexible to meet the future challenges of health care provisions;
- 3.1.6 providing training in healthcare.
- 3.2 The Company may seek to incorporate a charitable subsidiary in order to raise and use charitable funds to support its objects.
- 3.3 The Company is committed to:
- 3.3.1 following founding NHS Principles and Values;

- 3.3.2 partnership working and staff involvement (in which context the Company recognises that the participation of trade union representatives in the partnership process can contribute to improved services to patients and users);
- 3.3.3 co-operating with NHS bodies, GPs, local authorities, voluntary bodies, commissioners and providers of health and wellbeing services;
- 3.3.4 striving to minimise its impact on the natural environment; and
- 3.3.5 retaining profits and applying them to achieve the Company's purpose.

#### **4. Powers**

- 4.1 To further its objects the Company may do all such lawful things as may further those objects and, in particular, but, without limitation, may borrow or raise and secure the payment of money for any purpose including for the purposes of investment or of raising funds.

#### **5. Limited Liability**

- 5.1 The liability of shareholders is limited to the amount, if any, unpaid on the shares held by them.

#### **6. Directors' Powers and Responsibilities**

- 6.1 Subject to these Articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.
- 6.2 No alteration of these Articles invalidates anything which the Directors have done before the alteration was made.

#### **7. Shareholders, Reserve Power, and Cessation of Shareholding**

- 7.1 The shareholders may, by special resolution, direct the Directors to take, or refrain from taking, specific action.
- 7.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.
- 7.3 Shareholders are entitled to receive information about the Company and its business as provided in the Articles and the Companies Acts.
- 7.4 Shareholders have a voice in the Company's affairs as provided in the Articles and the Companies Acts by:
  - 7.4.1 attending, speaking and submitting motions to be considered at shareholders meetings;

- 7.4.2 voting at shareholders meetings; and
- 7.4.3 determining representatives of the Staff Council.
- 7.5 Shareholdings of the Company shall be open to any person who:
  - 7.5.1 is employed by the Company under a contract of employment which has no fixed term or has a fixed term of at least 12 months and
  - 7.5.2 completes an application for membership in the format required.

### **Cessation of Shareholding**

- 7.6 A Shareholder ceases to be a shareholder of the Company in the following circumstances:
  - 7.6.1 they die;
  - 7.6.2 they cease to be employed by the Company including if they resign;
  - 7.6.3 they cease to be entitled under the Articles to be a shareholder.

Where a Member is removed from membership or ceases for any reason to be a Member under the Articles the Company shall purchase that Member's share at the nominal value and their share shall be cancelled. For the avoidance of doubt the Members approve all such purchases by the Company under this Article and authorise the Board of Directors to do all such acts as may be necessary to give effect to this Article.

## **8. Staff Council**

- 8.1 There shall be a body of employee shareholders known as the Staff Council.
- 8.2 The Staff Council shall provide a forum for staff discussion and a means of providing staffs views to the Board of Directors through the Chair of the Staff Council.
- 8.3 The Chair of the Staff Council shall be determined by and from shareholders.
- 8.4 The Board may delegate certain responsibilities to the Staff Council from time to time.

## **9. General Meetings**

- 9.1 General meetings shall be convened at any time at the request of the Directors of the Company.
- 9.2 The Directors must call a General Meeting (in accordance with and as provided for by the Companies Acts) if required to do so by shareholders representing at least 5% of the total paid-up share capital of the Company which carries the right to voting at General Meetings of the Company.

- 9.3 In every year the Directors must call an Annual General Meeting of the Company for Shareholders.
- 9.4 Any shareholder meeting other than an Annual General Meeting shall be a General meeting.

#### **Annual General Meetings**

- 9.5 The business of the Annual General Meeting shall include:
  - 9.5.1 receiving from the Board of Directors the Annual Accounts for the previous financial year, a report on the Company's performance in the previous year, and forward plans for the current year and beyond, and
  - 9.5.2 ratifying the appointment of any Directors.

