



PREPARE - The Essential Guide Key Benefits of a Company Secretary

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The company secretary holds a crucial position within any business, and yet so many organisations choose not to have one, for a variety of reasons. Whether due to cost, time, a perceived lack of need, there are many organisations, in a variety of sectors, that will often operate for many years without a chartered company secretary. However, we have noticed that many organisations simply aren't aware of the benefits employing a good company secretary can bring. In this guide, we outline seven key reasons why businesses should think about ensuring they can access the services of a company secretary, and why a part-time or outsourced company secretary may do the trick.



1. PERSPECTIVE

Every business leans on support from qualified professionals to ensure their business is conducted in the correct way. For example, most businesses will have an accountant and a lawyer in house or on call as standard. These professionals give businesses the knowledge that they can handle any financial or legal issues that arise, quickly and professionally. Similarly, a company secretary is often perceived as the anchor in a business and acts as the conscience of the company, ensuring it is properly governed and compliant in all areas. A complimentary role to that of accountant and lawyer, a company secretary fulfills a professional function and serves as an internal trusted advisor for all areas of the business.

2. REGULATORY COMPLIANCE

One of the company secretary's main responsibilities is regulatory and statutory compliance. A company secretary will ensure all the necessary policies are in place, raise awareness of them, monitor training and compliance and give advice as and when necessary. Whether it's data protection, anti-bribery, or the raft of annual compliance that a business must undertake, the knowledge that this aspect has been taken care of enables the business to move forward with confidence that the business – and its directors – are safe from sanctions or potential prosecution.

3. EMBED VISION AND VALUES

A good company secretary will help an organisation to improve communication across the company and senior level management. From their privileged position with an understanding of business critical functions, the legal and financial position of the firm and the needs of senior management and the board, a company secretary can encourage communication between all these groups. This can involve facilitating necessary discussions, speeding up important processes and being a catalyst for the organisation's progress. A company secretary has the company's best interests at heart and can help to maintain transparency at the top levels of the organisation.

4. PEACE OF MIND

Running any organisation is stressful. The sheer volume of obligations and regulations it is subject to can balloon in line with growth and compliance can become increasingly onerous. As an owner, director or senior professional, your precious time will be taken up with keeping plates spinning and the immediate tasks at hand. Having a company secretary on board gives you the peace of mind that your corporate governance framework is strong and in great shape. This can range from compliance to meeting generally accepted operating principles, which as a company grows, become more important to the business' ongoing success.

Having a company secretary on board enables you to prepare for future growth, secure in the knowledge that your foundations are solid, critical paperwork is complete and your legitimacy unchallenged. The company secretary acts as an enabler to the business to allow efficient and effective business operations and to support business development and growth.



