



ACT: GUIDING THE WAY

TREASURY, RISK  
AND FINANCE  
PROFESSIONALS

ACT

2008-09 ANNUAL REVIEW  
AND SUMMARY FINANCIAL STATEMENTS

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## MANAGEMENT:

Chief Executive - Stuart Siddall  
 Director of Communications - Kate Hoyle  
 Director of Education - James Lockyer  
 Director of Membership & Administration - Ria Robinson  
 Head of Events - Pauline Coulter  
 Head of Publishing - Peter Matza  
 Policy & Technical Director - John Grout

## COMMITTEES AND CHAIRS:

Education Advisory Board - Lucy Fuller  
 Events & Publishing - James Douglas  
 Member Services - Greg Croydon  
 Middle East - Matthew Hum  
 Policy & Technical - Stephen Pugh

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You can download the full annual accounts, which provide a more detailed description of the ACT's financial affairs, from [www.treasurers.org/annualreview/0809](http://www.treasurers.org/annualreview/0809)



# President's Statement



Gerry Bacon, President

*In a year when we were expecting severe financial restrictions as a result of the credit crisis, I am delighted that the ACT has managed to maintain the development of its qualifications and services, grown its international presence and finished the year in a sound financial position.*

We have continued our programme of updating our qualifications and with the introduction of the Certificate in Risk Management and the Certificate in Corporate Finance and Funding, we now have modular options for all papers above Foundation level. This means that, along the path to achieving the AMCT Diploma in Treasury, individual certified qualifications are gained which are also recognised independently of AMCT. The demand we anticipated for a Certificate in International Treasury Management (CertITM) clearly exists and in the first three intakes has attracted students from 29 different countries. Working with the Chartered Institute of Public Finance and Accountancy (CIPFA) has also enabled us to create a variant of the certificate, CertITM-PF, for treasurers in the public sector.

Faculties have been introduced as a way for successful certificate students to continue their professional development with the ACT. Faculties are also open to ACT members and provide access to all the relevant updated study materials.

Corporate Membership is another means of creating closer ties with the ACT for those companies currently not employing ACT members, either due to the size of company being insufficient to support a dedicated treasury team or where senior management progress through the treasury function as part of their overall career development. We also see Corporate Membership as a key offering to mid-tier companies to enable them to better understand their treasury requirements.

A unique aspect of what the ACT offers is that our products and services are created by treasurers, for treasurers. We have senior level treasury experience within the ACT executive team and close involvement with numerous practising treasurers and finance professionals who help shape our policy and technical consultation and advice, qualifications, training courses, conferences, publications and member services. This ensures we cover topical issues and place a strong emphasis on case studies and practical application.

Our Policy and Technical team are also able to harness this wealth of knowledge and input from members when submitting responses to consultation papers and responding to the growing demand from government and regulatory bodies for our opinion.

An important role for the ACT is promoting the profession and the importance of treasury qualifications. The recent financial turmoil across the globe has brought treasury to new prominence and we have used this to generate a much higher profile in the media. There is still, however, much to do and we will continue to engage with as wide an audience as possible.

Two years ago we established a strategy to expand the international recognition and reach of our qualifications. We are no longer a purely UK organisation and now have members, international affiliates and students in 68 countries and a global distribution of The Treasurer magazine. We have cemented our ties with national treasury associations around the world to promote CertITM and in the past year have held tuition schools, training courses or conferences in Amsterdam, Mumbai, Dubai, Dublin, Dusseldorf, Hong Kong and Moscow as well as London and Manchester. With the increased recognition of the importance of treasury management, we expect that international demand for our qualifications and services will continue to grow.

None of this would have been possible without the leadership of Richard Raeburn who retired after just under seven years as Chief Executive at the end of 2008. During that time the ACT matured further from its origins as a volunteer driven organisation to the professionally run team we have today. We are delighted that Stuart Siddall has joined us as Chief Executive and that he has grasped the ongoing initiatives with great drive and enthusiasm, ably supported by the executive team. We are also very fortunate in the number of members who so willingly give their time to help develop the ACT and promote the treasury profession. It is this involvement which makes the ACT so effective.

Gerry Bacon  
ACT President  
24 September 2009

“Corporate treasury events that set the benchmark.”

Bruce Bettencourt,  
Managing Director,  
EMEA Corporate Banking,  
J.P. Morgan

# International Presence



ACT HAS MEMBERS, INTERNATIONAL AFFILIATES AND STUDENTS IN THE FOLLOWING COUNTRIES:

Afghanistan	Ghana	Philippines
Albania	Gibraltar	Poland
Australia	Greece	Portugal
Austria	Hong Kong	Romania
Bahrain	Hungary	Russia
Bangladesh	India	Saudi Arabia
Barbados	Ireland	Singapore
Belgium	Italy	Slovakia
Bermuda	Jamaica	South Africa
Botswana	Japan	Spain
Brazil	Jordan	Sri Lanka
Brunei Darussalam	Korea, South	Sultanate of Oman
Burundi	Kuwait	Sweden
Canada	Latvia	Switzerland
Channel Islands	Luxembourg	Thailand
China, People's Republic of	Malaysia	Trinidad and Tobago
Cyprus	Malta	Ukraine
Czech Republic	Mauritius	United Arab Emirates
Denmark	Namibia	United Kingdom
Egypt	Netherlands	United States
Estonia	New Zealand	Zambia
France	Nigeria	Zimbabwe
Germany	Norway	

# Chief Executive's Overview



Stuart Siddall, Chief Executive

“A great mix of topics and speakers in a well organised and relaxed atmosphere. Good networking opportunities too.”

