

Director's duties summary

A plain-English summary of what being a director actually commits you to. Statutory responsibility sits with directors and cannot be transferred to a service provider, however much of the work is outsourced.

Core duties

- ☐ Act within the company's constitution and only for proper purposes
- ☐ Promote the success of the company for the benefit of its members
- ☐ Exercise independent judgement
- ☐ Exercise reasonable care, skill and diligence
- ☐ Avoid conflicts of interest
- ☐ Not accept benefits from third parties
- ☐ Declare any interest in a proposed transaction

Practical obligations

- ☐ Ensure accounts and returns are filed on time
- ☐ Keep statutory registers accurate and available
- ☐ Maintain adequate accounting records
- ☐ Record board decisions at the time they are taken
- ☐ Notify changes to your own details within the filing window

Common mistakes

- ☐ Accepting a directorship as recognition without understanding the duties
- ☐ Assuming the accountant is responsible for filing deadlines
- ☐ Taking decisions verbally and never documenting them
- ☐ Failing to declare an interest because it felt obvious