



**Quality Training & Skills Development**  
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<b>Full name of policy:</b>	<b>Roles and Responsibilities of the Directors</b>
<b>Requirement for policy:</b>	To outline the responsibilities of Directors of QTSD
<b>Name and post of person responsible:</b>	All Directors
<b>Highest QTSD body approving the policy:</b>	Directors
<b>Date of approval:</b>	30 June 2022
<b>Frequency of review:</b>	2 years
<b>Dates of previous reviews:</b>	30 June 2016/30 June 2018/30 June 2020
<b>Date of next formal review:</b>	30 June 2024
<b>Equality analysis (if required):</b>	
<b>Policy Reference:</b>	
<b>Total number of pages – (including appendices and front sheet):</b>	9
<b>Comments:</b>	

## **Roles and Responsibilities of the Directors**

**Throughout this policy the term QTSD refers to Quality Training & Skills Development.**

The Directors will be responsible for the following roles (please also refer to the organisational chart):

- Brent Eton – Quality/Funding & Process
- Viv Rowbotham – Quality/Communication & Finance
- Julie Humphreys – Quality/Teaching & Learning
- Chris Baker – Quality/Operations, Marketing & Sales

### **Content of policy:**

1. Directors' responsibilities
2. Taking money out of a limited company
3. Company changes The Directors of QTSD must report
4. Company and accounting records
5. Confirmation statement (annual return)
6. Signs, stationery and promotional material

### **1. Directors' responsibilities**

- try to make the company a success, using The Directors of QTSD skills, experience and judgment
- follow the company's rules
- make decisions for the benefit of the company, not The Directors of QTSD personally
- keep company records and report changes to Companies House and HM Revenue and Customs (HMRC)
- make sure the company's accounts are a 'true and fair view' of the business' finances
- file QTSD accounts with Companies House and QTSD Company Tax Return with HMRC
- pay Corporation Tax
- register for Self-Assessment and send a personal Self-Assessment tax return every year

The Directors of QTSD can hire other people to manage some of these things day-to-day (eg an accountant) but The Directors of QTSD are still legally responsible for QTSD's company's records, accounts and performance.

The Directors of QTSD may be personally liable for QTSD's company's business liabilities and be fined, prosecuted or disqualified as a company director if The Directors of QTSD don't follow the rules

## **2. Taking money out of a limited company**

**The company accountants will take responsibility for some or all of this section.**

As a director of a limited company, The Directors of QTSD can take money from the company in 3 ways.

### **Salary, expenses and benefits**

If The Directors of QTSD want the company to pay The Directors of QTSD a salary, expenses or benefits, The Directors of QTSD must register the company as an employer with HM Revenue and Customs (HMRC).

The company must take Income Tax and National Insurance contributions from The Directors of QTSD's salary payments and pay these to HMRC, along with employers' National Insurance contributions.

If The Directors of QTSD make personal use of something that belongs to the business, The Directors of QTSD must report it as a benefit and pay any tax due.

### **Dividends**

A dividend is a payment QTSD can make to shareholders (Directors) if it has made enough profit.

The Directors of QTSD can't count dividends as business costs when The Directors of QTSD work out QTSD Corporation Tax.

The Directors of QTSD company mustn't pay out more in dividends than its available profits from current and previous financial years.

The Directors of QTSD must usually pay dividends to all shareholders (Directors).

To pay a dividend, The Directors of QTSD must:

- hold a directors' meeting to 'declare' the dividend
- keep minutes of the meeting, even if The Directors of QTSD are the only directors

## **Dividend paperwork**

For each dividend payment the company makes, The Directors of QTSD must write up a dividend voucher showing the:

- date
- company name
- names of the shareholders being paid a dividend
- amount of the dividend
- the amount of the 'dividend tax credit'

## **Dividend tax credits**

The tax credit means The Directors of QTSD don't need to pay tax when the dividend is paid. But shareholders (Directors) may still have to pay tax on it.