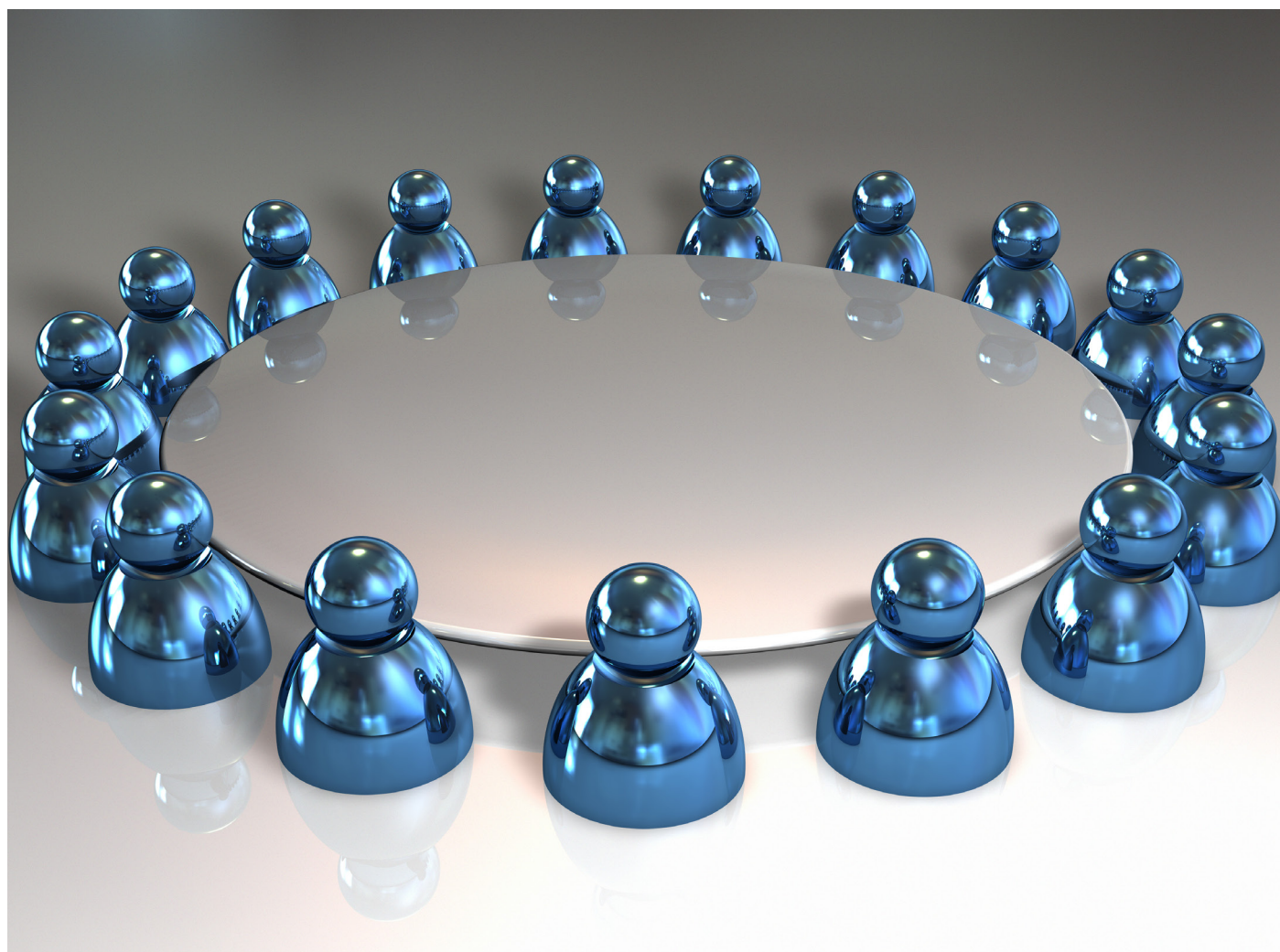
5. ADDING VALUE

Understandably, investing further resources in the form of a company secretary to save time and money may sound counter-intuitive, but it's not. When you factor in the time saved by directors freed from completing the essential but time-consuming tasks that can be diverted to core business activities, it becomes clear a company secretary can add considerable value to any organisation. With a company secretary handling tasks such as legal compliance, ensuring the board operates effectively, giving advice to the directors, dealing with AGMs, providing corporate meeting support and covering a wide range of roles that are not necessarily part of any one specific job, this can lead to surprisingly large savings. Having focused resource rather than these tasks as 'add ons' to other people's day jobs will really drive organisational improvements.

6. ROBUST INTERNAL CONTROLS

The company secretary plays a key role in implementing and monitoring internal controls, which involve everything that controls and manages risks to an organisation. Internal controls are important in detecting and preventing fraud and protecting the organisation's resources, both physical (like machinery and property) and intangible (such as reputation or intellectual property).

It's all too easy for deadlines to be overlooked when caught up in the hectic day-to-day activities of running an organisation. But with a company secretary to help the directors ensure they fulfil their obligations, tasks such as financial reporting, monitoring the achievement of operational or strategic goals, and compliance with laws and regulations, you can be confident accepted good practice will be followed and critical deadlines met.



7. EFFICIENCY OF THE BOARD

A good company secretary will work closely to support the Chair to ensure board functions are as effective and efficient as they can be. Furthermore, they will work to guide the board on their responsibilities and legal obligations. Without a company secretary, this role falls to the Chair or other directors, who may not have the necessary specialist knowledge or experience.

A company secretary can provide sound advice and counsel to the Chair and the board, making their roles easier and more effective. The company secretary role occupies a unique position of impartiality and independence. Their primary purpose is to ensure the successful running of the company and being a step removed, the company secretary can see the big picture and act with the company's best interests at heart to protect it from potential harm.

In summary, a company secretary provides vital guidance and advice on the legal responsibilities of the organisation and its directors. These responsibilities are met by ensuring compliance standards and good governance. A company secretary plays an important role in helping organisations achieve their business goals by alleviating the reporting burden, helping directors perform to their full potential and encouraging a culture of openness and transparency.

If you would like a discussion with us to learn more about how a part-time company secretary might support your business operations, then please contact our team at info@bhcsecretaries.co.uk



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