

PRIVATE & CONFIDENTIAL
MINUTES OF THE COUNCIL MEETING
HELD AT 16.00 ON THURSDAY 20 NOVEMBER 2008
AT ACT, 51 MOORGATE, LONDON EC2R 6BH

TREASURY, RISK
AND FINANCE
PROFESSIONALS

ACT

Present:

Gerry Bacon (Chair)	Matthew Hurn (by phone)
Graham Bond (by phone)	Stephen Pugh
Malcolm Cooper	Richard Raeburn (RR)
Alan Dick	Jonathan Slade
James Douglas	David Swann (by phone)
Lucy Fuller	Bob Williams

In attendance:

John Grout
Kate Hoyle
James Lockyer
John Murphy

Secretary: Ria Robinson (Ria)

1. Apologies for absence

Francis Burkitt, Greg Croydon

2. Approval of Chief Executive

Council formally approved the appointment of Stuart Siddall as Chief Executive and as a director of The Association of Corporate Treasurers and its subsidiary, ACT (Administration) Ltd, all effective from 1 January 2009. Stuart would join the ACT from 8 December 2008 and would have a handover period with Richard Raeburn.

3. Approval of the minutes

The minutes of the Council meeting held on 24 July 2008 and the Council conference call held on 18 September 2008 were approved and signed.

Council noted the Planning Day Notes and Action Points and the committee meeting minutes circulated.

4. Matters arising from last meeting

Council noted the matters arising schedule.

5 & 6 Chief Executive's Report and Financials

(These two items were considered together)

Council noted the Chief Executive's Report including the Policy and Technical progress report, the management accounts for the six months ended 31 October 2008 and the cash and investments schedule.

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It was agreed that more detailed financial analysis for the different areas of the ACT would be produced for Council going forward (i.e. like that produced for Planning Day). Actual results for November would be circulated in advance of the Three-Year Plan.

Other issues:

- Council noted the hard work of the Events team who had successfully organised four international

events in the space of a few weeks. JD would send an email to the team on behalf of Council and the Events and Publishing Committee to thank them.

Confidential

7. **ARAC's annual report to Council**

(i) **Recommendation of next Vice President**

ARAC recommended and Council approved the appointment of James Douglas as the next Vice President for the term commencing 1 May 2009.

(ii) **Council elections**

There would be two vacancies on Council for the term commencing 1 May 2009. It was hoped that AD would stand for re-election other commitments permitting. Council considered ARAC's recommendations for potential candidates for election and agreed a shortlist of six individuals (including two bankers) to be approached by GBacon on the understanding that there was likely to be a contested election.

Council felt it would be good to have more international experience on the committees. Ria agreed to pull together a list of potential new committee members for review by Council – *talkingtreasury* attendees, Corporate Members and Deals of the Year participants would be considered.

(iii) **Review of risk assessment**

MC confirmed that ARAC had reviewed the ACT's risk assessment matrix in detail. A copy of the risk matrix would be circulated to Council. Council agreed that non-Council members on ARAC should be copied in on management accounts, forecasts and Council minutes.

8. **Planning Day actions**

Council noted the update on Planning Day actions schedule.

Replication of ACTME in China and India – The Middle East represented a clear opportunity to develop a programme of activity outside the UK whereas other regions would be more difficult as the existing member resource base was limited and there existed issues around the links with NTAs which were already active. It was agreed that any further action would be assessed once ACTME was well established.

The actions arising from Planning Day highlighted the fact that there was significant activity and heavy workloads within Education which would require careful consideration of priorities in discussion with the Education Advisory Board. The timeline for actions would feed into the Three-Year Plan.

9. **Feedback from Advisory Board Dinner**

The key point arising from the last meeting was the Board's willingness to contribute more to the ACT. Stuart Siddall would take this forward, working closely with the Executive and Paul Spencer, to build on the offers of help but taking care not over exploit this valuable resource.

An action arising from the last Advisory Board meeting but not included in the schedule circulated to Council was an agreement that GBacon, working with JG and Martin O'Donovan, would undertake research on what corporates wanted from the European banking sector. A series of one-on-one interviews with senior group treasurers would be arranged over the next couple of months and the results of the research would be fed back to relevant bodies such as the Treasury, FSA and Bank of England. The research was also likely to form an article for *The Treasurer* magazine.

10. **Education initiatives**

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11. **Updated Treasury Policy**

Council had reviewed the Treasury Policy at its meeting in July but had asked for further consideration to be given to the need for diversification and a reduction of our exposure by reducing the maximum deposit limits to, say, £500k. Council recognised that this lower limit was likely to significantly reduce the counterparties available to us. Justification for continuing to invest in money market funds was also sought and if viewed to be appropriate then consideration should be given to tightening the definition of which money market funds should be approved.

The Investment Committee had subsequently agreed to :

- tighten the definition of acceptable MMFs to those that are "IMMFA funds, in that they agree to abide by the IMMFA Code, are rated AAAM from Standard & Poor's or AAA / MR1+ (Market Risk Rating)

- from Moody's, or AAA / V1+ from Fitch, are sterling funds and run by a reputable firm"; and
- reduce the single fund limit to £500k; and
 - reduce the individual bank limit to £500k.

Council queried whether allowing the Finance Manager to execute money market transactions represented adequate segregation of duties however as funds may only be remitted to the originating account and given the practicalities surrounding a small office, it was decided that this was appropriate.

Council approved the revised policy.

12. Any other business

(i) Ratification of committee members

Council ratified the appointment of Ian Scott MCT, Concerto Consulting and Mike Verrier FCT, Wolseley to the Events and Publishing Committee.

(ii) Other items

This was RR's last Council meeting as Chief Executive. On behalf of Council the Chairman thanked RR for all his hard work and for making a significant contribution to the strategic development of the ACT.

13. Closed Session

There were no items for discussion in the closed session.

14. Date of next meeting

The next meetings of Council would take place as follows:

- Council conference call – 09.00 Tuesday 9 December 2008
- Council meeting – 16.00 Thursday 29 January 2009 at ACT, 51 Moorgate, London EC2R 6BH