## **Working out the dividend tax credit**

To work out the dividend tax credit, divide the dividend amount by 9.

## **Example**

The Directors of QTSD want to pay a dividend of £900. Divide £900 by 9, which gives The Directors of QTSD a dividend tax credit of £100. Pay £900 to the shareholder - but add the £100 tax credit and record a total of £1,000 on the dividend voucher.

The Directors of QTSD must give a copy of the voucher to recipients of the dividend and keep a copy for The Directors of QTSD company's records.

## **Directors' loans**

If The Directors of QTSD take more money out of a company than The Directors of QTSD have put in - and it isn't salary or dividend - it's called a 'directors' loan.'

If The Directors of QTSD company makes directors' loans, The Directors of QTSD must keep records of them. There are also some detailed tax rules about how directors' loans are handled.

### **3. Company changes The Directors of QTSD must report**

**The company accountants will take responsibility for some or all of this section.**

The Directors of QTSD must report certain changes to Companies House.

#### **Changing The Directors of QTSD company's registered office address**

The Directors of QTSD must tell Companies House if The Directors of QTSD want to change QTSD company's registered office address. If the change is approved, they will tell HM Revenue and Customs (HMRC).

The Directors of QTSD company's new registered office address must be in the same part of the UK that the company was registered (incorporated).

For example, if The Directors of QTSD company was registered in England and Wales, the new registered office address must be in England or Wales.

The Directors of QTSD address won't officially change until Companies House has registered it.

#### **Other changes The Directors of QTSD must report**

The Directors of QTSD must tell HMRC if:

- The Directors of QTSD business' contact details change - eg The Directors of QTSD name, business name or The Directors of QTSD personal or trading address
- The Directors of QTSD appoint an accountant or tax adviser

The Directors of QTSD must tell Companies House within 14 days if The Directors of QTSD make changes to:

- the address where The Directors of QTSD keep The Directors of QTSD records, and which records The Directors of QTSD keep there
- directors or their personal details, like their address
- company secretaries (appointing a new one or ending an existing one's appointment)

#### **How to report changes to Companies House**

The Directors of QTSD can:

- use the Companies House online service
- fill in and send paper forms

## **Changes that shareholders must approve NOT RELEVANT**

The Directors of QTSD may need to get shareholders to vote on the decision if The Directors of QTSD want to:

- change the company name
- remove a director
- change the company's articles of association

This is called 'passing a resolution'. Most resolutions will need a majority to agree (called an 'ordinary resolution'). Some might require a 75% majority (called a 'special resolution').

Companies House has more details about the types of changes and resolutions The Directors of QTSD must report to them.

The Directors of QTSD new company name won't take effect until it's registered by Companies House - they'll tell The Directors of QTSD when this happens.

## **4. Company and accounting records**

**The company accountants will take responsibility for some or all of this section.**

The Directors of QTSD must keep:

- records about the company itself
- financial and accounting records

The Directors of QTSD can hire a professional (eg an accountant) to help with The Directors of QTSD tax.

HM Revenue and Customs (HMRC) may check The Directors of QTSD records to make sure The Directors of QTSD are paying the right amount of tax.

### **Records about the company**

The Directors of QTSD must keep details of:

- directors, any shareholders and company secretaries
- the results of any shareholder votes and resolutions
- promises for the company to repay loans at a specific date in the future ('debentures') and who they must be paid back to
- promises the company makes for payments if something goes wrong and it's the company's fault ('indemnities')
- transactions when someone buys shares in the company
- loans or mortgages secured against the company's assets

The Directors of QTSD must tell Companies House if The Directors of QTSD keep the records somewhere other than the company's registered office address.

