

Annual General Meetings (AGMs)

For many September through to April is AGM season, where charities bring their members together to sign off and vote on particular issues, usually accounts and the election of trustees. Often referred to as AGM season.

But only charities that are membership organisations will need to have AGMs.

Even then it is only necessary to hold an AGM if your organisation is set up formally to have “voting members.” Your charity’s governing document – constitution should tell you this. It should also tell you when in the year to hold the AGM and how much notice you need to give. The notice period is usually three or four weeks.

Your charity’s members can attend AGMs and other general meetings. The governing document should define who the members are. Sometimes they have to apply to join the charity, or they may qualify for membership automatically because they live in the local area.

What is new?

Video conferencing

For most of the smaller charities in Hammersmith and Fulham video AGMs will be something new. However, your charity’s governing document should say whether meetings must be held in person or whether video or telephone conferencing or other methods of communication may be used.

If your governing document requires meetings but does not provide a definition of this, the people attending must be able to see and hear each other (this includes video conferencing). The exception to this is meetings of members of companies – the Companies Act allows electronic meetings where members are able to speak and vote.

If your governing document does not provide a suitable means of communication for a meeting, you should consider amending the governing document.

The commission recommends you have at least one face-to-face meeting of all the trustees each year.

So what is needed to run a charity AGM?

Once you've found a suitable date, time and venue for your meeting, following these guidelines will help you to run it effectively.

Have an agenda

Your governing document may tell you whether you should give advance notice of items to be discussed. Generally, if all present agree, they can introduce a new item of business on the day of the meeting.

Deal with any conflicts of interest

If a trustee's decision-making could be influenced by their personal circumstances, or their involvement with another organisation, there may be a conflict of interest. Remember you must prevent a conflict of interest from affecting a decision you make.

Have a 'quorum' – enough people to make a decision

A quorum is the minimum number that must attend a meeting so that decisions can be made properly. The people may be trustees at a committee meeting, or members at a general meeting. Your governing document should tell you what your quorum is. If it doesn't, think about amending it.

If you set your quorum too high, any absences may make it difficult to have a valid meeting. If it's too low, a small minority of people may be able to impose its views unreasonably.

The Charity Commission recommends that the quorum for a trustees' meeting is a minimum of one third of the total number of charity trustees plus one. So a charity with ten trustees will have a quorum of four.

For general meetings, you should give careful thought to the quorum – it needs to be appropriate to the size of your charity and the number and geographical spread of members.

Follow voting rules

Voting arrangements differ between charities and the type of meeting that you are holding. As a general rule, you should follow the instructions in your charity's governing document - constitution.

At AGM's the members vote on decisions which is often the sign off the accounts. But there may be other decisions as well as directed by the trustees and/or specified in the constitution.

Usually, a show of hands is enough to tell the result of a vote, but a poll can be used if not.

Keep minutes of every meeting

The commission recommends that you keep accurate minutes of all meetings. They don't need to be word-for-word, but should give:

- the name of the charity
- the type of meeting
- the date and time of the meeting
- the names of those present
- who chaired the meeting
- what capacity people attended in, such as trustee, member, staff, volunteer.
- any absences for agenda items due to conflicts of interest
- apologies for absence

The minutes should record exactly what was agreed, particularly for important or controversial decisions. For example:

- the exact wording of any resolution and who proposed it
- a summary of the discussion on each item of business
- information used to make decisions
- how many votes were made for and against, and how many didn't vote
- what action is needed and who is responsible for taking it
- the date, time and venue of the next meeting

Ideally, someone who isn't involved in the meeting should take the minutes. If a trustee is taking the minutes, they should ensure they can also contribute actively to the discussion.

The minutes of a general meeting are usually made available to members (in the case of a charitable company they have to be) but you don't have to make them available to the public unless the charity's governing document says so.

For further advice contact Nigel at Sobus. His email is nigel.jacques@sobus.org.uk