

This briefing note, compiled by Vicky Dawson, our Technical Accreditation Advisor, summarises the main points from Charity Commission and other guidance available online (see links at the bottom of this page).

### Useful updates:

The Charity Commission is urging charities to aim to file their annual report and accounts on time. If having to postpone your AGM prevents these from being finalised in time, then you should email the Charity Commission at [filingextension@charitycommission.gov.uk](mailto:filingextension@charitycommission.gov.uk) quoting your charity name and number.

Companies House still requires charitable companies to file their annual report and accounts on time. If you are currently unable to do so, you must [apply for an extension online](#) before your filing deadline.

Larger charities that use the Charities SORP (FRS 102) to prepare their accounts may not be in a position to finalise their annual accounts as they may not be able to fulfil the requirement to confirm that the accounts are prepared on the basis of the organisation being a going concern. If this is the case, then the preparation of the final report and accounts should be postponed until the situation becomes clearer.

**Charities' circumstances vary, if in doubt about the position of your charity you should take legal advice.**

### Step 1: clarify what you are required to do.

Check your charity's governing document to see what it says about holding an AGM:

- Whether your charity needs to hold one or not
- How often they should be held – the length of time between the last AGM and the next (15 months or every calendar year are common periods); can the AGM be postponed?
- Who is entitled to attend the meeting and has the right to vote?
- What number of attendees do you need for a quorum?
- Is attendance by proxy and/or postal voting allowed?
- The business that should be transacted at the AGM – generally the approval of the annual report and accounts and the appointment of auditors is the minimum for a larger charity. Trustees are frequently elected/retire at an AGM.
- Whether the charity has the power to hold meetings remotely, by video conferencing etc.
- The period of notice that must be given when calling an AGM

### Helpful links

Gov UK: <https://www.gov.uk/guidance/coronavirus-covid-19-guidance-for-the-charity-sector>

Conducting charity meetings (including virtual meetings):

<https://www.gov.uk/government/publications/charities-and-meetings-cc48/charities-and-meetings>

FAQs from solicitors Wilsons <https://www.wilsonslp.com/news/covid-19-qa-charity-meetings-and-events>

## Top tips:

### Act with due diligence

Whatever Trustees decide, you must record your decisions as formal minutes of meetings to demonstrate that you have fulfilled your legal duty to operate with due diligence.

If in doubt about your obligations or concerned about the position of your charity you should seek legal advice.

## Option 1: you decide not to hold or to postpone the AGM

Older charity Constitutions, Rules and Trust Deeds may not be specific about some of these points. If there is no requirement to hold an AGM stipulated, the most straight forward course of action is not to hold one.

Under the [Companies Act 2006](#), private limited companies (which includes charitable companies) are no longer required to hold AGMs unless they are obliged to do so by their articles of association.

If your governing document requires you to hold an AGM at a specific time, or to reach what might be an unachievable quorum – the Charity Commission recommends that you notify them in advance, explaining that you intend to deviate from the rules in your governing document, and postpone the AGM.

## Attending by proxy/postal voting

Your governing document may give directions for attending by proxy and/or postal voting. Provision can vary depending on the size of the charity and the type of governance structure. If your charity is a company limited by guarantee, your members have a statutory right to do this regardless of what your articles of association might say.

If you can encourage members to appoint the same individual as proxy then you can significantly reduce the number attending a virtual meeting, thus making it more manageable. The meeting should only consider essential resolutions: the annual report and accounts, the minutes of the previous year's AGM and the appointment of auditors.

## Option 2: you decide to go ahead using online video conference platforms

If you are required to hold the AGM, but there is no mention in your governing document of holding meetings remotely online, then the Trustees should **consider amending the governing document**, agreeing and minuting this decision. There is generally no requirement to get Charity Commission approval for these changes.

Meeting requirement: people attending must be able to **see** and **hear** each other (this includes video conferencing).

Holding an AGM online is easier for charities where only Trustees attend meetings and when voting can take place by a simple show of hands or using a meeting chat facility.

Larger meetings, where the wider membership of the charity is eligible to attend and vote at the AGM are a greater challenge:

- It might be harder to achieve the necessary quorum;
- Not everyone eligible to attend and vote may have access to the platform selected or may be averse to conducting this online;
- It will be harder to conduct a vote on accepting the trustees' report and accounts, unless you adopt a proxy or postal voting mechanism.

Under the Companies Act 2006, for private limited companies, there is no longer a requirement to lay the report and accounts before the members; instead the trustees must ensure that each member receives a copy before they are filed.