#### **Notice of General Meetings**

- 9.6 Other than a General Meeting that is called in response to a shareholders requisition, a General Meeting must be called by at least 14 Clear Days' notice, or shorter notice if it is so agreed by a majority of the shareholders who together hold not less than 90% in nominal value of the shares giving a right to attend and vote at the meeting. A meeting held on the requisition of shareholders must be convened in accordance with the provisions of the Companies Acts.
- 9.7 Every notice calling a General Meeting must specify the place, day and time of the meeting, state whether it is a General or an Annual General Meeting, and set out the business to be dealt with at the meeting. If a special resolution is to be proposed, the notice must include the proposed resolution and specify that it is proposed as a special resolution.
- 9.8 In every notice calling a meeting of the Company there must appear with reasonable prominence a statement informing the shareholder of his or her rights to appoint another person as his or her proxy at the meeting.
- 9.9 Notice of General Meetings must be given to every shareholder, to the Directors and to the auditors of the Company.
- 9.10 The Company may give any notice to a shareholder either personally, or by sending it by post or by sending it in electronic form, in each case to an Address supplied by that shareholder for the purpose, or by placing the notice on a website and providing the shareholder with a notification in writing or in electronic form of the presence of the notice on the website. The notification must state that it concerns a notice of a Company meeting and must specify the place date and time of the meeting.
- 9.11 Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that an electronic form of notice was given shall be conclusive where the Company can demonstrate that it was properly addressed and sent, in



accordance with section 1147 of the Companies Act 2006 provided that no failure of delivery notification is generated.

- 9.12 In accordance with section 1147 of the Companies Act 2006 notice shall be deemed to be given 48 hours after the envelope containing it was posted, or in the case of an electronic form of communication, 48 hours after it was sent (provided that no failure of delivery notification is generated).

### **Procedure at General Meetings**

- 9.13 General Meetings are open to all shareholders but not to the public unless the Directors decide otherwise. The Board of Directors may invite particular individuals or representatives of particular organisation to attend and speak at a General Meeting.
- 9.14 A person is able to exercise the right to speak at a General Meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 9.15 A person is able to exercise the right to vote at a General Meeting when that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 9.16 The Directors may make whatever arrangements they consider appropriate to enable those attending a General Meeting to exercise their rights to speak or vote at it, including use of Electronic Means.
- 9.17 In determining attendance at a General Meeting, it is immaterial whether any two or more shareholders attending it are in the same place as each other. Two or more persons who are not in the same place as each other attend a General Meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.
- 9.18 The Chair of the meeting shall ensure that the available information is provided to shareholders (if possible at the time notice of the meeting is sent) to enable shareholders to take an informed decision. Where appropriate the Chair may invite experts in relevant field to address the meeting.

### **Quorum for General Meetings**

- 9.19 No business other than the appointment of the Chair of the meeting is to be transacted at a General Meeting if the persons attending it do not constitute a quorum.
- 9.20 The quorum for a General Meeting shall be 5% of the total number of shareholders entitled to vote on the business to be transacted at the meeting (each being a shareholder or a proxy for a shareholder).

### **Chairing General Meetings**

- 9.21 If the Directors have appointed a Chair of the Board, that Chair shall chair General Meetings if present and willing to do so. If the Directors have not appointed a Chair, or if the Chair is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start the Directors present, or (if no Directors are present, the meeting), must appoint a Director or shareholder to chair the meeting, and the appointment of the Chair of the meeting must be the first business of the meeting. The person chairing a meeting in accordance with this Article is referred to as "the Chair of the meeting".

### **Attendance and Speaking by Directors and Non-shareholders**

- 9.22 A Director may attend and speak at General Meetings, whether or not the Director is a shareholder. The Chair of the meeting may permit other persons who are not shareholders of the Company, or otherwise entitled to exercise the rights of shareholders in relation to General Meetings, to attend and speak at a General Meeting.

### **Voting at General Meetings**

- 9.23 A resolution put to the vote of a General Meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles. Unless a poll is demanded, the Chair will declare the result of any vote, which will be recorded in the Minutes. The Minutes will be conclusive evidence of the result of the vote.
- 9.24 A person who is not a shareholder of the Company shall not have any right to vote at a General Meeting of the Company, but this is without prejudice to any right to vote on a resolution affecting the rights attached to a class of the Company's debentures. This shall not prevent a person who is a proxy for a shareholder from voting at a General Meeting of the Company.
- 9.25 On a vote on a resolution on a show of hands at a meeting every Shareholder present (whether in person or by proxy) who is entitled to vote shall have a maximum of one vote. On a vote on a resolution on a poll at a meeting every shareholder present in person or by proxy shall have one vote.
- 9.26 In the case of an equality of votes, whether on a show of hands or on a poll, the Chair of the meeting shall not be entitled to a casting vote in addition to any other vote he or she may have.
- 9.27 No shareholder shall be entitled to vote at any General Meeting unless all monies presently payable by him or her to the Company have been paid.

### **Errors and Queries**

- 9.28 No objection may be raised to the qualification of any person voting at a General Meeting except at the meeting or adjourned meeting at which the

vote objected to is tendered, and every vote not disallowed at the meeting is valid. Any such objection must be referred to the Chair of the meeting, whose decision is final.