James Found,  
Head of Corporate  
Reporting & Treasury,  
Somerfield,  
ACT Annual Conference



William Hague at the Annual Dinner

Professional development lies at the heart of the ACT. We now offer an extensive range of qualifications, catering for those who need an introduction to treasury - from both corporates and financial institutions - right through to experienced finance professionals looking to enhance their strategic business skills. We also develop knowledge and understanding through our policy and technical work, public and in-house training courses, conferences and publications.

Our international presence continues to grow. We have members, international affiliates and students in 68 countries and have close links with international treasury associations through the European Association of Corporate Treasurers (EACT) and the International Group of Treasury Associations (IGTA). A number of those associations actively promote our Certificate in International Treasury Management, which has attracted students from 29 countries in the first three intakes. We are increasingly approached by other treasury associations to assist in their development and we are happy to share our knowledge.

Following the launch of ACT Middle East, the network of treasury professionals continues to thrive and we are committed to the development and sharing of treasury expertise across the region. We held two training courses in Dubai this year and have an active programme of events. The first *talking treasury* forum in Dubai was held in January and breakfast briefings were held in October and March. Still to come this year we have a breakfast briefing on effective working capital and trade finance and a gala dinner at which the winners of the ACT Middle East Treasury Awards will be announced.

We are extremely grateful to our founder sponsors and ACT members and colleagues in the region who have given so much of their time and energy to increase our presence in the Middle East.

The role of the treasurer has received much more attention in the financial downturn, both at company board level and in the media. It is vital that we promote the importance of treasury qualifications for those individuals with a key focus on safeguarding the financial prosperity of an organisation – whether in a full-time treasury role in a FTSE 100 company or for a CFO of a mid-tier organisation having to make a balanced decision based on external advice.

This coming autumn we will be holding events for non-executive directors to aid their treasury understanding and to encourage them to require appropriate qualifications for those with responsibility for treasury within their organisations.

## FINANCIAL PERFORMANCE

In the current climate, planning is difficult for all organisations and we entered the year having just published 'Contingency planning for a downturn in the economy' and wondering about the impact of the downturn on the ACT. Fortunately, even in these tough markets, we have managed to maintain our influence and growth. Our financial

performance was better than expected and the deficit of £158k reflects investment in our qualifications but overall we are in a sound financial position.

## PROFESSIONAL QUALIFICATIONS

In this financial year our student base reached 1,700 students, the highest number since our qualifications were introduced in 1985. Those taking the AMCT Diploma in Treasury and the MCT Advanced Diploma are the ACT members of the future but by offering attractive, accessible and relevant qualifications at different levels we have extended access to the ACT.

The most recent phase of our qualification development plan has seen Risk Management and Corporate Finance and Funding successfully modified to complete our offering of certificates which can be taken as standalone qualifications or as stages towards achieving AMCT. The Certificate in Risk Management (CertRM) now places financial risk management within the wider business strategy.

The Certificate in International Treasury Management (CertITM) has lived up to expectations and has attracted a significant uptake. In the last intake 64% of CertITM students were based outside the UK.

Just after the financial year end we launched a public finance variant of the certificate, CertITM-PF, with the Chartered Institute of Public Finance and Accountancy (CIPFA). This provides access to a substantial new UK market, together with attractive opportunities for international development.

The Certificate in International Cash Management (CertICM) performed well again, with tuition schools provided in Hong Kong and Mumbai as well as in the UK. CertICM continues to attract ambitious cash management professionals worldwide, from both corporates and financial institutions.

The work that has gone into improving the MCT Advanced Diploma course materials and tuition has been reflected in student satisfaction and exam pass rates. The revised course is more than a pure treasury qualification, and is designed to benefit anyone looking to progress to a senior finance role, or indeed anyone needing to improve their strategic financial understanding.

To broaden its appeal and enhance the profile of the ACT, we are investigating opportunities to partner with selected universities and business schools to incorporate MCT into finance MBAs. We are also looking at the possibility of incorporating our certificates into finance and risk MA and MSc courses.

We have launched a dedicated study website as a 'one stop shop' for students, which supports all our courses. This improved service provision enables students to access their study materials and other course resources, communicate with the ACT, tutors and fellow students and administer their course needs by booking exams, tuition and revision.

## ACT EDUCATIONAL TRUST

The ACT Educational Trust is a charity established in 1983 to

## Chief Executive's Overview (continued)



Question Time at the Annual Conference

promote the treasury profession through education. The Trust maintains a bursary scheme to provide financial assistance to students from developing countries who wish to study for the AMCT Diploma but who cannot secure company sponsorship or sufficient funding. To date the Trust has enabled 17 students to study for AMCT via the bursary scheme and our intention is to raise funds for the Trust in order to increase the number of bursaries that can be offered.

