

Companies Acts 1985 to 2006

Company limited by guarantee

**ARTICLES OF ASSOCIATION OF
EUROPEAN SOCIAL NETWORK**

(as amended by a special resolution dated 17th March 2017)

1. Objects

The **Objects** of the **Charity** are to advance public education in social service, health, employment and education policy and implementation and to relieve poverty, sickness and distress through the support of non-governmental bodies established for charitable purposes.

2. Powers

The Charity has the following powers, which may be exercised only in promoting the Objects:

- 2.1 to provide advice or information;
- 2.2 to carry out research;
- 2.3 to publish reports;
- 2.4 to organise meetings (workshops, working groups, seminars and conferences);
- 2.5 to co-operate with other bodies; including the development of paid consulting and advisory work.
- 2.6 to undertake projects;
- 2.7 to support, administer or set up other charities;
- 2.8 to accept gifts and to raise funds (but not by means of **taxable trading**);
- 2.9 to borrow money;

- 2.10 to give security for loans or other obligations (but only in accordance with the restrictions imposed by the **Charities Act**);
- 2.11 to acquire or hire property of any kind;
- 2.12 to let or dispose of property of any kind (but only in accordance with the restrictions imposed by the Charities Act);
- 2.13 to set aside funds for special purposes or as reserves against future expenditure;
- 2.14 to deposit or invest its funds in any manner (but to invest only after obtaining such advice from a **financial expert** as the **Trustees** consider necessary and having regard to the suitability of investments and the need for diversification);
- 2.15 to deposit documents and physical assets with any company registered or having a place of business in England or Wales as **custodian**, and to pay any reasonable fee required;
- 2.16 to insure the property of the Charity against any foreseeable risk and take out other insurance policies to protect the Charity when required;
- 2.17 subject to **Article 6.3**, to employ paid or unpaid agents, staff or advisers;
- 2.18 to contract to provide services to or on behalf of other bodies;
- 2.19 to establish or acquire subsidiary companies;
- 2.20 to do anything else within the law which promotes or helps to promote the Objects.

3. The Trustees

- 3.1 The Trustees as **charity trustees** have control of the Charity and its property and funds.

- 3.2 There shall be not less than 3 and not more than 6 Trustees at any one time. All Trustees must be individuals rather than corporate bodies and must be over the age of 18.
- 3.3 A Trustee may not act as a Trustee unless he/she has signed a written declaration of willingness to act as a charity trustee of the Charity.
- 3.4 Trustees shall be elected to serve for a 3 year term and shall be elected at an annual general meeting of the Members. A Trustee who has completed a 3 year term may be re-elected by the Members at the next annual general meeting to serve a further 3 year term.
- 3.5 A Trustee's term of office as such automatically terminates if:
- (1) he/she is disqualified under the Charities Act from acting as a charity trustee;
 - (2) he/she is incapable, whether mentally or physically, of managing his/her own affairs;
 - (3) he/she is absent without good reason from 3 consecutive meetings of the Trustees and is asked by a majority of the other Trustees to resign;
 - (4) two-thirds of the Trustees vote to remove him/her from office on the ground that he/she has not been acting in the best interests of the Charity PROVIDED THAT he/she has first been given an opportunity to be heard at a meeting of the Trustees;
 - (5) he/she resigns by written notice to the Trustees (but only if at least 4 Trustees will remain in office); or
 - (6) he/she is removed by the Members in accordance with the provisions of the Companies Act.

3.6 The Trustees may at any time co-opt any individual who is eligible under Article 3.2 as a Trustee to fill a vacancy in their number or (subject to the maximum number permitted by Article 3.2) as an additional Trustee, but a co-opted Trustee holds office only for one year.

3.7 A technical defect in the appointment of a Trustee of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

4. Trustees' proceedings

4.1 The Trustees must hold at least 4 meetings each year.

4.2 A quorum at a meeting of the Trustees is 3 Trustees.

4.3 A meeting of the Trustees may be held either in person or by suitable **electronic means** agreed by the Trustees in which all participants may communicate with all the other participants but at least two meetings in each year must be held in person.

4.4 The **Chairman** or (if the Chairman is unable or unwilling to do so) some other Trustee chosen by the Trustees present presides at each meeting.