### **Proxy Notices**

- 9.29 Proxies may only validly be appointed by a notice in Writing (a "Proxy Notice") which states the name and address of the shareholder appointing the proxy, identifies the person appointed to be that shareholder's proxy and the General Meeting in relation to which that person is appointed, is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine, is delivered to the Company's registered office no later than 48 hours before the meeting to which it relates, and is in accordance with any instructions in the notice of that meeting. In calculating the period of 48 hours this should be two working days and no account shall be taken of any part of the day which is not a working day. The Company may require Proxy Notices to be delivered in a particular form, and may specify different forms for different purposes.
- 9.30 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions. Unless a Proxy Notice indicates otherwise, it must be treated as allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and appointing that person as a proxy in relation to any adjournment of the General Meeting to which it relates as well as the meeting itself.
- 9.31 A Shareholder who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a General Meeting remains so entitled in respect of that General meeting or any adjournment of it, even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.
- 9.32 An appointment under a Proxy Notice may be revoked by delivering to the registered office of the Company a notice in Writing given by or on behalf of the Shareholder by whom or on whose behalf the Proxy Notice was given. A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- 9.33 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

### **Poll Votes**

- 9.34 A poll on a resolution may be demanded in advance of the General Meeting where it is to be put to the vote, or at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 9.35 A poll may be demanded by the Chair of the meeting, the Directors, two or more persons having the right to vote on the resolution, any person, who, by

virtue of being appointed proxy for one or more shareholders having the right to vote at the meeting, holds two or more votes, or a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution.

- 9.36 A demand for a poll may be withdrawn if the poll has not yet been taken, and the Chair of the meeting consents to the withdrawal. Polls must be taken immediately and in such manner as the Chair of the meeting directs.

### **Adjournment**

- 9.37 If the persons attending a General Meeting within an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the Chair of the meeting must adjourn it.
- 9.38 The Chair of the meeting may adjourn a General Meeting at which a quorum is present if the meeting consents to an adjournment, or it appears to the Chair of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 9.39 The Chair of the meeting must adjourn a General Meeting if directed to do so by the meeting. When adjourning a general meeting, the Chair of the meeting must either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors and have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 9.40 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least 7 Clear Days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given) to the same persons to whom notice of the Company's general meetings is required to be given, and containing the same information which such notice is required to contain. No business may be transacted at an adjourned General Meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## **10. Community Forum**

- 10.1 In every year, the Company shall hold not less than one Community Forum.
- 10.2 A Director of the Company:
- 10.2.1 convenes the Community Forum; and
  - 10.2.2 decides the date, time and place of any Community Forum.
- 10.3 The Community Forum will consist of representatives of patient associations or other voluntary associations agreed by the Board of Directors as representing patients and their carers and representatives living in North

Somerset or in any other area served by the Company ("Community Member").

10.4 In the event of more than 20 representatives wishing to participate, the Board of Directors reserve the right to decide the participants to be part of the Forum.

10.5 The functions/purpose of the Community Forum shall include:

10.5.1 assisting the Company to understand the services users, the carers and the volunteers, perspective to better enable the Company to provide services and carry on its business;

10.5.2 to work with the local community groups.

### **Procedure at Community Forums**

10.6 Community Forums will not be open to the public unless the Board of Directors decides otherwise. The Board of Directors may invite particular individuals or representatives of particular organisations to attend a Community Forum.

10.7 It is the responsibility of the Chair of the meeting to ensure that at any Community Forum all available information is provided to Community Forum Members at the time of the notification of the meeting to enable informed discussion to take place.

10.8 The Chair of the Company shall chair a Community Forum. If the Chair is not present another Director of the Company shall be nominated to act as chair of the Forum.

## **11. Board of Directors**

11.1 The Board of Directors comprises Executive Directors and Non-Executive Directors as follows: (i) not less than a half of the Directors shall be Non-Executive Directors, one of whom is to be Chair (ii) one of the Executive Directors is to be the Chief Executive. Executive Directors will have responsibility for Finance and Clinical Services.

11.2 An appointment of a Non-Executive Director shall be for a term of three years. At the end of their first three year term of office the Non-Executive Director may stand for re-election for a further three year period. Thereafter they may stand for further terms of one year at a time. Their appointment shall, in any case, be subject to the other provisions of these Articles regarding eligibility of a person to hold office as a Director of the Company.

11.3 Subject to the provisions of these Articles (including, without limitation, Article 11.5 below) any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director, by ordinary resolution of the shareholders or by a decision of the Directors.

## **Chair**

- 11.4 The Directors may appoint one of the Non-Executive Directors of the Company to be the Chair of the Board for such term of office as they may determine and may at any time remove him or her from office.