### TRAINING COURSES

Our training courses have held up well and we continue to offer a range of courses and to cross-promote training with the Association of Chartered Certified Accountants, the Chartered Institute of Management Accountants and the Institute of Internal Auditors. All ACT courses are led by experienced financial professionals with an emphasis on practical application. In addition to the core programme delivered in London, we have also successfully run a number of in-house training courses in the UK and in Dublin on cash management and funding techniques. We are developing our training offering to support ACT Middle East and continue to develop new courses to reflect market needs.

We have recently reconfigured the office at 51 Moorgate to accommodate training and tuition to improve the efficiency and flexibility with which we deliver these services. The new space will also be available for local regional group meetings and other member meetings.

### MEMBERSHIP

At the year end membership numbers across all categories exceeded 3,800. This rise in membership reflects students completing their final examinations. We have also widened the scope of faculty membership this year and now run faculties in risk management, cash management, international treasury management and corporate finance. Those who successfully pass our certificates in these areas can join the appropriate faculties which are also open to all AMCT and MCT members. Faculties enable those who have completed a certificate to continue their professional development with the ACT and have access to updated learning materials.

For those involved with treasury but for whom qualifications are less appropriate – for example because of the transitory nature of their involvement with treasury or because of previous senior level financial experience – we have the option of Corporate Membership. Both the company and the proposed Corporate Representatives are subject to an approval process but can then gain access to many of the membership benefits and services we offer. We are actively promoting Corporate Membership for mid-tier companies where the CFO covers treasury as part of his or her wider responsibilities.

We continue to attract significant membership through the qualifications route from those working within the financial services sector. This year Council has co-opted two members, Richard Dakin, managing director at Lloyds TSB Bank and Peter Goshawk, head of global markets – UK at Bank of Ireland, to reflect the integral part the suppliers of financial services have to play in the ACT's development.



Hector Sants at the Spring Paper



Alastair Clark at the Annual Conference

### POLICY AND TECHNICAL

We continue to represent the views of corporate treasurers to various international and domestic regulators and standard setters and to provide information and guidance to those in the treasury profession. Demand is greater than for many years.

We all want financial systems with good stability but time and again the ACT finds itself needing to make the point that financial markets and firms exist to serve the needs of end users.

In the wake of the financial crisis there is an unending stream of new regulatory initiatives so we have had to be selective as to the most important and relevant ones to engage with. Where possible we have combined with other national treasury associations, through the EACT, to present a concerted view. An example of this is in the case of the European moves to regulate credit rating agencies. Here we have resisted any tendency to restrict the independence of agencies to establish their own methodologies, while supporting the moves to avoid conflicts and to improve their governance.

The interconnectedness of financial services firms has been highlighted by the rapid collapse of market liquidity during the crisis. Likewise regulation is more and more being proposed on a concerted multinational basis. Clearly the adequacy of bank capital and liquidity is both an international and a domestic concern. The same goes for financial markets.

Uncoordinated regulation of financial services can be a potential problem and so can regulation without considering the position of the customer of the financial services – and here we are, of course, concerned with the wholesale banking customers. For example, we have had to remind the banking regulators in both the US and the EU that any moves to limit the risks and volumes of over the counter (OTC) derivatives should not end up restricting the ability of companies to make use of tailored derivatives to hedge their specific needs if that is what they want. And companies should not be denied the possibility of avoiding the cash-flow risk associated with margin calls by dealing with a bank with both sides willing to carry the credit risk on the other without credit support. After all, this sort of corporate credit risk is one of the things banks are supposed to be in business to take on.

We are pleased to find that the views of the ACT are frequently being specifically sought, with direct approaches to us to get reactions from the corporate side, from the authorities and the media. On a number of occasions we have been involved in giving ideas and reactions prior to the launch of public consultations. We thank the many members and interested professionals who have contributed to the formation of the ACT stance on issues – not just those active on the Policy and Technical Committee and its working groups, but also the many others who provide comment or other help on so many topics. We always welcome input and comment.

We are keen to help members keep abreast of current good practice and changes in any relevant rules. We do this

# Chief Executive's Overview (continued)



ACT Annual Conference, Manchester

“A practical, understandable and thought provoking conference, well worth the time spent.”

Andrew Reid,  
Managing Director,  
Credit Suisse,  
ACT Annual Pensions  
Conference



Dev Sanyal at the Annual Conference

through issuing briefing or guidance notes via the website, through the regular technical update column in The Treasurer magazine or through sourcing other articles from experts in their fields and proposing topics for ACT events. Additionally the website is now being used for treasury blogs on a variety of subjects, and this does allow us an immediate route to challenge or stimulate thinking on whatever is current news. We have been helped in this as the new ACT website permits subscription to RSS feeds in selected areas or to the regular email alerts which provide a list of updates to the website on selected topics.

## CONFERENCES AND EVENTS

We have held a comprehensive series of breakfast briefings, professional papers and conferences over the year. Thanks to our supporters who have provided sponsorship, many of these events have been free to attend. There has been an active programme of regional group meetings in the year, all of which are free to attend and to which members are encouraged to invite colleagues and guests.