4.5 Any issue may be determined by a simple majority of the votes cast at a meeting, but a resolution **in writing** agreed by all the Trustees (other than any Conflicted Trustee who has not been authorised to vote) is as valid as a resolution passed at a meeting. For this purpose the resolution may be contained in more than one document.

4.6 Every Trustee has one vote on each issue but, in case of equality of votes, the chairman of the meeting has a second or casting vote.

4.7 A procedural defect of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

5. Trustees' powers

The Trustees have the following powers in the administration of the Charity in their capacity as Trustees:

- 5.1 To appoint (and remove) any person (who may be, but need not necessarily be, a Trustee) to act as company secretary in accordance with the **Companies Act**.
- 5.2 To appoint a Chairman, a Treasurer and other honorary officers from among their number.
- 5.3 To delegate any of their functions to committees consisting of two or more individuals appointed by them. At least one member of every committee must be a Trustee and all proceedings of committees must be reported promptly to the Trustees.
- 5.4 To make standing orders consistent with the Articles and the Companies Act to govern proceedings at general meetings.
- 5.5 To make rules consistent with the Articles and the Companies Act to govern their proceedings and proceedings of committees.
- 5.6 To make regulations consistent with the Articles and the Companies Act to govern the administration of the Charity, including the criteria for Membership.
- 5.7 To establish procedures to assist the resolution of disputes or differences within the Charity.
- 5.8 To exercise any powers of the Charity which are not reserved to the Members.

6. Benefits and Conflicts

- 6.1 The income and property of the Charity shall be applied solely towards the promotion of the Objects and no party shall be paid or transferred, directly or

indirectly, by way of dividend, bonus or otherwise by way of profit, to members of the Charity, and no Trustee shall be appointed to any office of the Charity paid by salary or fees or receive any remuneration or other benefit in money or money's worth from the Charity: Provided that nothing in this document shall prevent any payment in good faith by the Charity:

- (1) of the usual professional charges for business done by any Trustee who is a solicitor, accountant or other person engaged in a profession, or by any partner of his or hers, when instructed by the Charity to act in a professional capacity on its behalf: Provided that at no time shall a majority of the Trustees benefit under this provision and that a Trustee shall withdraw from any meeting at which his or her appointment or remuneration, or that of his or her partner, is under discussion;
- (2) of reasonable and proper remuneration for any services rendered to the Charity by any member, officer or servant of the Charity who is not a Trustee;
- (3) of interest on money lent by any member of the Charity or Trustee at a reasonable and proper rate per annum not exceeding 2 per cent less than the published base lending rate of a clearing bank to be selected by the Trustees;
- (4) of fees, remuneration or other benefit in money or money's worth to any company of which a Trustee may also be a member holding not more than 1/100th part of the issued capital of that company;
- (5) of reasonable and proper rent for premises demised or let by any member of the Charity or a Trustee;
- (6) to any Trustee of reasonable out-of-pocket expenses.

6.2 Subject to Article 6.3, any Trustee who becomes a **Conflicted Trustee** in relation to any matter must:

- (1) declare the nature and extent of his or her interest before discussion begins on the matter;
- (2) withdraw from the meeting for that item after providing any information requested by the Trustees;
- (3) not be counted in the quorum for that part of the meeting; and
- (4) be absent during the vote and have no vote on the matter.

6.3 When any Trustee is a Conflicted Trustee, the Trustees who are not Conflicted Trustees, if they form a quorum without counting the Conflicted Trustee and are satisfied that it is in the best interests of the Charity to do so, may by resolution passed in the absence of the Conflicted Trustee authorise the Conflicted Trustee, notwithstanding any conflict of interest or duty which has arisen or may arise for the Conflicted Trustee, to:

- (1) continue to participate in discussions leading to the making of a decision and/or to vote, or
- (2) disclose to a third party information confidential to the Charity, or
- (3) take any other action not otherwise authorised which does not involve the receipt by the Conflicted Trustee or a Connected Person of any payment or material benefit from the Charity or
- (4) refrain from taking any step required to remove the conflict.

7. Records and Accounts

7.1 The Trustees must comply with the requirements of the Companies Act and of the Charities Act as to keeping records, the audit or independent examination

of accounts and the preparation and transmission to the Registrar of Companies and to the Commission of information required by law including:

- (1) annual returns;
- (2) annual reports; and
- (3) annual statements of account.

