

Agenda Item No. 11 (a) (iii)

WEST MIDLANDS REGIONAL ASSEMBLY

Board of Directors Friday 2nd June 2006

Change of Company Name

1. Purpose

- 1.1 To get the Board's agreement to taking the necessary steps to seek exemption from using the word 'limited' in its name.

2. Recommendations

- 2.1 That a resolution be proposed to the Annual General Meeting of the Assembly to amend Article 21.1 of the Articles of Association to read:-

"If the Company and its subsidiaries (if any) are to be wound up, then subject to the discharge of all liabilities of the Company or the retention of sufficient reserves to discharge the same and to pay the costs of winding up of the Company the remaining assets shall be distributed to such organisation, body corporate, unincorporated association, partnership, firm or statutory body as the members by special resolution may select provided that the objects of such organisation, body corporate, unincorporated associated, partnership, firm or statutory body are similar to the objects of the Company or are otherwise for the promotion of charity and anything incidental or conducive thereto".

- 2.3 That resolutions be proposed to the Annual General Meeting of the Assembly to amend the Memorandum of Association:-
 - (a) to confirm that paragraphs 3.1 to 3.9 of the Memorandum set out the Company's objects and paragraphs 3.10 to 3.34 set out the powers the Company may exercise to further those objectives.
 - (b) to make explicit that the Company's profits or other income are to be applied in promoting its objectives.

3. Report Details

- 3.1 At the Board meeting on 10 March it was agreed to seek exemption from using the word 'limited' in the Assembly's company name and that legal advice be sought as to how this would be enacted.
- 3.2 Advice from Eversheds has indicated that in order to fall within the exemption in Section 30 of the Companies Act 1985, we would need to change the Articles and Memorandum of the Company. In particular, we would need to change Article 21.1 to make it clear that on a winding up of the Company any surplus assets would be distributed either to a body the objects of which were similar to the

objects of the Company, or the objects of which were for the promotion of charity. Currently the Article allows the assets to be distributed either to a body with similar objects or whose objects are "otherwise for the promotion of the economic, social and environmental well being of the people of the West Midlands". This does not fit within the requirements as this is not equivalent to the "promotion of charity".

- 3.3 The Memorandum of the Company would also need to be changed to make it clear that the objects of the Company fall within the requirements in Section 30 of the Companies Act. This could be achieved by a minor amendment which confirms that paragraphs 3.1 to 3.9 of the Memorandum set out the Company's objects and paragraphs 3.10 to 3.34 set out the powers the Company may exercise to further those objects.
- 3.3 We would also need to make it explicit in the Company's Memorandum that the Company's profits or other income are to be applied in promoting its objects. The Memorandum already deals with the final requirement of Section 30, that is that payment of dividends to members are prohibited.
- 3.4 The Board is asked to approve that the necessary resolutions are submitted to the Assembly AGM and subject to approval at that meeting submitted to Companies House in the prescribed form.

Stephen Hind
Company Secretary