

Annual General Meetings (AGMs)

An Annual General Meeting (AGM) is a formal meeting of all the members of an organisation and it is a requirement described in most organisations' constitutions. For most charities and companies limited by guarantee, an AGM is a legal requirement. Your organisation's constitution will outline the arrangements for the AGM. Some constitutions include more detail than others. You must follow what your constitution says. This information sheet includes good practice guidelines for organisations whose constitution does not include much detail. Although they are an important requirement for most voluntary organisations, AGMs are often not very exciting for members, so some organisations hold their AGM before or after a social event, presentations or invite a guest speaker to encourage members to attend.

When to have an AGM

Your constitution usually states when you should hold your AGM. Some constitutions give a specific month, others say between 12 and 15 months of the last AGM, or as soon after as practicably possible.

Before the AGM

Most constitutions say that the Management Committee will decide when the AGM will be held. The Management Committee should arrange a suitable time and venue, and make sure that all the necessary preparations are made. It is a good idea to start planning the AGM at least 3 months in advance. Be aware that your annual accounts will be one of the main items for presentation to members at the AGM. You will need to make sure that they are ready in time, especially if you need to have them independently examined or audited.

Inviting members

Your constitution should tell you how much notice the Management Committee should give to members about when and where the AGM will be held. Most constitutions require the Management Committee to give members a minimum of 21 days notice. Wherever possible, write individually to your members, put posters up in the local area and consider sending a press release to local newspapers to encourage members to attend. Your notification to members about the meeting should include the agenda for the meeting, information about their voting rights and your nomination and voting procedures.

If nominations to the management committee have to be made before the meeting, you must make it clear to members how they should do this and when the deadline is for nominations. You will need to let your members know who they can nominate and for what positions, whether nominations need to be in writing or not, and whether each nomination needs to be seconded and by whom. If your constitution leaves these details to the Management Committee to decide, it would be considered good practice to ask members to submit nominations in writing to the Secretary of the Management Committee 14 days before the AGM. In most constitutions, members have a right to submit additional resolutions to the AGM. If this is the case, it is important to remind members of the rights to do this and, again, make sure they know how and when to respond.

On the day

The Chairperson of the Management Committee usually acts as Chairperson for the AGM. If the Chairperson's position is vacant, someone else should agree to chair the meeting at the start. Make sure you prepare enough copies of the agenda, ballot papers and any other papers for the day. As with other formal meetings of the organisation, it is important that minutes are taken of the AGM. The constitution should say how many members of the organisation need to be present for the meeting to be valid, or 'quorate'.

Agenda

The agenda for the AGM usually includes:

- Approval of the minutes of the last AGM
- Presentation of the annual accounts for the last financial year
- A report from the Management Committee on the organisation's activities during the last year
- Appointment of the independent examiner or auditor for the next year's accounts
- Election of the Management Committee and Officers
- Approval of any changes to the organisation's constitution if needed
- Any other resolutions put forward.

Election to the Management Committee

The members of the organisation usually nominate and elect from amongst themselves a number of members onto the Management Committee. The constitution should describe the process of election for the Management Committee. Other members of the Management Committee might be members nominated from particular organisations. Nominations from amongst the members are usually made in writing to the secretary at least 14 days before the AGM. It is good practice to ask nomination to be seconded by another member of the organisation.

If nominations exceed the number of places on a Management Committee, the organisation should hold a ballot or show of hands. If you have asked for nominations in writing before the AGM, the secretary will be aware of the number of nominations received and be able to organise ballot papers beforehand if appropriate. Whichever method of voting you use, make sure you have decided and organised before the day who will count the votes. Of course, votes should be counted by someone who is independent, not by someone who is standing for election.

Voting

Most voting at AGMs is done on a simple majority basis. Be aware if your constitution says that the Chairperson has a second or casting vote in the event of a tie. Your constitution may say that some resolutions, such as changing your constitution, require more than a simple majority voting in their favour for them to be passed. For example, your constitution may require two thirds of members present to vote in favour of a resolution to change the constitution.

After the AGM

After the AGM, organisations which have registered charity and/or company limited by guarantee status must make sure they submit the appropriate information to the Charity Commission and Companies House respectively to confirm the trustees appointed at the meeting.