

## **Information for Members of Two Queens Leicester Limited, a Community Benefit Society**

This document is intended to provide new and prospective members of Two Queens with the essential information to allow them to decide if society membership is right for them. It may also act as a quick guide for existing members to understand the operations of the society. It is not an exhaustive set of guidance, and is abridged from multiple sources, including our Society Rules.

Please read this information carefully. If you have any questions or queries please do not hesitate to get in touch with us at [info@2queens.com](mailto:info@2queens.com)

### **Two Queens CBS**

In March 2023, Two Queens became a Community Benefit Society (CBS), which is a form of community owned co-operative society. Previously we were a not-for-profit company limited by guarantee, and have converted that old company into this new legal form.

### **The role and commitment of a Society Member**

The role and commitment of Two Queens CBS members is:

- To take ownership of the organisation
- To agree to the society Rules
- To act in the interests of the Society
- To participate in the governance of the Society in order to further its objects
- To be supporters and advocates of the organisation and its work
- To contribute to the organisation achieving its goals, including long-term sustainability

- To hold the organisation to high standards in its work
- To exercise democratic control of the organisation, by participating in its democratic processes (i.e. attendance, contribution and voting at society meetings).
- Where they have capacity and skills to contribute, to put themselves forward for the board of directors, in order to take a more active role in governance and strategic projects

Note;

- The liability of a Member is limited to the amount of their shareholding.
- The profits of the Society shall be applied solely towards the promotion of the objects and do not belong to the Members.

For us, our community is defined as:

- The local community - people living in Leicester
- The community of artists who we work with and provide services to
- A wider 'community of interest' of people who live across the UK and care about contemporary visual art, and the contribution Two Queens can make to it

If you are a member of our community, and can fulfil the role and commitment of membership, we invite you to make an application to become a society member. Please read on for more details of what this entails.

If the commitment of membership is not for you, there are other ways to be involved and support us, for example through our associate artist programme, and by supporting our public projects.

## What is a Co-Operative?

Co-operatives are trading organisations owned by their members and governed on the principle of one member, one vote, regardless of shareholding. A co-operative is a type of social enterprise, but is more clearly defined as it has an internationally recognised definition:

*“A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise.”*

Co-operatives are based on the values of

- self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility, and caring for others.

The co-operative principles, i.e. how these values are put into practice, are:

- voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education, training and information; co-operation between co-operatives; and concern for community.

There is a large range of organisations which can be characterised as co-operatives.

A social enterprise is, first and foremost, a trading organisation. It is engaged in some form of trading, but it trades primarily to support a

social purpose. Like any organisation, it aims to generate surpluses, but it seeks to principally reinvest those surpluses in the organisation or in the community to enable it to deliver on its social objectives. It is a common misconception that a social enterprise cannot make or distribute a surplus.

In summary, key elements that define an organisation as a social enterprise are:

- its planned activity has social aims;
- its organisational structure is democratic and participative;
- its planned activity has social benefits, specifically related to their community; and
- financial sustainability is a primary goal of the organisation.

Social enterprises embrace a variety of ways of working and tend to embody the following characteristics:

- they gain independence and autonomy through trading;
- they are entrepreneurial, innovative, with risk-taking behaviour;
- they adopt flexible and adaptable practices;
- they have a customer and community focus;
- they engage their stakeholders;
- they have democratic and participative management;
- they deliver socially and/or environmentally as well as financially;
- they are financially viable, gaining their income from selling goods and services.

## The 'objects' of Two Queens are to:

- *Promote art for the benefit of the public by the establishment and maintenance of an art gallery*
- *Advance education in the arts by the establishment and maintenance of an art gallery*
- *Promote for the benefit of the inhabitants of Leicester and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.*

These 'objects' are the part of the work we do that is recognised as charitable. Everything we do must ultimately lead to satisfying one of these objects, even if indirectly (i.e. running studios allows us to raise an income to keep the building open to serve the charitable objects).

## **Why a Community Benefit Society?**

Being a CBS means that the organisation is owned and controlled by the community, increasing its strength and sustainability. It also means we will be able to raise finance in unique ways, namely through Community Share Offer. We hope to run an initial community share offer during 2024, working to raise finance to secure the freehold of our building.

More information and guidance relating to community shares will be issued as this project progresses. Information relating to the issuing

and holding of shares can also be found in the Society Rules.

## **Are we a Charity?**

A CBS can be charitable or non charitable. We are working to achieve charitable status as it will confer additional benefits, for example around corporation tax and business rates.

There are additional governance implications for organisations with charitable status, relating to member benefit and the composition and duties of the governing body.