## **Membership of the Board and Termination of a Director's Appointment**

- 11.5 No person may become, or continue to be, a Director if they:
- 11.5.1 are a Governor, or Director of an NHS body except with the approval of the Board of Directors of the Company;
  - 11.5.2 are a spouse, partner, parent or child of another Director of the Company;
  - 11.5.3 do not meet the Fit and Proper person's requirements for Care Quality Committee, Monitor, or any other regulatory body;
  - 11.5.4 cease to be a Director by virtue of any provision of the Company Directors Disqualification Act 1986, or the Companies Acts, or is otherwise prohibited from being a Director by law;
  - 11.5.5 are an undischarged bankrupt or a bankruptcy order is made against them, or an order is made against them in individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
  - 11.5.6 a composition is made with that person's creditors generally in satisfaction of that person's debts;
  - 11.5.7 have refused without reasonable cause to fulfil any training requirement or other requirement established by the Board of Directors; or
  - 11.5.8 they fail to attend three consecutive meetings of the Directors and the other Directors resolve that the Director be removed from office for this reason.

## **Board Meetings and Calling a Directors' Meeting**

- 11.6 The Board of Directors shall hold such meetings as it considers appropriate to discharge its roles and responsibilities. Any Director may and the Secretary (if any) must, at the request of two Directors, call a Directors' meeting.
- 11.7 A Directors' meeting must be called by at least five working days' notice (specifying the time, date and place of the meeting) unless either all the Directors agree, or urgent circumstances require shorter notice.

- 11.8 Notice of Directors' meetings must be given to each Director. Every notice calling a Directors' meeting must specify the place, day and time of the meeting, and if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 11.9 Notice of Directors' meetings need not be in Writing. Notice of Directors' meetings may be sent by Electronic Means to an Address provided by the Director for the purpose.

#### **Disclosure of Interests and Conflicts of interest**

- 11.10 Directors shall disclose to the Board of Directors the nature and extent of any interest, direct or indirect, which he or she, or any person Connected with him or her, or a body corporate with which he or she is Connected has in a proposed transaction or arrangement with the Company or in any transaction or arrangement entered into by the Company which has not previously been declared and such declaration shall be recorded in the register of interests of the Directors. The Board of Directors shall cause a register of interests to be kept by the Company. For the purposes of this Article an interest includes:
- 11.10.1 any interest (excluding a holding of shares in a Company whose shares are listed on any public exchange where the holding is less than 2% of the total shares in issue) or position held by a Director in any firm, Company, business, or organisation, (including any *charitable or voluntary organisation*) which has or is likely to have a trading or commercial relationship with the Company;
  - 11.10.2 any interest or position in an organisation providing health and social care services to the National Health Service;
  - 11.10.3 a position of authority in a charity or voluntary organisation in the field of health and social care; or
  - 11.10.4 any combination of the above with any organisation, entity or Company considering entering into a financial arrangement with the Company, including, but not limited to lenders or banks; or
  - 11.10.5 any matter which a reasonable person would regard as being likely to give rise to an actual or potential conflict of interest or conflict of duties.
- 11.11 Whenever a Director finds himself or herself in a situation that is reasonably likely to give rise to a Conflict of Interest, he or she must declare his or her interest to the Directors unless, or except to the extent that, the other Directors are or ought reasonably to be aware of it already.
- 11.12 Whenever a matter is to be discussed at a meeting or decided in accordance with Article 11.29 and a Director has a Conflict of Interest in respect of that matter then, subject to Article 11.13, he or she must:

11.12.1 remain only for such part of the meeting as in the view of the other Directors is necessary to inform the debate;

11.12.2 not be counted in the quorum for that part of the meeting; and

11.12.3 withdraw during the vote and have no vote on the matter.

If any question arises as to whether a Director has a Conflict of Interest, the question shall be decided by a majority decision of the other Directors.

#### **Directors' Power to Authorise a Material Interest or a Conflict of Interest**

11.13 The Directors have power to authorise a Director to be in a position of Conflict of Interest provided:

11.13.1 in relation to the decision to authorise a Conflict of Interest, the conflicted Director must comply with Article 11.12;

11.13.2 in authorising a Conflict of Interest, the Directors can decide the manner in which the Conflict of Interest may be dealt with and, for the avoidance of doubt, they can decide that the Director with a Conflict of Interest can participate in a vote on the matter and can be counted in the quorum;

11.13.3 the decision to authorise a Conflict of Interest can impose such terms as the other Directors think fit and is subject always to their right to vary or terminate the authorisation; and

11.13.4 if a matter, or office, employment or position, has been authorised by the Directors in accordance with this Article 11.13 then, even if he or she has been authorised to remain at the meeting by the other Directors, the Director may absent himself or herself from meetings of the Directors at which anything relating to that matter, or that office, employment or position, will or may be discussed.