The ACT Annual Conference moved to the excellent facilities of Manchester Central in April. We had over 50 exhibitors in the hall and were pleased with an audience of 540 but it was the quality of the content which really stood out this year. Keynote speakers included Barbara Cassani, executive chairman of Jurys Inns, Alastair Clark CBE, formerly executive director and advisor to the Governor of the Bank of England, Jon Moulton, founder and managing partner of Alchemy and Dev Sanyal, group vice president and group treasurer of BP. A lively 'question time' panel was led by broadcaster John Humphrys and included Paul Boyle from the Financial Reporting Council and Trevor Williams, chief economist at Lloyds TSB. Numerous breakout sessions covered case studies from experienced corporate treasurers as well as practical how-to sessions from treasury management system suppliers.

The Annual Dinner was a great success with 1,300 attendees and a highly entertaining speech from the Rt Hon William Hague MP. We managed to raise over £46,000 for our charity of the year, Action for Kids, which will help support disabled children and young people across the UK through the provision of mobility aids, work related learning and family support services.

Hector Sants, chief executive of the FSA, delivered the Spring Paper to a packed room in early May. His presentation was fascinating and led to significant media interest.

The ACT's international presence includes several successful free to attend breakfasts and a *talkingtreasury* forum in Dubai. Additionally, we ran five further *talkingtreasury* events in Amsterdam, Dusseldorf, Hong Kong, Moscow and London. All of these were well received and we hope to continue our international programme with more of these strategic thought-leadership forums to come.

Other notable events include the annual Pensions conference which attracted an audience of around 80 and the two-day Cash Management conference which saw a very international audience with 30% of the 150 delegates coming from outside of the UK. On a similar theme, a new

half-day conference on Working Capital in Manchester attracted 170 delegates.

## PUBLISHING

Around 35% of the distribution of The Treasurer magazine is now outside the UK which has become a global publication. We remain absolutely committed to editorial integrity and content excellence. A digital edition of the magazine is in the planning stage which will enhance this process for members, students and other finance and treasury professionals globally. The focus of The Treasurer magazine has been changed to match the 'core element' nature of the qualifications programme and facilitate web search. The quarterly Cash Management Supplement has retained its status as a premium specialist publication and has been joined by the semi-annual Middle East Supplement, bringing informed comment and debate to ACT Middle East.

Our International Treasurer's Handbook and Asia Treasurer's Handbook continue to be highly valued and we ensure that both remain essential reference books for treasurers and others through the continuous updating of the content. Circulation is global with a combined distribution in excess of 10,500 copies. Specialist topic publications are an additional way in which we bring value to members and students.

## DEALS OF THE YEAR

The success of the treasury profession in the difficult market conditions of 2008 was recognised at a dinner to mark the winners and the highly commended entries in the 2008 Deals of the Year and the Treasury Teams of the Year Awards. Despite the snow-bound conditions there was a good turnout of treasurers and bankers from all over Europe. The winners were announced by Jonathan Slade, the chairman of the Deals of the Year panel of judges and now Global Head of Corporate Finance, Rio Tinto. The Treasury Teams of the Year were Imperial Tobacco Group (market cap above £2bn) and Invensys (market cap below £2bn). An outstanding transaction in the European Loans Category and the Overall Winner was AB InBev's \$45bn syndicated senior bridge facility.

## PAST, PRESENT AND FUTURE

I am extremely grateful to my predecessor, Richard Raeburn, for his vision and tremendous commitment to the ACT. It has been rewarding to see a number of initiatives he started come to fruition and to undertake new projects to further the development and international expansion of the ACT. Of course, none of this would have been possible without the excellent support of the team here in London and of my colleagues on our Council, committees and working groups, for which I am most grateful.

Stuart Siddall  
Chief Executive  
24 September 2009

# The Advisory Board



Paul Spencer, Advisory Board  
Chairman

The Advisory Board continues to offer knowledge, experience and advice on issues that impact the ACT's strategy and membership. The members of the Board are drawn from senior positions in commerce, finance, regulatory bodies and other areas relevant to the ACT.

The main aim of the Board is for its members to share their experiences with the ACT – something that is particularly important in the current economic climate. Board members support the ACT's strategy through providing direction with regard to topical issues and networking opportunities. Many members also make individual contributions, such as speaking at events.

The Board met in October 2008 and March 2009 with the ACT Chief Executive and Officers.

At the October meeting there were a number of interesting discussions regarding the credit crisis and the role of the ACT. As members of the Board are drawn from prominent financial and regulatory institutions the meeting gave a broad and unique overview of the profession. In particular, the Board suggested that the ACT should seek members' views on what they wanted from banks. This turned into our highly informative report 'Credit Crisis and the Corporate – a qualitative study into the effects of the banking crisis on UK industry.'

At the March meeting the Board provided feedback on the survey and expressed concern over foreign bank withdrawal and its impact on recovery. The Board agreed that the ACT should try to reach a wider audience beyond the FTSE 350. The Board also encouraged the ACT to engage with non-executive directors to further promote treasury knowledge in the boardroom.

