



# MEMO

To: Board of Directors  
From: Company Secretary  
Subject: **GOVERNANCE MATTERS**

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Good governance can mean different things to different people and cover varying matters and issues with differing emphasis in different organizations.

In my experience relevant matters can include:

1. Experienced board of directors – both executive and non-executive
2. Board meetings – to be formal, with set agenda and prepared reports/papers, held on a regular basis, properly minuted
3. Capable secretariat – qualified experienced professional Company Secretary, to ensure good governance and compliance with all applicable laws and regulations

4. Corporate Governance Committees:

Audit	}	
Remuneration	}	– with formal charters
and		
Compliance	}	regular meetings
Risk Management	}	

5. Quality professional advisers:

Lawyer  
Accountant  
Banker  
Public Relations

6. Sound operating policies and procedures – board approved and well documented, including:

Share Trading  
Insurance  
Privacy  
Workplace Health & Safety  
Staff/industrial relations matters  
Finance/accounting matters  
Operational matters



7. Compliance – with all relevant legislation and regulations, including:
  - Corporations Act
  - Tax legislation
  - Privacy Act
  - Trade Practices Act
  - Environmental legislation
  - Superannuation
8. Statutory Registers – well maintained and up-to-date:
  - Members
  - Options
  - Debentures
  - Charges
9. Other Registers, such as:
  - Directors & Secretaries
  - Directors' Interests
  - Seal & Company Documents
  - Intellectual Property
  - Board Policies
  - Material Contracts & Key Agreements
  - Convertible Notes
  - Powers of Attorney
10. Reliable business model – competent marketers and sound budgets
11. Timetable – scheduling all necessary corporate actions and events
12. Appropriate discretions – delegated responsibility, designed for flexibility and not stifle growth
13. Internal controls – monitored by internal auditor (with external auditor oversight)
14. Risk management – systems in place and tested from time-to-time
15. Organisation chart – reporting lines designed for ease of business operation
16. Strong management team – with appropriate skills/disciplines
17. Remuneration and superannuation – to attract and retain good staff
18. Job descriptions – to ensure staff know what's required/expected of them
19. Key Performance Indicators (KPI's) – give staff something to aim for, with robust review process
20. Management meetings – to be held on a regular basis



21. Reporting – systems to ensure management and board are appraised in a timely manner of what is happening within the organisation
22. Financial – appropriate accounting software to ensure integrity of records
23. Pleasant working environment, location, terms and conditions – essential for morale

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**DISCLAIMER**

*The comments in this memo reflect some commercial aspects and observations on the matter experienced or observed by the writer in practice as he understands them. The information is given as a guide only and does not represent a definitive or legal view of any of the issues raised, covered or referred to and the reader is urged to seek his own professional advice on all aspects of, or pertaining to, this and any related matter.*