11.14 A Director shall not be accountable to the Company for any benefit which he or she derives from any matter, or from any office, employment or position, which has been authorised by the Directors in accordance with Article 11.13 (subject to any limits or conditions to which such approval was subject).

11.15 When a Director has a Conflict of Interest which he or she has declared to the Directors, he or she shall not be in breach of his or her duties to the Company by withholding confidential information from the Company if to disclose it would result in a breach of any other duty or obligation of confidence owed by him or her.

11.16 Any Director who fails to disclose any interest or material interest required to be disclosed under these Articles or the Companies Acts must permanently vacate their office if require to do so by a majority of the other Directors.



### **Register of Directors' interests**

- 11.17 The Directors shall cause a register of Directors' interests to be kept. A Director must declare the nature and extent of any interest, direct or indirect, which he or she has in a proposed transaction or arrangement with the Company or in any transaction or arrangement entered into by the Company which has not previously been declared.

### **Committees of the Board**

- 11.18 Committees to which the Directors delegate any of their powers must follow procedures which are based, as far as they are applicable, on those provisions of the Articles which govern the taking of decisions by Directors. The Directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them. The Directors shall establish such Committees as are required to cover Audit, Remuneration and Governance. The precise composition, terms of reference and dates and times of meetings for each such Committee shall be determined by the Directors from time to time as appropriate provided that such terms are not inconsistent with these Articles.
- 11.19 The Board of Directors may make standing orders for the conduct of its meetings.

### **Directors to Take Decisions Collectively**

- 11.20 Any decision of the Directors must be either a majority decision at a meeting or a decision taken in accordance with Article 11.29.

### **Participation in Directors' Meetings**

- 11.21 Subject to these Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when the meeting has been called and takes place in accordance with these Articles and they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 11.22 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 11.23 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

### **Quorum for Directors' Meetings**

- 11.24 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 11.25 The quorum for Directors' meetings is four, comprising two Executive Directors and two Non-Executive Directors.

- 11.26 If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision to appoint further Directors, or to call a General Meeting so as to enable the shareholders to appoint further Directors.

### **Chairing of Directors' Meetings**

- 11.27 The Chair, if any, or in his or her absence another Director nominated by the Directors present, shall preside as chair of each Directors' meeting.

### **Voting at Directors' Meetings**

- 11.28 Questions arising at a Directors' meeting shall be decided by a majority of votes. In all proceedings of Directors each Director must not have more than one vote. In case of an equality of votes, the Chair shall have a second or casting vote.

### **Decisions Without a Meeting**

- 11.29 The Directors may take a unanimous decision without a Directors' meeting by indicating to each other by any means, including without limitation by Electronic means, that they share a common view on a matter. Such a decision may, but need not, take the form of a resolution in Writing, copies of which have been signed by each Director, in which each Director has signified his or her agreement in Writing.

- 11.30 A decision which is made in accordance with Article 11.29 shall be as valid and effective as if it had been passed at a meeting lawfully convened and held, provided that the following conditions are complied with:

11.30.1 the person who must be the person being approached must be either the Chair or all the Directors have been notified in advance of the proposed decision by such other person as voted in advance if necessary; and the Recipient of such person may, for the avoidance of doubt, be the Chair or any Director.

- 11.30.2 following receipt of responses from the Directors, the Recipient must communicate to all of the Directors, by any means, whether the resolution has been formally approved by the Directors in accordance with this Article 11.30;

- 11.30.3 the date of the decision shall be the date of the communication from the Recipient confirming formal approval;

- 11.30.4 the Recipient must prepare a minute of the decision in accordance with Article 22.

## **12. Reporting**

### **Preparation of Accounts and Reports**

- 12.1 The Directors shall comply with the requirements of the Companies Acts as to maintaining a shareholders' register (the Register of Members), the keeping of financial records, the audit or examination of accounts and the preparation and transmission to the Registrar of Companies and the Regulator of:
- 12.1.1 annual reports;
  - 12.1.2 confirmation statements (annual returns); and
  - 12.1.3 annual statements of account.
- 12.2 In respect of each year of account, the Board of Directors shall ensure Annual Accounts are prepared which shall include a revenue account or accounts (including cash flow statement) which singly or together deal with the affairs of the Company as a whole for that year and which give a true and fair view as at the date thereof of the state of affairs of the Company and a balance sheet giving a true and fair view as at the date thereof of the state of affairs of the Company.
- 12.3 The Board of Directors has the power to prepare in addition a revenue account or revenue accounts for less than one year of account and a balance sheet at the end of the period covered by such revenue account or accounts.
- 12.4 The Board of Directors shall circulate copies of the annual accounts and reports for each financial year to every shareholder of the Company, every holder of the Company's debentures, and every person who is entitled to receive notice of general meetings, no later than the end of the period for filing accounts and reports, or, if earlier, the date on which it actually delivers its accounts and reports to the Registrar of Companies. The Board of Directors shall present reports of the business referred to in Article 12.6 and on the affairs of the Company to the Annual General Meeting.
- 12.5 The Company shall, within the time prescribed, file such annual reports and statements of compliance as are required by law.

