

The Essential Society Secretary

Introduction

For societies registered under the Co-operative and Community Benefit Societies Act 2014.

Every society must have a secretary who is the main person responsible in law for ensuring that the functions listed in this guide are carried out.

The whole governing body, more commonly referred to as the board or committee, may be held responsible if these functions are not actioned.

The secretary does not necessarily have to perform each and every task as the society could delegate responsibility to other members. It is usual for the secretary to know more about the governing document, commonly referred to as the 'rules' of the society, than other governing body [1] members and to ensure that all relevant legislation is complied with.

[1] The governing body is commonly referred to as the 'board of directors' or 'board'

Qualifications, liabilities and responsibilities

What qualifications does a society secretary need?

A society secretary is not required to possess any formal qualifications. However, the governing body would fail in its duty of care to the society if they appointed someone who does not have the ability and/or access to the relevant advice to enable them to carry out the role. A member of the governing body may also be appointed as society secretary.

What are the liabilities of a society secretary?

The secretary benefits from the protection of limited liability. However, limited liability may be lost if he/she fails to perform duties required under the Co-operative and Community Benefit Societies Act 2014 ('the Act').

In the main he/she will only incur liability if the negligence was knowing or deliberate.

What are the responsibilities of the society secretary?

It is the responsibility of the society's governing body to ensure that the administrative requirements of the Act are complied with. However, the governing body will often delegate administrative tasks to the society secretary.

These tasks will vary depending on the needs of the society and areas of business in which it operates. For example, a person taking over the role of the society secretary will have different priorities to the secretary of a newly established co-operative. See [key points for secretary of a newly registered society](#) at the end of this guide

The following pages give an overview of the main responsibilities of the society secretary.

Annual duties

Hold the annual general meeting (AGM)

in accordance with the society's rules It is usual for the AGM to take place within six months of the society's year end in order for members to receive the accounts, and for them to be filed within seven months of the society's financial year end. Usual AGM business includes:

- Election of governing body members (usually directors) or the announcement of results if the election is held beforehand.
- The receipt of balance sheets, accounts, the auditor's report (if any) and consideration of any reports from the governing body.
- The setting of any member subscription.

Arrange for society accounts to be audited

The accounts must be audited unless the society meets the criteria set out in section 84 of the Act to disapply the audit requirement.

See section seven in <https://www.fca.org.uk/firms/mutual-societies-forms> for more information.

Send annual return and accounts to the FCA within seven months of society's year end

There is no filing fee payable to the FCA.

See <https://www.fca.org.uk/publication/finalised-guidance/fg15-12.pdf> for more information on the required format for accounts.

Display the society's latest balance sheet

This must be displayed in a visible position at the registered office.

General/continual responsibilities

Keep a Register of Members at the registered office

The register must be kept in a bound book or in some other way that allows for precautions against falsification.

The register must include:

- Members' names and postal addresses
- Where the member has notified the society of an electronic address for the purposes of receiving notices or documents, the electronic address and purpose for which it will be/has been used must be included
- When they joined and (if applicable) left membership • How many shares each member holds and the amount considered as paid on the shares
- A statement of other property in the society held by the member (loans, deposits etc)
- Details of a society's officers (including governing body members) must also be kept in the register of members and should include: ... Names and postal addresses of governing body members ... Where a member of the governing body has notified the society of an electronic address for the purposes of receiving notices or documents, the electronic address and purpose for which it will be/has been used must be included ... Dates when governing body members took office and (if applicable) when their period in office ceased

Information listed in the Register of Members, barring details on member shares and other property held by the society, must be available for inspection by all society members.

To ensure legal compliancy a duplicate register that excludes information on member shares/property can be created. Alternatively, the register can be constructed in a way that does not give society members access to the member shares/property information.

Unlike a limited company there is no requirement to notify the FCA of changes to the society's governing body as soon as they happen. Instead any changes should be noted on the annual return.

Keep a minute book to record the proceedings of all meetings

The minutes must make clear whether a meeting is a general or governing body meeting. The minutes should contain the names of all those present and record decisions made. Every discussion need not be minuted. After meetings it is a good idea to extract items of long term significance from the minutes into a separate book. This will become a society's internal or secondary rules. Various people (e.g. accountants) may wish to see the minutes from time to time and members of the society may inspect the minute book at any time.

Ensure that the number of members does not fall below three

If membership falls below three the registrar has the power to cancel the society's registration. Societies may have less than three members if both members are societies.

Provide each member with a free copy of the rules

A sum of up to £5 may be charged if the rules are demanded by a member who has already received a copy or by non-members.

Give proper notice of all general meetings to all members and to the auditor

Auditors (where appointed) are entitled to attend general meetings.

Keep the society seal (if applicable)

The society's registered name must be engraved on the seal in legible characters. If a society does not have a seal, a document is sealed by the signatures of two governing body members of the society or by one governing body member and the society secretary.

Occasional duties

Inform the registrar of any change of registered office

The registrar should be notified using this form: <http://www.fca.org.uk/your-fca/documents/forms/change-of-registered-office-forms>

Register and release any charges on the society's assets with the registrar

The registrar should be notified using this form:
<http://www.fca.org.uk/your-fca/documents/forms/notification-of-charges-form>

Register any rule amendments with the registrar.

Since the implementation of the Act, the rules of many societies will be out of date.

It is good practice for a society to regularly review its governing document to ensure it is up to date.

Key points for secretary of a newly registered society

As soon as the society is registered the secretary must:

- Ensure that the financial year end chosen on the registration of the society is still appropriate. If not, file an application with the Financial Conduct Authority to amend (<https://www.fca.org.uk/firms/mutual-societies-forms>)
- At the first society meeting, choose the governing body members. The founder members who signed the paperwork on registration may act as the first governing body or choose to appoint others to take up these positions. It is usual practice for this first governing body to remain in place until the society's first AGM
- At the first governing body meeting, remind the governing body of the need to establish a bank account for the society and engage an accountant and auditor (if required)
- Open a register of members and record the founder members' details and note whether any of them are also officers (which includes governing body members) of the society
- Display the society's full registered name³ at the society's registered office and at any place at which it carries on business
- Arrange for any printed materials, including, cheques, notices, advertisements and other business documentation and society websites and email footers to display the full society name, the society's registered office address, registered number and place of registration
- Arrange for safekeeping of the seal (if any), registers, minute books and Form B (acknowledgement of the society's registration)
- Create a diary with all the key dates (end of financial year, deadline for submitting annual accounts, dates for general and governing body meetings etc.)

<https://www.uk.coop/resources/essential-society-secretary>

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