

**PRIVATE & CONFIDENTIAL**

**MINUTES OF THE COUNCIL CONFERENCE CALL (FORMAL SESSION ONLY)  
HELD AT  
09.30 ON THURSDAY 24 SEPTEMBER 2009**

<b>Council Members (directors):</b>	Gerry Bacon (Chair) Graham Bond Francis Burkitt James Douglas Lucy Fuller Matthew Hurn	Stephen Pugh Martyn Smith Stuart Siddall David Swann (Chairman of ARAC) Bob Williams
<b>Co-opted Members (not directors):</b>	Richard Dakin Peter Goshawk	
<b>Other participants:</b>	John Grout Kate Hoyle James Lockyer John Murphy	
<b>Secretary:</b>	Ria Robinson	

**It was confirmed that the number of Council Members taking part met the quorum set out in the Articles of Association and therefore the call constituted a duly convened meeting of Council.**

**Directors of The Association of Corporate Treasurers** – all elected Council Members and the Chief Executive

**Directors of ACT (Administration) Ltd** – Gerry Bacon, David Swann, Stuart Siddall, Matthew Hurn

- 1. Apologies for absence**  
Greg Croydon, Jonathan Slade, Yann Umbricht
- 2. ARAC's Report to Council and Grant Thornton's Key Issues Memorandum (KIM)**  
Council noted ARAC's Report and the KIM.

DS confirmed that at its meeting on 9 September 2009 ARAC had reviewed the financial statements of both the Group and its subsidiary and the Annual Review and had discussed in detail with the auditors and Executive the contents of the KIM.

Grant Thornton had confirmed that the audit had progressed smoothly, nothing had come to light that gave them cause for concern, there were no significant audit matters arising and no unadjusted misstatements.

Going concern had been considered in the context of the current year deficit and forecasts which showed that reserves would be maintained above the critical level and on this basis ARAC, the Executive and Grant Thornton were confident that the Group would continue as a going concern for a period of at least one year from the date of signing of the financial statements. In the case of ACT (Administration) Ltd, the parent company (the Association) had agreed to continue to provide financial support for a period of at least one year from the date of signing.

SJS noted that after the ARAC meeting and before the Council conference call a number of issues relating to the accounts and annual review had been raised by Jonathan Slade. The main items were as follows:

- Should we recognise a deferred tax asset?  
Executive response: we cannot recognise a deferred tax asset as we have significant carried forward losses and there is no reasonable probability of realising any deferred tax within the next 18 months.
- When will the accounts switch to IFRS rather than UK GAAP and should we be preparing for this?  
Executive response: there is no set date for this yet but we will move to IFRS when required to do so. Most subsidiaries of public companies still adopt UK GAAP.  
*[Note: subsequent to the meeting Grant Thornton have confirmed that the requirement to adopt IFRS is unlikely to be before year ending 30 April 2013]*
- Need to clarify the position with regard to Council Members who are directors for the purposes of company law and those who are not (i.e. co-opted members)  
Executive response: appropriate amendments will be made to final version of the financial statements and Annual Review. *[Note: Done]*
- There were a number of rounding differences between the figures contained in each of the three documents.  
Executive response: The rounding differences have been noted and corrected. As suggested by JS, going forward we plan to prepare the financial statements in round £'000.  
*[Note: subsequent to the meeting JS asked for an action plan to be drawn up to prevent similar rounding and formatting issues arising in future and for this to be discussed briefly at the next Council meeting.]*

#### **ARAC's recommendation to Council:**

Having completed their review, ARAC recommended that Council and/or the directors of ACT (Administration) Ltd:

- approve the letters of representation for both The Association of Corporate Treasurers and ACT (Administration) Ltd;
- approve the letter of support from the Association to ACT (Administration) Ltd; and
- adopt the financial statements and Annual Review for the year ended 30 April 2009.

#### **3. Approval of the financial statements and Annual Review**

The letters of representation of the Group and its subsidiary, the letter of support from the Association to ACT (Administration) Ltd, the financial statements of the Group and its subsidiary and the Annual Review for the year ended 30 April 2009 were all approved by Council and/or the directors of ACT (Administration) Ltd and GBacon and SJS were authorised to sign the documents.

#### **4. Any Other Business**

There was no other business.