### **Auditors and Accounts**

- 12.6 The Company shall, in accordance with the law, appoint in each year an Auditor or Auditors to be the Auditor who shall hold a recognised qualification, and the following provisions shall apply to them:
- 12.6.1 the accounts of the Company for that year shall be submitted to them for audit as required by law;
  - 12.6.2 they shall have all the rights and duties in relation to access to books, the supply of information, reporting on accounts and otherwise, as are provided by law;

- 12.6.3 except as otherwise provided in these Articles or the Companies Acts, the Auditors are appointed by the Board of Directors, and the provisions of the law shall apply to re re-appointment and removal and to any resolution removing, or appointing another person as auditor in their place.
- 12.7 The Board of Directors may decide that external auditors shall be appointed to review and deliver a report on aspects of the Company's affairs other than finance and the Company shall ensure that any such report is published in such manner as the Board of Directors determine.

#### **Directors' Remuneration**

- 12.8 Directors may undertake any services for the Company that the Directors decide. Directors are entitled to such remuneration as the Board determine for their services to the Company as Directors, and for any other service which they undertake for the Company.
- 12.9 A Director's remuneration may take any form, and include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- 12.10 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day and unless the Directors decide otherwise, Directors are not accountable to the Company for any remuneration which they receive as Directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested.
- 12.11 The amounts paid and payable to each Director in respect of each financial year shall be disclosed in the Annual Accounts.

#### **Directors' Expenses**

- 12.12 Directors are entitled to reimbursement of expenses in accordance with any policy approved by the Board. A summary of all such expenses is to be published in the Annual Accounts.

### **13. Change**

- 13.1 Subject to the requirements of the Companies Acts, no new Article shall be made, nor shall any of the Articles be amended, unless it is approved by a special resolution of the shareholders.
- 13.2 Notice of a General Meeting shall specify the Articles to be amended, and set out the terms of all amendments or new Articles proposed.
- 13.3 The Board of Directors may change the address of the Company's website, and the situation of the Company's registered office. The Company shall send notice of any change in the Company's registered office to Companies House.

### **Restriction on Use and Asset Lock**

- 13.4 The Company shall not transfer any of its assets other than for full consideration.
- 13.5 Provided the conditions below are satisfied, Article 13.4 shall not apply to:
- 13.5.1 the transfer of assets to any specified asset-locked body, or (with the consent of the Regulator) to any other asset-locked body; and
  - 13.5.2 the transfer of assets made for the benefit of the community other than by way of a transfer of assets into an asset-locked body;

The conditions are that the transfer of assets must comply with any restriction on the transfer of assets for less than full consideration which may be set out elsewhere in the Memorandum and Articles of the Company.

### **Not For Profit**

- 13.6 The Company is not established or conducted for private gain, any surplus or assets are to be used principally for the benefit of the community.

### **Dissolution**

- 13.7 The Company may be dissolved by winding up or in any other way required or permitted by law. If, on the solvent dissolution or winding up of the Company, there remain, after the satisfaction of all its debts and liabilities and the repayment of the paid-up share capital, any assets whatsoever, such assets shall be transferred to one or more Asset Locked bodies as determined and directed by the Regulator.

## **14. Share Capital**

- 14.1 The Company has shares of £1 each. Every person admitted as a Shareholder of the Company in accordance with these Articles shall hold one Share and no Shareholder may hold more than one share.
- 14.2 The Company may issue shares with such rights or restrictions as may be determined by ordinary resolution. In accordance with section 567(1) of the Companies Act, section 561 and 562 shall not apply to an allotment of equity securities as defined in section 560(1) of the Companies Act) made by the Company.
- 14.3 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue.
- 14.4 Subject to the Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution. The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such shares.

- 14.5 The Directors may refuse to register the transfer of a share to a person of whom they do not approve, where the value of the transfer exceeds the nominal value of the share, or unless it is lodged at the registered office of the Company or at such other place as the Directors may appoint and is accompanied by such evidence as the Directors may reasonably require showing the right of the transferor to make the transfer and by such other information as they may reasonably require. If the Directors refuse to register a transfer they shall, within two months after the transfer was lodged with the Company send to the transferee notice of the refusal together with the reasons for the refusal.