This is the last year I shall report on the Advisory Board meetings and I would like to thank all the Board members for their support and valuable contribution. Chris Jones, past president of the ACT and partner at PricewaterhouseCoopers, shall be taking over the chairmanship from this autumn. I have enjoyed my time as chairman of the Advisory Board immensely and wish Chris every success in this role.

Paul Spencer  
Advisory Board Chairman  
24 September 2009

## MEMBERS OF THE ADVISORY BOARD

Paul Spencer (Chairman)	ACT Past President
Paul Boyle	Former Chief Executive, Financial Reporting Council
Alastair Clark	Former Advisor to the Governor, Bank of England
John Coombe	Chairman, Hogg Robinson Group
Carolyn Eadie	Partner, Spencer Stuart
Chris Jones	Partner, Financial Services, PricewaterhouseCoopers
Mary Keegan	Former Head of the Government Finance Profession, HM Treasury
Michael J Kirkwood	Non-executive Director, UK Financial Investments
John Plender	Leader & Feature Writer, Financial Times
Ian Plenderleith	Chairman, BH Macro
Hector Sants	Chief Executive, Financial Services Authority
Andrew Shilston	Finance Director, Rolls-Royce
Jon Symonds	Managing Director & Partner, Goldman Sachs
Tony Watson	Non-executive Director, Vodafone Group

# Report of Council

## FINANCIAL RESULTS

The ACT's deficit for the year ending 30 April 2009 amounted to £158,000 (2008 surplus: £469,000 with the exceptional inclusion of two Annual Conferences). A five year summary is included within this report and further discussion of the year is contained in the Chief Executive's Overview on pages 5 to 7.

## CORPORATE GOVERNANCE

The ACT is committed to promoting high standards of corporate governance. The ACT's adherence to best practice in corporate governance is regularly reviewed by Council.

### Compliance with the Combined Code

Whilst there is no statutory requirement for the ACT to comply with the Combined Code, Council endeavours to observe the spirit of the Code and has adopted its provisions to the extent appropriate for its size and the nature of its operation.

### Council

Council is the governing body of the ACT and is ultimately responsible for the stewardship and management of the ACT's affairs and accountable to the members. Day-to-day management is delegated to the chief executive and, through him to the executive team. Council consists of up to nine elected members, the chief executive and four officers – president, deputy president, vice president and immediate past president. A further two individuals – who need not be members of the ACT – may be co-opted by Council for limited periods.

Council meets five times a year and more frequently as required and additionally holds an annual strategic planning meeting. Council members' attendance at Council and ARAC meetings during the year is detailed on page 11. Council minutes, subject to editing for confidential or commercially sensitive matters, are posted on the member-only section of the website following approval at the next Council meeting.

Council has a schedule of matters reserved for its decision, including approval of strategic and business plans, operating budgets, financial statements and reserves and treasury policy. Prior to each meeting, Council receives a comprehensive set of papers including financial information and progress reports on ACT initiatives. In addition, the chief executive provides a regular update to Council members, by teleconference call, on matters of significance and meets with the president, deputy president and vice president on a regular basis. Members of the management team make regular presentations to Council on key operational areas.

An induction process is in place for new Council members and all Council members are encouraged to attend and participate in ACT events and other activities and meet with members and students. They also frequently meet individual members of the executive team, particularly through involvement with the committees.

Council undertakes a formal annual evaluation of its own performance and effectiveness and that of its committees. This is done through a questionnaire which is distributed and analysed by the company secretary and the results are reviewed by Council with the officers taking responsibility for any action identified.

### Advisory Board

The Advisory Board consists of a chairman and at least five other members, none of whom may be serving members of Council. The chairman must be a member of the ACT but there is no such requirement for the other Board members. Board members are drawn from senior positions in finance, commerce and regulation. The Board meets at least once a year to discuss and advise on matters of importance to the ACT and its members, including commenting on the ACT's policies, governance and strategic plan. The chairman of the Board makes an annual presentation to Council.

### Appointments, Remuneration and Audit Committee ("ARAC")

ARAC is chaired by the immediate past president and consists of the president and up to three non-officer members of Council. In addition there may be up to three non-Council members. ARAC members are appointed by Council with at least one member being a qualified accountant. It meets four times a year and more frequently as required; at least once a year ARAC meets with the auditors without members of the executive team present.

ARAC's role includes to:

- identify and recommend to Council candidates for officer positions;
- play an active role in the process of encouraging a wide range of candidates for Council elections;
- identify and recommend to Council the appointment of the chief executive;
- consider from time to time and recommend to the president the remuneration arrangements for the chief executive in light of performance reviews carried out by the president at least every six months;
- review and report back to Council on external financial reporting and audit, internal controls, risk management and capital requirements. In particular, ARAC reviews and if appropriate recommends to Council the adoption of the financial statements; and
- act as a point of contact for members and others who may have concerns about an employee of the ACT, a member of Council or business committee, particularly if it involves possible improprieties concerning financial reporting and unprofessional or unlawful conduct. As set out in the Complaints, Disclosure and Speaking Up Policy, arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow-up action.

