

Minutes of Meetings

Minutes are often seen as mundane and bureaucratic but they should play a fundamental part in any company's management. The keeping of minutes of meetings reflects the principle that the directors are collectively delegated the authority of running the company, and also that the members have the opportunity to hold the directors to account.

Accurate minutes act as an audit trail of decisions taken and are particularly important where there are contentious issues. A failure to maintain accurate and meaningful minutes may be ultimately interpreted in court as being symptomatic of more serious underlying problems with the company.

In the same context, minutes are the formal written record of the business transacted at a meeting and can be submitted in court as evidence of the business being run in a proper manner.

The contents of minutes will usually include a heading setting out:

- the name of the body or organisation which held the meeting;
- the type of meeting, i.e. (AGM, EGM, meeting of the directors) pursuant to the Companies Acts;
- the date, time and place of the meeting;
- the records of decisions taken and resolutions passed (and some minutes will record the names of proposers and seconders of resolutions);
- the minutes are often numbered per item of business (as per Agenda) for accuracy and ease of reference.
- the contents will normally list those present.

□ Minutes should be:

- Accurate
- Authentic
- Clear and unambiguous
- Concise yet complete

The chairperson usually signs the minutes after they have been read to the subsequent meeting and verified by him/her for their accuracy. There is usually a resolution passed by the subsequent meeting approving the adoption of the minutes.

Section 146 of the Companies Act 1963 provides that the minutes of a company meeting (AGM or EGM) should be available for inspection for two hours each day to any member. It also provides that a member may, on request, be facilitated in making copies of minutes, for a small fee.

Minutes of meetings of the board of directors are only available to the directors, and not to the members of the company.

Section 4(1) of the Companies Act 1977 allows for the use of non-legible computer recording of certain company matters including company meetings, provided that they can be reproduced in legible form.