## **15. Share Certificates**

- 15.1 The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 15.2 Every certificate must specify in respect of how many shares, of what class, it is issued, the nominal value of those shares that the shares are fully paid and any distinguishing numbers assigned to them.
- 15.3 No certificate may be issued in respect of shares of more than one class. If more than one person holds a share, only one certificate may be issued in respect of it. Certificates must have affixed to them the Company's common seal, or be otherwise executed in accordance with the Companies Acts.

## **16. Replacement Share Certificates**

- 16.1 If a certificate issued in respect of a shareholder's shares is damaged or defaced, or said to be lost, stolen or destroyed, that shareholder is entitled to be issued with a replacement certificate in respect of the same shares. A shareholder exercising the right to be issued with such a replacement certificate may at the same time exercise the right to be issued with a single certificate or separate certificates, must return the certificate which is to be replaced to the Company if it is damaged or defaced, and must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

## **17. Procedure for Declaring Dividends**

- 17.1 The Company may by ordinary resolution declare dividends, and the Directors may, provided that such decision is authorised by an ordinary resolution of the shareholders, decide to pay interim dividends.
- 17.2 For the avoidance of doubt, the payment of dividends shall be considered to be a transfer of assets other than in the circumstances prescribed in Articles 13.5 to 13.7.

## **18. Administrative**

### **Borrowing**

- 18.1 Subject to the approval of the Board of Directors the Company may borrow money for the purposes of or in connection with its functions.

### **Investments**

- 18.2 Subject to any restriction imposed by resolution of any shareholders meeting, the Board of Directors may invest any part of the capital and funds of the Company in any manner which it may from time to time determine

### **Books of Account**

- 18.3 The Board of Directors shall cause to be kept proper books of account with respect to the transactions of the Company, its assets and liabilities, and shall establish and maintain a satisfactory system of control of the books of account, the cash holdings and all receipts and remittances of the Company in accordance with the Companies Acts.

### **Treatment of Net Surplus**

- 18.4 Subject to these Articles, the Companies Acts, and the Regulations, the profits or surpluses of the Company shall not be distributed either directly or indirectly in any way whatsoever among Shareholder, but shall be applied (i) to maintain prudent reserves; (ii) on expenditure in carrying out the Company's objects. This provision may not be altered or rescinded.

### **Settlement of Disputes**

- 18.5 Any dispute, between the Company or an officer of the Company, on the one hand, and a shareholder or a person who has for not more than six months ceased to be a shareholder on the other hand, as to the interpretation of or arising out of the Articles shall (except as otherwise provided in these Articles) be referred, in default of agreement between the parties to the dispute, to a person appointed by the President of the Chartered Institute of Arbitrator's, on application by any of the parties. The person so appointed shall act as sole arbitrator in accordance with the Arbitration Act 1996 and such person's decision shall (including any decision as to the costs of the arbitration) be final.
- 18.6 The Company shall keep at its registered office, or such other place as permitted by regulations made under the Companies Acts, a Register of Members (shareholders) as required by law. The register shall be made available on written request which states the purpose for which the information is to be used. The Company shall, within five working days either comply with the request or, if it does not think the purpose given is a "proper purpose", refer the matter to court.

### **The Seal**

- 18.7 The Company shall have a seal. The seal shall only be used by the authority of the Board of Directors, under such procedures as the Board of Directors shall determine.

### **Copies of Articles and Regulations**

- 18.8 A copy of these Articles of Association shall be provided to any person on request subject to payment of a fee not exceeding any amount prescribed by law.
- 18.9 A copy of any regulation referred to in these Articles shall be provided to any shareholder who requests a copy subject to payment of a fee not exceeding any amount prescribed by law.

### **Directors and Officers Indemnity and Insurance**

- 18.10 Directors who have acted honestly and in good faith will not have to meet out of their personal resources any civil liability which is incurred in connection with the execution or purported execution of their duties (save where they have acted recklessly). Any costs arising in this way will be met by the Company. Every officer of the Company shall be indemnified out of the assets of the Company against any liability incurred by them in connection with any negligence, default, breach of duty or breach of trust in relation to the company of which they are a director, and indemnified against liability incurred by them to a person other than the Company or an Associated Company; provided that this Article shall not provide any indemnity against any liability of the director to pay a fine imposed in criminal proceedings, or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature (however arising); or any liability incurred by the director in defending criminal proceedings in which they are convicted, or in defending civil proceedings brought by the Company, or an Associated Company, in which judgment is given against them, or in connection with an application for relief in which the court refuses to grant them relief.