“ The treasurer's role has rarely been as important as now ”

Financial Times 29.04.09

## Report of Council (continued)

### Other committees

The ACT relies on a variety of other committees, boards and working groups staffed by volunteers to support its aims and objectives. The role of committees is as follows:

- to review and support policy;
- to contribute to the annual strategic plan and budget – and their subsequent review;
- to discuss business strategy;
- to support the achievement of the objectives of other committees;
- to establish working groups for ad hoc issues; and
- to bring together members and non-members who can contribute to the ACT's progress.

All committee chairmen, if not already members of Council, are invited to attend Council meetings. Council receives copies of all committee minutes and committee chairmen are encouraged to meet to explore areas of common interest and to ensure an integrated approach across all activities. This reinforces the efforts of the executive team who also meet on a regular basis to discuss issues of relevance across all operational areas.

A detailed explanation of the structure and responsibilities of Council and its committees, the chief executive and officers is set out in the *Guidelines for Council* which is available on the ACT's website. The full terms of reference of ARAC and the Complaints, Disclosure and Speaking Up Policy can also be found on the website.

### RESERVES POLICY AND GOING CONCERN

It is the ACT's policy to hold reserves at a level such that its core activities can be maintained during periods of less favourable financial or economic conditions and that it can fulfil its obligations to its members and those completing examinations. At present the ACT's reserves are considered adequate to enable it both to fulfil its obligations and to incur manageable deficits. Council considers that reserves of at least £1 million would ensure that the ACT's strategic objectives are not financially constrained. The reserves at 30 April 2009 were £1.956 million. Council will continue to monitor these levels on an ongoing basis.

### TREASURY POLICY

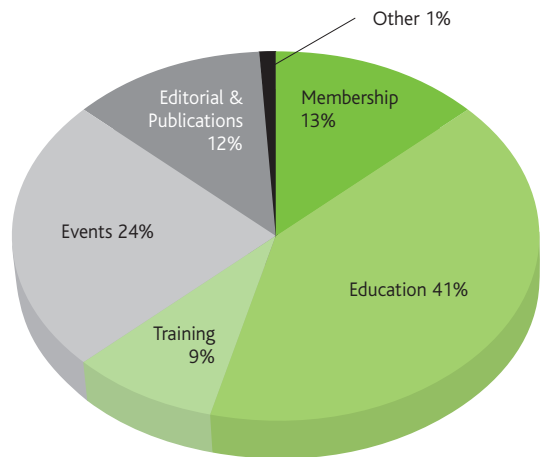
The ACT's treasury policy is reviewed and approved by Council annually. Approved investment instruments are limited to treasury deposits and money market funds. Investments in treasury deposits may only be made with institutions carrying a minimum rating for short-term funds of A-1+ or a minimum long-term rating of AA- and deposits are limited to £0.5 million with any one institution and a maximum of 12 months' maturity. Investments in money market funds are limited to £1 million with any one fund and may only be made with sterling funds agreeing to abide by the IMMFA Code. They must be rated AAAM from Standard & Poor's or AAA / MR1+ from Moody's, or AAA / V1+ from Fitch. The

Investment Committee also pays attention to the ACT briefing notes, Investing Liquid Funds, available on the ACT's website.

### RISK

The ACT's management team regularly review operational and financial risk through a process of formal and informal meetings. When major risks are identified these are reported to Council, with an assessment of the implications for the ACT and a recommendation as to the response that is required. ARAC receives an annual presentation on the ACT's risk management processes.

### INCOME BY AREA 2008/09



# Report of Council (continued)

## ATTENDANCE AT COUNCIL MEETINGS (INCLUDING PLANNING DAY) AND ARAC DURING THE YEAR ENDED 30 APRIL 2009

Council/ARAC Member (for the year ended 30 April 2009)	Council meetings including planning day Maximum attendance = 6	ARAC meetings (ARAC members only) Maximum attendance = 4
David Swann, President	6	3
Gerry Bacon, Deputy President	6	
Matthew Hurn, Vice President	4	
Malcolm Cooper, Immediate Past President and ARAC Chairman	6	4
Richard Raeburn, Chief Executive to 31/12/08	4	
Stuart Siddall, Chief Executive from 1/1/09	2	
Graham Bond	5	4
Francis Burkitt	3	
Greg Croydon	4	
Alan Dick	4	
James Douglas	5	
Lucy Fuller	6	4
Stephen Pugh	6	
Jonathan Slade	6	
Bob Williams	5	
David Tilston (non-Council member) to 26/3/09	N/A	2
Yann Umbricht (Council member from 1/5/09)	N/A	4

## FIVE YEAR FINANCIAL SUMMARY

£'000	2009	2008	2007	2006	2005
Income	6,179	6,983	5,074	5,127	4,308
Surplus / (deficit) before taxation	(158)	495	(653)	74	125
Current asset investments	3,064	3,302	2,359	3,235	3,375
Net assets	1,956	2,114	1,645	2,298	2,224
Current ratio	1.71	1.64	1.42	2.00	2.09
Average number of employees	37	36	35	32	34

