

PRIVATE & CONFIDENTIAL

MINUTES OF THE COUNCIL MEETING
HELD AT 16.00 ON THURSDAY 31 JANUARY 2008
AT 51 MOORGATE, LONDON EC2R 6BH

TREASURY, RISK
AND FINANCE
PROFESSIONALS

ACT

Present: Malcolm Cooper (Chair) Andy Longden (by phone)
Gerry Bacon (GBa) Tim Owen
Graham Bond (GBo) Stephen Pugh
Alan Dick Richard Raeburn (RR)
James Douglas David Swann
Stephen East
Lucy Fuller
Matthew Hurn

In attendance: John Grout
Kate Hoyle
Richard James
John Murphy

Secretary: Ria Robinson (Ria)

Action by:

1. Apologies for absence

Greg Croydon

2. Approval of the minutes

The minutes of the Council meeting held on 29 November 2007 were approved and signed.

Council noted the committee meeting minutes circulated and asked for an update on the following points:

MSC – Future development of the SIT

Ria explained that David Blackwood, SIT Chairman, had discussed the ACT's proposal with his fellow Council members and confirmed that they would proceed as suggested. The SIT, in its existing form, would be dissolved with effect from 31 December 2007. The Executive were looking at how the ACT might develop the SIT brand and continue to provide a service for SIT members going forward. Both MSC and Council would be kept informed of progress.

Exec

Programme – Council noted that the majority of speakers at ACTAC 2008 were UK based. It was hoped that more European speakers would be secured for next year. GBa suggested we should also try to obtain speakers from India and China.

3. Matters arising from last meeting

Council noted the matters arising schedule.

Confidential

Advisory Board – RR noted that a useful meeting of the Advisory Board had taken place on 21 January with Board members given the opportunity to hear and comment on some of the strategic challenges facing the ACT. *Confidential*. RR would continue to take forward the identification of a successor for Paul Spencer as chairman.

RR

4. Chief Executive's Report

Council noted the Chief Executive's Report.

i) Strategy and operations

Confidential

Council asked that CertITM enrolments be added to the KPI schedule.

Exec

Confidential

ii) Policy and Technical summary update

Council found the note circulated in advance of the meeting very useful. Work undertaken by the Policy and Technical team included input into the ACT's existing commercial activities but thought would continue to be given to other revenue opportunities.

Exec

5. Financials

Council noted the management accounts for the eight months to 31 December 2007, the updated forecast to 30 April 2008 and the cash and investments schedule.

Confidential

The timing of ACTAC meant that it may move to either side of the year end from one year to the next. The general view was that there should be no change to the year end but a clear note should be included in the accounts.

Exec

6. Three Year Financial Plan

i) Overall plan

RR presented a series of slides.

The first year of the plan (2008-09) would form the basis for the budget presented at the next meeting of Council on 3 April. The numbers reflected the key elements of the strategic plan which remained unchanged from last year.

Confidential

The plan included no material change in overheads with headcount assumed to be static.

Council considered the various risks and opportunities within the plan.

Confidential

AL suggested that the current credit crisis and incidents such as SocGen and Mitchells and Butler represented an opportunity for the ACT to promote treasury education. A more proactive approach would be adopted including writing directly to the FDs of the banks and FTSE250 companies.

Exec

In preparing the budget consideration would be given to the sensitivities surrounding key assumptions such as CertITM numbers which were felt to be conservative.

Council accepted the three year plan.

ii) Approval of certification capital expenditure

RJ summarised the request for approval of capital expenditure for the development of Corporate Finance and Funding and Risk Management from associate papers into certificates. *Confidential*. The development also represented a significant upgrade of AMCT.

Confidential

Council approved the capital expenditure for the development of the two remaining AMCT modules.

It was agreed that the diagrammatic summary of qualifications would be distributed to Council.

Ria

7. Council and ARAC succession

i) Council elections update

DS confirmed that he had made contact with all the potential candidates encouraged by Council and ARAC to stand for election. One person had confirmed that he did not wish to stand but the other seven people approached - which included a mix of corporates, bankers and consultants – were either standing or considering it. Ria explained that the Notice of Council Elections had been sent to all members inviting nominations, the deadline for which was 25 February. If more candidates than the three vacancies were received then a ballot would take place.

ii) ARAC membership

A summary of ARAC's terms of reference had been circulated to give an indication of the responsibilities of the committee and the level of commitment required. Ria explained that there were currently up to two vacancies for non-officer Council Members and up to two further vacancies for other members. SE, ARAC's chairman, was trying to find a member with recruitment/HR expertise to join.

It was recognised that Council members had limited time to commit further so to help with numbers and improve continuity it was agreed that the terms of reference be amended to make the President a full member of ARAC (previously only "in attendance") and the number of non-Council members be amended to "up to three".

Ria

It was suggested that any unsuccessful Council election candidates may be interested in joining ARAC.

8. Any other business

(i) Ratification of committee members

Council ratified the following committee members:

Policy and Technical

Alison Stevens, MCT, National Grid

Alison was an education prize winner.

Programme

Fiona Crisp, FCT, Crisp Consultants

Fiona was the London Regional Group Organiser and by joining the Programme

Committee would provide an important link between regional groups and commercial events.

(ii) Other items

The ACT's committees – review and proposed changes

RR summarised a paper circulated at the meeting which set out the roles of the committees and how well we were achieving our expectations from the current committees. A slide setting out the recommendations was presented.

Two areas of concern were identified: the extent of duplication in the focus of the editorial and events committees; and the difficulty in enabling the education committee to contribute effectively to the issues around qualifications. Two recommendations were made: the editorial and events committees should be combined into one committee and the education committee be replaced with an advisory board which would include some new members with external education experience, some treasury practitioners and at least one examiner.

RR had spoken to the existing committee chairs and all supported a simplification of the structure and the increased synergies that would result.

The new combined editorial/events committee would be made up of some of the existing committee members and RJ would work closely with the new chairman to achieve the best balance of members whilst ensuring those not remaining on the committee were thanked and kept engaged with the ACT through involvement in working groups etc.

RJ/c'ee chair

Council had previously highlighted the benefit of rotating committee members and with this in mind JD had been approached to chair the new committee and RR had discussed with GC the possibility of moving across to chair MSC. Both JD and GC were considering the offer.

For education the challenge would be to achieve value for the ACT and the board members recognising the increased professionalisation of the executive team. LF had agreed to chair the new board for the initial period and it was hoped to retain some of the existing committee members and bring in expertise from outside able to comment effectively on issues arising in the development and direction of the qualifications.

LF/Exec

Confidential

New terms of reference would be developed for both new committees.

Exec/c'ees

Council approved the changes.

10. Closed Session

All non-Council members except the Secretary left the meeting. This session was separately minuted for circulation to Council Members only.

11. Date of next meeting

The next Council meeting would take place at 16.00 on Thursday 3 April 2008 at **National Grid, 1-3 Strand, London WC2N 5EH.**

Please note the change of venue.

..... Chairman

..... Secretary

..... Date