### **19. Interpretation**

- 19.1 The interpretation of these Articles is governed by the provisions set out in the Schedule to these Articles.

### **20. Directors May Delegate**

- 20.1 Subject to these Articles, the Directors may delegate any of the powers which are conferred on them to such person or committee (including the Staff Council as provided in Article 8.4), by such means (including by power of attorney), to such an extent, in relation to such matters or territories, and on such terms of reference as may be determined by the Directors from time to time, provided that such terms of reference shall not be inconsistent with these Articles.



- 20.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated. The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **21. Means of Communication to be Used**

- 21.1 Subject to the Articles, anything sent or supplied by or to the Company under the Articles may be sent or supplied in any way in which the Companies Acts provide for Documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company.
- 21.2 Subject to the Articles, any notice or Document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or Documents for the time being. A Director may agree with the Company that notices or Documents sent to that Director in a particular way are to be deemed to have been received within an agreed time of their being sent, and for the agreed time to be less than 48 hours.

## **22. Minutes**

- 22.1 The Directors must cause minutes to be made in books kept for the purpose:
- 22.1.1 of all appointments of officers made by the Directors;
  - 22.1.2 of all resolutions of the Company and of the Directors (including, without limitation, decisions of the Directors made without a meeting); and
  - 22.1.3 of all proceedings at meetings of the Company and of the Directors, and of committees of Directors, including the names of the Directors present at each such meeting;
  - 22.1.4 and any such minute, if purported to be signed (or in the case of minutes of Directors' meetings signed or authenticated) by the chair of the meeting at which the proceedings were had, or by the chair of the next succeeding meeting, shall, as against any shareholder or Director of the Company, be sufficient evidence of the proceedings.
- 22.2 The minutes must be kept for at least ten years from the date of the meeting, resolution or decision.

## **23. Copies of Articles and Alterations to Articles**

- 23.1 Subject to the requirements of the Companies Acts, and the Regulations, no new Article shall be made, nor shall any of the Articles be amended, unless it is approved by a special resolution of the shareholders.
- 23.2 Notice of such a General Meeting shall specify the Articles to be amended and set out the terms of all amendments or new Articles proposed.

## **24. Interpretation**

24.1 These Articles should be read and understood on the basis of what is set out below:

24.1.1 Words in the singular include the plural and words in the plural include the singular;

24.1.2 Any reference to legislation includes any subsequent enactments and modifications or any subordinate legislation.

24.1.3 The section, Article and paragraph headings are inserted for convenience only and shall not affect the interpretation of these Articles;

24.1.4 Any reference to a communication shall (unless the context otherwise requires) include a communication sent by Electronic Means;

24.2 In these Articles, unless the context requires otherwise, the following terms shall have the following meanings:

"Address"	includes a number or address used for the purposes of sending or receiving Documents by Electronic Means;
"Articles"	means the Company's articles of association;
"asset-locked body"	means (i) a community interest Company or a charity or a Permitted Industrial and Provident Society; or (ii) a body established outside the United Kingdom that is equivalent to any of those;
"Associated Company"	for the purposes of Article 18 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate;
"Chair of the meeting"	has the meaning given in Article 9.21;
"Chair"	has the meaning given in Article 11.4;
"Clear Days"	in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;
"community"	is to be construed in accordance with the section 35(5) of the Companies (Audit, Investigations and Community Enterprise) Act 2004;
"Companies Acts"	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;
"the Company"	North Somerset Community Partnership Community Interest Company C.I.C.;

“Conflict of Interest”	any direct or indirect interest of a Director (whether personal, by virtue of a duty of loyalty to another organisation or otherwise) that conflicts or might conflict with the interests of the Company;
“Connected”	Shall have the meanings in sections 252 and 254 of the Companies Act 2006;
“Document”	includes, unless otherwise indicated, any document sent or supplied in Electronic Form;
“Electronic Form and Electronic Means”	have the meanings respectively given to them in section 1168 of the Companies Act 2006;
“holder”	in relation to shares means the person whose name is entered in the register of shareholders as the holder of the shares;
“Permitted Industrial and Provident Society”	means an industrial and provident society which has a restriction on the use of its assets in accordance with regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations 2006 or regulation 4 of the Community Benefit Societies (Restriction on Use of Assets) Regulations (Northern Ireland) 2006;
“Proxy Notice”	has the meaning given in Article 9.29;
“Secretary”	the secretary of the Company (if any);
“subsidiary”	has the meaning given in section 1159 of the Companies Act 2006;
“Regulations”	means the Community Interest Company Regulations 2005 (as amended);
“Regulator”	means the Regulator of Community Interest Companies;
“Writing”	means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise.