

What are minutes and why do we need them?

Overview

Minutes are important because they provide an accurate record of the business transacted during board meetings, serve as legal evidence of decisions made, demonstrate compliance with statutory and regulatory obligations, and help organisations track directors' duties to ensure they act in the company's best interest.

The Companies Act mandates that board minutes be retained for a minimum of 10 years. They serve as a key document to demonstrate that directors have upheld duties like promoting the company's success and avoiding conflicts of interest.

Key Functions of Minutes

- **Accurate Record of Decisions:**
Minutes should capture key decisions and the reasoning behind them, helping to evidence that directors have met their statutory responsibilities.
- **Accountability and Compliance:**
Particularly in sectors such as charities and financial services, minutes help ensure regulatory compliance and demonstrate accountability.
- **Regulatory Scrutiny:**
Regulatory bodies (e.g. the Financial Conduct Authority) may review minutes to assess adherence to governance standards. Well-documented minutes can protect against legal and regulatory challenges.
- **International and Sector-Specific Compliance:**
Organisations operating across multiple jurisdictions must ensure that their minutes comply with jurisdictional regulations, such as tax implications for offshore entities or anti-bribery laws.

Good Practice Tips for Minute Taking

These are covered in more detail in the Institute's minute-taking guidance.

- **Consistency:**
Establish a minute-taking policy or style guide to ensure consistency across different meetings or subsidiary boards.
- **Timeliness:**
Minutes should be drafted and reviewed promptly to ensure accuracy.
- **Approval Process:**
While there is no legal requirement, it is better if the ratification of minutes happens at the next board meeting.
- **Board Performance Review:**
Review minutes regularly as part of board evaluations to ensure continuous improvement.

Minute-Taking Skills

- **Active Listening:**
Minute-takers must be able to summarise discussions while accurately capturing decisions and action points.
- **Clear Documentation:**
Use clear, concise language and ensure accuracy. Significant discussions should be reflected to show proper decision-making processes.
- **Confidence:**
Minute-takers should ask for clarifications during the meeting when needed and stand firm on the accuracy of the minutes.



Structure and Content of Minutes

Ensure the minutes contain enough context to reflect the reasons for decisions but avoid excessive detail.

The aim

is to document what was done, not what was said.

Key information to include:

- Company name, meeting date, time, location.
- List of attendees (those present in person or remotely) and apologies for absentees.
- Opening remarks and confirmation that the meeting is quorate (if required).
- Conflicts of interest, which must be declared at the start of the meeting, and actions taken to manage conflicts should be clearly noted. The maintenance of a conflict of interests register by the company secretary ensures any conflicts are properly documented.
- Summarise discussions and focus on key decisions and actions rather than transcribing the meeting verbatim.
- Name individuals only when necessary, such as when they present reports or abstain from a vote. Over-naming individuals can discourage open debate, particularly in regulated sectors.
- Assign specific actions to individuals with clear deadlines for follow-up.

Resources:

CGI Guidance Note:

[Minute taking](#)

CGI Training Course:

[Effective Minute Taking](#)

CGI Training Course:

[Advanced Minute Taking](#)