

Transitioning SGR to a company limited by guarantee – next steps following discussion at 2021 AGM

Following the AGM, we instructed VWV solicitors specialising in charity / company law and agreed payment terms.

The Articles become the governing legal constitution for SGR Ltd – these contain the objectives / aims of SGR Ltd, who is part of SGR Ltd, how decisions are made and the powers of membership.

SGR Ltd's Articles follow an 'Association model' where all existing full/ professional members of SGR will be invited to become Members of SGR Ltd. In company law a 'Member' (capital M) is a person who has defined constitutional rights as set out in the Companies Act and in the Articles of the company. A company has to have at least one Member. The most basic legal powers of Members are to dissolve the Company, change its name, remove a Director.

As part of SGR's articles, Members would have many of the same powers that they have now – to be consulted on and suggest directions for SGR, to inspect the accounts. A key change – in line with common practice in companies - is that SGR members would no longer vote annually at the AGM to create the Board of Directors – the Board of Directors would invite new members to join the board – from the membership – or beyond, if additional skills (eg financial such as a Company Secretary) are considered necessary.

This reflects how SGR's NCC currently operates. We invite people to stand for election or be co-opted. To further reflect the NCC, we intend to create the role of 'advisor' equivalent to current NCC non officer roles – ie to work closely with the Board on organising and managing SGR.

However, note that only Directors would have voting rights at Board meetings. We propose that advisors are voted for – ie approved – at SGR's AGM and will form a useful pool of people as potential future Board Members. The governance model of SGR Ltd clarifies how this would work in the proposed model.

Associate members (or 'supporters' as we now call them) – ie those without a science or technology background – would continue as now in a non-voting/ decision-making role.

We considered the Foundation model where only the Directors are Members of the company – and various combinations up to a full association model. We decided that anything less than a full association model would not be sufficiently democratic.

As of June 2022, we have four members of SGR willing to put themselves forward as Directors of SGR Ltd: Phil Webber, Jan Maskell, Simon Reed, Keith Baker for ratification by the membership at the 2022 AGM, and two ex-officio Directors: Stuart Parkinson and Emily Heath.

Timetable

How we get to SGR Ltd from here would be a two / three stage process.

Our legal advisors VWV recommend the following – here is our proposed timetable:

June / July 2022	Consultation by SGR (as is) with members about the objectives and Articles of SGR Ltd	Draft Articles and notes, governance structure on web site.
July / August 2022	Set up SGR Ltd with the initial set of Directors at Companies House	At this stage Directors be solely in charge of SGR Ltd which doesn't as yet have any other Members.
1 st September 2022	Consultation re Articles etc concludes	
September 2022	Directors edit the objectives and Articles as required by the membership	(As long these met basic legal requirements) without the need for a protracted and complicated legal process.
AGM October 2022	SGR members invited to agree the final version of the Articles.	
November 2022	Set up new bank accounts for SGR Ltd	To give sufficient time for an envisaged transfer by 28 Feb 2023 – SGR's financial year end) and to transfer existing standing orders and direct debits etc
November 2022	SGR Ltd invites current SGR membership to become Members of SGR Ltd either by directly telling us, or by agreeing to continue paying their membership	
Jan / Feb 2023	Transfer staff contracts, office lease etc to SGR Ltd	Adopt SGRs policies and practices.
By March 2023	Hopefully almost all members transferred & SGR Ltd fully operational	The unincorporated version of SGR will continue to exist until its membership had transferred, or until formally dissolved, but would no longer employ staff.