On behalf of Council



Gerry Bacon  
President  
24 September 2009



Stuart Siddall  
Chief Executive

# Summary Financial Statements

## SUMMARY INCOME AND EXPENDITURE ACCOUNT

	2009 £'000	2008 £'000
For the year ended 30 April 2009		
Subscriptions and operating income	6,179	6,983
Direct costs	(3,227)	(3,566)
Administration expenses	(3,244)	(3,084)
Operating (deficit)/surplus	(292)	333
Interest receivable	134	162
(Deficit)/surplus on ordinary activities before taxation	(158)	495
Taxation charge (Note 1)	-	(26)
Group retained (deficit)/surplus	(158)	469

## SUMMARY STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

	2009 £'000	2008 £'000
For the year ended 30 April 2009		
(Deficit)/surplus for the financial year:		
Association and subsidiary	(158)	469
Total (losses)/gains recognised since last Annual Report	(158)	469

## SUMMARY BALANCE SHEET

	2009 £'000	2008 £'000
at 30 April 2009		
Fixed assets	459	542
Current assets	3,594	4,035
Creditors: amounts falling due within one year	(2,097)	(2,463)
Net current assets	1,497	1,572
Total assets less current liabilities	1,956	2,114
Reserves (Note 2)	1,956	2,114

## SUMMARY CASH FLOW STATEMENT

	2009 £'000	2008 £'000
at 30 April 2009		
Net cash (outflow)/inflow from operating activities	(138)	997
Interest received on short-term investments	134	162
Purchase of tangible fixed assets	(117)	(79)
Development costs	(119)	(104)
Decrease/(increase) in short-term deposits	239	(944)
Net (decrease)/increase in cash in the year	(1)	32

## NOTES TO THE SUMMARY FINANCIAL STATEMENTS

For the year ended 30 April 2009

### 1. TAXATION

The Association is liable to United Kingdom corporation tax at the small companies rate on its income to the extent that it is not derived from membership subscriptions. Its subsidiary, ACT (Administration) Limited, is liable to corporation tax as a normal trading company at the marginal rate. There is no tax charge for the year as a result of trading losses in the period.

### 2. RESERVES

	2009 £'000	2008 £'000
at 30 April 2009		
At 1 May 2008	2,114	1,645
(Deduct)/add: retained (deficit)/surplus for the year	(158)	469
At 30 April 2009	1,956	2,114

### 3. ACCOUNTING POLICIES

A change to the recognition of income policy in Education took place during the year. This relates to the policy of spreading income over six months (previously ten) for the Associate level certificates. It has changed this year because the Associate level of AMCT is certificated and now delivered completely online, whereas in prior years students received a hard-copy manual at time of payment for the course. Retrospectively applying this policy would have no impact on prior years because the events in question did not exist.

All other accounting policies remain unchanged from the previous year.

# Statement of the Independent Auditors

## STATEMENT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE ASSOCIATION OF CORPORATE TREASURERS

We have examined the summary financial statement of The Association of Corporate Treasurers for the year ended 30 April 2009 which comprises the Summary Income and Expenditure Account, Summary Statement of Total Recognised Gains and Losses, Summary Balance Sheet, Summary Cash Flow Statement and Notes to the Summary Financial Statements set out on page 12.

## RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

Council members are responsible for preparing the Annual Review in accordance with applicable United Kingdom law.

Our responsibility is to report to you our opinion on the consistency of the summary financial statement within the Annual Review with the full annual accounts, the Report of Council and its compliance with the relevant requirements of section 427 of the Companies Act 2006 and the regulations made thereunder.

We also read the other information contained in the Annual Review and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the summary financial statement. The other information comprises only the President's Statement and the Chief Executive's Overview.

We conducted our work in accordance with Bulletin 2008/3 issued by the Auditing Practices Board.

Our report on the Association's full annual financial statements describes the basis of our audit opinion on those financial statements and the Report of the Council.

## OPINION

In our opinion the summary financial statement is consistent with the full annual accounts and the Report of Council of The Association of Corporate Treasurers for the year ended 30 April 2009 and complies with the applicable requirements of section 427 of the Companies Act 2006, and regulations made thereunder.

*Grant Thornton UK LLP*

Grant Thornton UK LLP  
Registered Auditors  
Chartered Accountants  
London  
24 September 2009

The maintenance and integrity of The Association of Corporate Treasurers' website is the responsibility of the directors: the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

# Council and Committee Members

## COUNCIL

(To 30 April 2009)

President	David Swann, Head of Finance, BAT Nederland B.V.
Deputy President	Gerry Bacon, Senior Adviser, Anthem Corporate Finance
Vice President	Matthew Hurn, Executive Director, Mubadala Development Company
Immediate Past President	Malcolm Cooper, Group Tax & Treasury Director, National Grid
Chief Executive	Richard Raeburn (To 31 December 2008) Stuart Siddall (From 1 January 2009)
Elected Members	Graham Bond, Managing Director, Treasury & Risk Management Francis Burkitt, Managing Director, Debt Advisory, NM Rothschild & Sons Greg Croydon, Group Treasurer, IMI (Chairman, Member Services Committee) Alan Dick, S&N UK (Chairman, Regional Groups) James Douglas, Partner, Deloitte (Chairman, Events and Publishing Committee) Lucy Fuller, Group Treasurer, Smith & Nephew (Chairman, Education Advisory Board) Stephen Pugh, Finance Director, Adnams (Chairman, Policy & Technical Committee) Jonathan Slade, Director, Capital Markets, Diageo Bob Williams, Group Treasurer, Barratt Developments

