

Annual General Meetings

This guide supports clubs and organisations to run their meetings, including AGMs, virtually. It has been compiled with assistance from Brabners LLP, our legal specialists, who operate our LTA Legal and Tax Helpline.

October 2020



ANNUAL GENERAL MEETINGS

CORPORATE INSOLVENCY AND GOVERNANCE ACT 2020 (CIGA)

The Corporate Insolvency and Governance Act 2020 (CIGA) confirms the position of AGMs during the pandemic.

However, the company's articles will also need to be checked.

Firstly, in relation to the reference to CIGA with regards to holding physical meetings:

- CIGA includes provisions concerning the conduct of certain meetings of companies and other qualifying bodies due to take place on or after 26 March 2020 and on or before 30 September 2020 (the Relevant Period). The provisions are intended to ensure that such meetings can be held in a manner consistent with the need to prevent the spread of COVID-19.
- Paragraph 5 of Schedule 14 of the CIGA permits such a company to extend the period within which it must hold an AGM, with the effect that it will be given until the end of the Relevant Period to hold the meeting. Paragraph 5(5) of the CIGA provides that if a company is or was subject to a duty to hold a general meeting as its AGM (including any duty to hold a general meeting at which the company's annual accounts and reports are laid), during the Relevant Period, that provision is to be read as if it imposed (and had always imposed) a duty on the company to hold the meeting by 30 September 2020.
- In addition, paragraph 6 of Schedule 14 of the CIGA empowers the Secretary of State to make additional regulations to deal with any AGMs or accounts meetings that are required to be held during a period that overlaps to any extent with the Relevant Period. However, the CIGA provides that any such additional regulations may not be used to extend the period for holding an AGM or accounts meeting by more than 8 months.
- While the CA 2006 does not require a private company to hold an AGM, it must do so if its articles so provide and, if so, must hold it in accordance with the specified requirements. As a private company is a "qualifying body" for the purposes of Schedule 14 of the CIGA, the provisions of paragraphs 5 and 6 have equal application for such companies. So, a private company will also benefit from the ability to extend the period during which it must hold its AGM, if required, notwithstanding any deadline specified in its constitution.

With regards to holding a meeting virtually:

Nothing in Part 13 of the CA 2006 precludes electronic meetings, provided those persons who are not present together at the same place may by electronic means attend, speak and vote at it (section 360A, CA 2006). This would include holding meetings by telephone. However, the articles should be checked to ensure that the articles do not, in any way, restrict the holding of meetings electronically.

- Depending on the availability of suitable technology, it may be possible to change the meeting to a hybrid meeting (such that a physical meeting is convened with the minimum quorum, with other shareholders able to

participate in the meeting through an online platform). If this is not possible, it may be possible to hold a telephone conference, or stream a webcast of the meeting, to allow shareholders to listen to the proceedings (although they would not be able to speak or vote and would not be counted as present at the meeting). In that case, shareholders might be invited to submit questions beforehand.

- Paragraph 3 of Schedule 14 to the CIGA provides that any general meetings (including an AGM) or class meeting of a company held during the Relevant Period:
 - Need not be held at any particular place.
 - May be held, and any votes may be permitted to be cast, by electronic means or other means.
 - May be held without any number of those participating in the meeting being together at the same place.
- The requirements of a company's articles or other applicable rules, as well as any relevant provisions in legislation, continue to have effect but subject to the new provisions of the CIGA.
- These provisions apply retrospectively from 26 March, so that any company that has since this date held an AGM in a way that adhered to the COVID-19 social distancing measures, but that, as a result, did not meet relevant obligations in their constitution, will have done so in accordance with the law.

Overall, CIGA provides an extension to hold general meetings as a result of the pandemic; there is no provision against holding a virtual meeting and CIGA provides that a general meeting can be held electronically. Obviously, it is very much dependent on the particular rules that any individual club has.

Additional Support

LTA Legal and Tax Helpline

We provide LTA Registered Venues with access to our specialist legal and tax helpline. They can provide valuable guidance and advice on a wide range of business-related topics for clubs and coaches. To access support from our Legal & Tax helpline partners, Brabners, you simply need to call 03330 433 232 and quote your LTA Registration or Coach Accreditation number.

Sport England

Sport England via their Club Matters website has also provided a series of useful guides to hosting your meetings virtually.

[Running virtual meetings \(incl. AGMs\) effectively](#)

[Preparing Your Committee to Operate Virtually - Hints and Tips](#)

These and additional resources can be found on the [Club Matters website](#).