7.2 The Trustees must also keep records of:

- (1) all proceedings at meetings of the Trustees;
- (2) all resolutions in writing;
- (3) all reports of committees; and
- (4) all professional advice obtained.

7.3 Accounting records relating to the Charity must be made available for inspection by any Trustee at any time during normal office hours and may be made available for inspection by Members who are not Trustees if the Trustees so decide.

7.4 A copy of the Charity's **constitution** and latest available statement of account must be supplied on request to any Trustee. Copies of the latest accounts must also be supplied in accordance with the Charities Act to any other person who makes a written request and pays the Charity's reasonable costs.

8. Membership

8.1 The Charity must maintain a register of Members.

8.2 The subscribers to the Memorandum are the first Members.

8.3 The form and the procedure for applying for Membership is to be prescribed by the Trustees.

8.4 Membership is not transferable.

8.5 The Trustees may establish different classes of Members and may recognise one or more classes of supporters who are not Members (but who may nevertheless be termed 'voting' members and 'members') and set out their respective rights and obligations.

9. General Meetings

9.1 Members are entitled to attend general meetings in person or by proxy (but only if the appointment of a proxy is in writing and notified to the Charity before the commencement of the meeting).

9.2 General meetings are called on at least 14 **days'** written notice indicating the business to be discussed and (if a special resolution is to be proposed) setting out the terms of the proposed special resolution.

9.3 There is a quorum at a general meeting if the number of Members present in person or by proxy is at least 30% plus one.

9.4.1 General meetings shall be chaired by the Chairman or (if the Chairman is unable or unwilling to do so) by some other Trustee chosen by the other Trustees at or prior to the relevant general meeting.

9.5 Except where otherwise provided by the Articles or the Companies Act, every issue is decided by **ordinary resolution**.

9.6 Every Member present in person or by proxy has one vote on each issue.

9.7 Except where otherwise provided by the Articles or the Companies Act, a written resolution (whether an ordinary or a special resolution) is as valid as an equivalent resolution passed at a general meeting. For this purpose the written resolution may be set out in more than one document.

9.8. Members must annually:

- (1) receive the accounts of the Charity for the previous **financial year**;
- (2) receive a written report on the Charity's activities;
- (3) be informed of the retirement of those Trustees who wish to retire or who are retiring by rotation;
- (4) elect Trustees to fill the vacancies arising;
- (5) appoint reporting accountants or auditors for the Charity;

9.9 Members may also from time to time discuss and determine any issues of policy or deal with any other business put before them by the Trustees.

9.10 A general meeting may be called by the Trustees at any time and must be called within 21 days of a written request from one or more Trustees, at least 10% of the Membership or (where no general meeting has been held within the last year) at least 5% of the Membership.

9.11 A technical defect in the appointment of a Member of which the Members are unaware at the time does not invalidate a decision taken at a general meeting or a Written Resolution.

10. Limited Liability

The liability of Members is limited.

11. Guarantee

Every Member promises, if the Charity is dissolved while he/she remains a Member or within one year after he/she ceases to be a member, to pay up to £1 towards:

11.1 payment of those debts and liabilities of the Charity incurred before he/she ceased to be a Member;

- 11.2 payment of the costs, charges and expenses of winding up; and
- 11.3 the adjustment of rights of contributors among themselves.

12. Communications

- 12.1 Notices and other documents to be served on Members or Trustees under the Articles or the Companies Act may be served:
 - (1) by hand;
 - (2) by post;
 - (3) by suitable electronic means; orthrough publication in the Charity's newsletter or on the Charity's website.
- 12.2 The only address at which a Member is entitled to receive notices sent by post is its address shown in the register of Members but the Charity may elect to send notices instead to an email address supplied by that Member.
- 12.3 Any notice given in accordance with these Articles is to be treated for all purposes as having been received:
 - (1) 24 hours after being sent by electronic means, posted on the Charity's website or delivered by hand to the relevant address;
 - (2) two clear days after being sent by first class post to that address;
 - (3) immediately on being handed to the recipient personally;
or, if earlier,
 - (4) as soon as the recipient acknowledges actual receipt.
- 12.4 A technical defect in service of which the Trustees are unaware at the time does not invalidate decisions taken at a meeting.