## COUNCIL

(From 1 May 2009)

President	Gerry Bacon, Senior Adviser, Anthem Corporate Finance
Deputy President	Matthew Hurn, Executive Director, Mubadala Development Company
Vice President	James Douglas, Partner, Deloitte (Chairman, Events and Publishing Committee)
Immediate Past President	David Swann, Head of Finance, BAT Nederland B.V.
Chief Executive	Stuart Siddall
Elected Members	Graham Bond, Managing Director, Treasury & Risk Management Francis Burkitt, Managing Director, Debt Advisory, NM Rothschild & Sons Greg Croydon, Group Treasurer, IMI (Chairman, Member Services Committee) Lucy Fuller, Group Treasurer, Smith & Nephew (Chairman, Education Advisory Board) Stephen Pugh, Finance Director, Adnams (Chairman, Policy and Technical Committee) Jonathan Slade, Global Head of Corporate Finance, Rio Tinto Martyn Smith, Director of Tax & Treasury, Dyson Yann Umbricht, Partner, PricewaterhouseCoopers Bob Williams, Group Treasurer, Barratt Developments Richard Dakin, Managing Director, Lloyds Bank Peter Goshawk, Head of Global Markets – UK, Bank of Ireland
Co-opted Members	

All members of Council  
are directors other than  
co-opted members

## APPOINTMENTS, REMUNERATION AND AUDIT COMMITTEE (ARAC)

(To 30 April 2009)

Malcolm Cooper (Chair)  
Graham Bond  
Lucy Fuller  
David Swann  
David Tilston (retired 26 March 2009)  
Yann Umbricht

## APPOINTMENTS, REMUNERATION AND AUDIT COMMITTEE (ARAC)

(From 1 May 2009)

David Swann (Chair)  
Gerry Bacon  
Graham Bond  
Lucy Fuller  
David Timson (from 9 July 2009)  
Yann Umbricht

# Council and Committee Members (continued)

## THE ACT EDUCATIONAL TRUST

Trustees:

Stephen East (Chair)  
 Stephen Crompton  
 David Cromwell  
 Philippa Foster Back  
 Philip Gillett  
 David Parrish  
 Richard Raeburn  
 Stuart Siddall  
 Anthony Stern

## EDUCATION ADVISORY BOARD

Lucy Fuller (Chair)  
 Mark Allison  
 Gerry Bacon  
 Kathy Harvey  
 Mark Ingram  
 Jean-Luc Janet  
 Robert Jelly  
 Mario Levis  
 Cheryl Sunderland

## EVENTS AND PUBLISHING COMMITTEE

James Douglas (Chairman)  
 Charles Barlow  
 Kevin Buck  
 Roger Burge  
 Fiona Chan  
 Fiona Crisp  
 Richard Dakin  
 Gareth Evans  
 Karl Fenlon  
 Ian Fleming  
 Sean Hanafin  
 John Jackson  
 Andrew McMichael  
 Tim Parsons  
 Ian Scott  
 Jonathan Slade  
 Martyn Smith  
 Mike Verrier

## MEMBER SERVICES COMMITTEE

Greg Croydon (Chair)  
 Alison Attfield  
 Fiona Crisp  
 Alan Dick  
 Peter Goshawk  
 Peter Simeons  
 Vaughn Thompson  
 Charles van der Welle  
 David Westby  
 Paul Wilde  
 Bob Williams  
 David Wilson

## REGIONAL GROUP ORGANISERS

John Moclair (Dublin)  
 Fiona Crisp, Peter Goshawk,  
 David Wilson (London)  
 Duncan Karran (Midlands)  
 Jeremy Rayner (North West)  
 Alison Lefroy Brooks (Scotland)  
 Gill Rowe (South West)  
 Kevin Sowden (Thames Valley)  
 Martin Cade, Ian Leece (Yorkshire &  
 Humberside)

## POLICY AND TECHNICAL COMMITTEE

Stephen Pugh (Chair)  
 Mohammed Amin  
 Andrew Balfour  
 Charles Barlow  
 Rupert Beaumont  
 Tim Boxell  
 Sarah-Jane Chilver-Stainer  
 Alistair Clark  
 Judith Harris-Jones  
 Tim Hayter  
 Edward Hoefling  
 Alison Stevens  
 Yann Umbricht  
 Stanislav Varkalov  
 Brian Welch

## MIDDLE EAST COMMITTEE

Matthew Hurn (Chair)  
 Marwan Abedin  
 Alastair Fiddes  
 Harshit Jain  
 Michael Killian  
 Andrew McMichael  
 Tushar Patel  
 Faiq Qutubuddin  
 Paul Reynolds  
 Andrew Robinson  
 Rashid Sheikh  
 Jacob Tharakan  
 Ricky Thirion  
 Daniele Vecchi



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