This chapter explores the various sources of a company's constitution, how the constitution is amended and interpreted, and how the constitution can be enforced. A company's constitution includes its articles, all resolutions and agreements affecting the company's constitution, and other constitutional documents. All companies must have a memorandum of association, but its importance is now much reduced. As such, the articles of association form the principal constitutional document and set out the internal rules by which the company is to be run. The articles can be amended by passing a special resolution, but both statute and the common law impose limits on a company's ability to amend its articles. Meanwhile, section 33 of the Companies Act 2006 (CA 2006) provides that the company's constitution forms a contract between the company and its members, and between the members themselves.
5. The constitution of the company