13. Dissolution

If the Charity is wound up or dissolved and after all its debts and liabilities have been satisfied there remains any property it shall not be paid to or distributed among the members of the Charity, but shall be given or transferred to some other charity or charities having objects similar to the Objects which prohibits the distribution of its or their income and property to an extent at least as great as is imposed on the Charity by Article 6.1 above, chosen by the Members at or before the time of dissolution and if that cannot be done then to some other charitable object.

14. Interpretation

14.1 The Articles are to be interpreted without reference to the model articles under the Companies Act, which do not apply to the Charity.

14.2 In the Articles, unless the context indicates another meaning:

‘**the Articles**’ means the Charity’s Articles of Association and

‘**Article**’ refers to a particular Article;

‘**Chairman**’ means the chairman of the Trustees;

‘**the Charity**’ means the company governed by the Articles;

‘**the Charities Act**’ means the Charities Acts 1992 to 2011;

‘**charity trustee**’ has the meaning prescribed by the Charities Act;

‘**clear day**’ does not include the day on which notice is given or the day of the meeting or other event;

‘**the Commission**’ means the Charity Commission for England and Wales or any body which replaces it;

‘**the Companies Act**’ means the Companies Acts 1985 to 2006;

'Conflicted Trustee' means a Trustee in respect of whom a conflict of interest arises or may reasonably arise because the Conflicted Trustee or a Connected Person is receiving or stands to receive a benefit (other than payment of a premium for indemnity insurance) from the Charity, or has some separate interest or duty in a matter to be decided, or in relation to information which is confidential to the Charity;

'Connected Person' means, in relation to a Trustee, a person with whom the Trustee shares a common interest such that he/she may reasonably be regarded as benefiting directly or indirectly from any material benefit received by that person, being either a member of the Trustee's family or household or a person or body who is a business associate of the Trustee, and (for the avoidance of doubt) does not include a company with which the Trustee's only connection is an interest consisting of no more than 1% of the voting rights;

'constitution' means the Memorandum and the Articles and any special resolutions relating to them;

'custodian' means a person or body who undertakes safe custody of assets or of documents or records relating to them;

'electronic means' refers to communications addressed to specified individuals by telephone, fax or email or, in relation to meetings, by telephone conference call or video conference;

'financial expert' means an individual, company or **firm** who is authorised to give investment advice under the Financial Services and Markets Act 2000;

'financial year' means the Charity's financial year;

'**firm**' includes a limited liability partnership;

'**indemnity insurance**' means insurance against personal liability incurred by any Trustee for an act or omission which is or is alleged to be a breach of trust or breach of duty, unless the act or omission amounts to a criminal offence or the Trustee concerned knew that, or was reckless whether, the act or omission was a breach of trust or breach of duty;

'**material benefit**' means a benefit, direct or indirect, which may not be financial but has a monetary value;

'**Member**' and '**Membership**' refer to company Membership of the Charity;

'**month**' means calendar month;

'**nominee company**' means a corporate body registered or having an established place of business in England and Wales which holds title to property for another;

'**ordinary resolution**' means a resolution agreed by a simple majority of the Members present and voting at a general meeting or in the case of a written resolution by Members who together hold a simple majority of the voting power;

'**the Objects**' means the Objects of the Charity as defined in Article 1;

'**Resolution in writing**' means a written resolution of the Trustees;

'**special resolution**' means a resolution of which at least 14 days' notice has been given agreed by a 75% majority of the Members present and voting at a general meeting or in the case of a written resolution by Members who together hold 75% of the voting power;

'taxable trading' means carrying on a trade or business in such manner or on such a scale that some or all of the profits are subject to corporation tax;

'Trustee' means a director of the Charity and **'Trustees'** means the directors but where a Trustee is a corporate body **'Trustee'** includes where appropriate the named representative of the Trustee;

'written' or **'in writing'** refers to a legible document on paper or a document sent by electronic means which is capable of being printed out on paper;

'written resolution' refers to an ordinary or a special resolution which is in writing;

'year' means calendar year.

- 14.3 Expressions not otherwise defined which are defined in the Companies Act have the same meaning.
- 14.4 References to an Act of Parliament are to that Act as amended or re-enacted from time to time and to any subordinate legislation made under it.

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