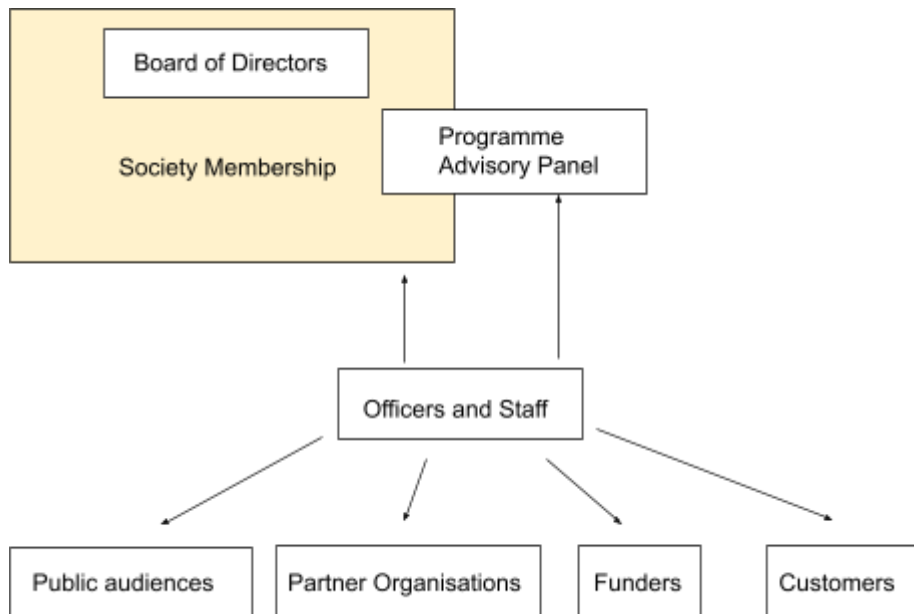
As a CBS we report to the Financial Conduct Authority, rather than companies house. Charitable status for a CBS is granted by HMRC, not the charity commission.

## **Are 2Q studio holders and associate artists members of the CBS?**

Historically, in our pre-CBS form, our studio holders and associate artists have been referred to as 'members' or 'associate members', and have been invited to have involvement in decision making, including attendance at our AGM and being given a vote on important matters - this involvement was conferred voluntarily to people who were not officially company members.

Membership of the CBS is for those who want to play an active role in the running and decision making of the society, either as a director, or as a voting member. We hope that our studio holders and associate artists will want to be proactively involved, but its important to point out that membership is distinct from any other relationship you have with Two Queens as a customer, employee or stakeholder.

## Democratic Structure



*\*Note that individuals may occupy multiple positions within this structure*

Our democratic structure consists of:

- Society members, those who have chosen to become members of the CBS in order to have an active role in supporting the organisation and expressing how it is run, through contribution and voting at general meetings.
- The board of directors and secretary, elected from within the society membership. Board members take a more hands-on role in setting the direction, strategy and policies of the

organisation, including actively participating in some activities that help to achieve our long term goals.

- A programme advisory panel, made up of experts and practitioners within the field of contemporary visual art, whose role is to safeguard the quality of public-facing exhibitions and events programme. This panel is a sub-committee of the board, and the panel chair is a director elected through the usual process. A policy explaining how this advisory panel is appointed and operates is available.
- Officers and staff, who are involved with the day-to-day operations of the society, including carrying out the revenue raising business operations and public facing programme activity. Officers and staff are answerable to the board of directors and programme advisory panel, whilst also providing services and receiving feedback from our public stakeholders.

## Eligibility and process of Membership

Any individual, corporate body or nominee of an unincorporated body that supports the objects of the Society can be a member. Individual members must be over the age of 16.

All those wishing to become a Member must support the objects of the Society and complete an application for membership which includes an application for at least one share in the Society.

Members hold at least one Membership Share, which has a nominal value of £1.00. This initial membership share is non-withdrawable and non-transferable (i.e. if the share is forfeited, the value is not refunded, and it cannot be sold or transferred to someone else).

The membership application form must be approved by the Directors and if the application meets the criteria set out in the society Rules they will approve all qualifying applications for membership.

The Directors may refuse admission to membership only if in the reasonable opinion of the Directors, the application for membership is not made in good faith provided that they have given the applicant the opportunity to state why they believe they should be admitted.

### **General Meetings**

The society must hold an Annual General Meeting within six months of the end of our financial year (our year end is 30th September, therefore meetings must be held by the end of March the following year).

The business of an annual general meeting shall comprise, where appropriate:

- The receipt of the accounts and balance sheet and of the reports of the Board.
- The receipt of the Auditor's report, where the Society has appointed an Auditor.
- The appointment of an Auditor, if required by law.
- The election of the Board or the results of the election if held previously by Ballot.
- The application of profits.
- The transaction of any other business included in the notice convening the meeting.

Additional general meetings may be called by the directors or membership where they are needed to discuss and make important decisions about the activities of the society

### **Notice of Meetings**

All general meetings are convened by giving 14 Clear Days' notice to all Members. We will issue meeting notices by email. Notices will indicate the type of meeting to be held, specify the date, time and place at which the meeting is to be held and the business which is to be transacted at that meeting. A general meeting will not transact any business other than that specified in the notices calling the meeting. Participation and attendance at meetings is strongly encouraged.

More information relating to the calling of meetings, proceedings of meetings, voting and resolutions can be found in the Society Rules.

### **Board of Directors**

The CCBS has a voluntary board of directors and secretary elected from the membership. The minimum number of directors is 3.

At each annual general meeting one third of board members must stand down, although they can immediately stand again for re-election. The Directors to retire shall be the Directors who have been longest in office since their last election. Members can put themselves forward to be considered for directorship at a general meeting.

This board ultimately oversee the operations of the society, ensuring it carries out its objects. Society employees are ultimately accountable to the board, carrying out duties that help achieve the objects.

We have prepared additional guidance notes for anyone interested in taking an active role in the governance and directorship of the society. If you would like to see this guidance please email [info@2queens.com](mailto:info@2queens.com).