## **Accounting records**

The Directors of QTSD must keep accounting records that include:

- all money received and spent by the company
- details of assets owned by the company
- debts the company owes or is owed
- stock the company owns at the end of the financial year
- the stock takings The Directors of QTSD used to work out the stock figure
- all goods bought and sold
- who The Directors of QTSD bought and sold them to and from (unless The Directors of QTSD run a retail business)

The Directors of QTSD must also keep any other financial records, information and calculations The Directors of QTSD need to prepare and file The Directors of QTSD annual accounts and Company Tax Return. This includes records of all money:

- spent by the company, eg receipts, petty cash books, orders and delivery notes
- received by the company, eg invoices, contracts, sales books and till rolls

The Directors of QTSD must also keep any other relevant documents, eg bank statements and correspondence.

If The Directors of QTSD don't keep accounting records, The Directors of QTSD can be fined £3,000 by HMRC or disqualified as a company director.

## **How long to keep records**

The Directors of QTSD must normally keep records for at least 6 years from the end of the last company financial year they relate to.

The Directors of QTSD may need to keep records longer if:

- they show a transaction that covers more than one of the company's accounting periods
- the company has bought something that it expects to last more than 6 years, like equipment or machinery
- The Directors of QTSD sent The Directors of QTSD Company Tax Return late
- HMRC has started a compliance check into The Directors of QTSD Company Tax Return

## **If The Directors of QTSD records are lost, stolen or destroyed**

If The Directors of QTSD can't replace records after they were lost, stolen or destroyed The Directors of QTSD must:

- The Directors of QTSD need to do their best to recreate them
- tell The Corporation Tax office straight away

Check recent tax forms or letters from HMRC for the address of The Directors of QTSD tax office or call the helpline.

## **Recreating records for The Directors of QTSDr Company Tax Return**

Tell HMRC when The Directors of QTSD file The Company Tax Return if The Directors of QTSD are using:

- 'estimated figures' (The Directors of QTSD best guess when The Directors of QTSD can't provide the actual figures)
- 'provisional figures' (The Directors of QTSD estimate until The Directors of QTSD confirm the actual figures - tell HMRC when The Directors of QTSD will provide the actual figures)

## **5. Confirmation statement (annual return)**

**The company accountants will take responsibility for some or all of this section.**

The Directors of QTSD must send Companies House a 'confirmation statement' every year. The Directors of QTSD will get an email alert or a reminder letter when it's due.

The confirmation statement has replaced the annual return to Companies House.

The Directors of QTSD will need to check The Directors of QTSD company's details and send The Directors of QTSD confirmation statement online or by post.

It costs £13 to do it online or £40 by post.

The Directors of QTSD can be fined up to £5,000 and The Directors of QTSD company may be struck off if The Directors of QTSD (or their nominated accountant) don't send confirmation statement.



## **6. Signs, stationery and promotional material**

### **Signs**

The Directors of QTSD must display a sign showing The Directors of QTSD company name at The Directors of QTSD registered company address and wherever The Directors of QTSD business operates. If The Directors of QTSD running The Directors of QTSD business from home, The Directors of QTSD don't need to display a sign there.

### **Example**

If The Directors of QTSD ARE running 3 shops and an office that's not at The Directors of QTSD home, The Directors of QTSD must display a sign at each of them.

The sign must be easy to read and to see at any time, not just when The Directors of QTSD open.

### **6.Stationery and promotional material**

The Directors of QTSD must include The Directors of QTSD company's name on all company documents, publicity and letters.

On business letters, order forms and websites, The Directors of QTSD must show:

- the company's registered number
- its registered office address
- where the company is registered (England and Wales, Scotland or Northern Ireland)
- the fact that it's a limited company (usually by spelling out the company's full name including 'Limited' or 'Ltd')

If The Directors of QTSD want to include directors' names, The Directors of QTSD must list all of them.

If The Directors of QTSD want to show The Directors of QTSD company's share capital (how much the shares were worth when The Directors of QTSD issued them), The Directors of QTSD must say how much is 'paid up' (owned by shareholders).

There are different rules for what The Directors of QTSD need to include on invoices.

**Adapted from: <https://www.gov.uk/running-a-limited-company/directors-responsibilities>**