



**TREASURY  
EXCELLENCE  
AS STANDARD**

**STRICTLY PRIVATE & CONFIDENTIAL**

**MINUTES OF THE COUNCIL MEETING  
HELD AT 2.30PM ON THURSDAY 25 MARCH 2021  
VIRTUAL MEETING (Microsoft Teams)**

**Present:**

Agnes Favillier (Chair)	Charlotte Morgan
Rob Alexander	Simon Neville
Joanna Bonnett	Dino Nicolaidis
Garance Choko	Karlién Porré
Thomas Davies	Caroline Stockmann
Peter Hahn	Paul Wilde
Katherine Horrell	
Courtney Huggins	

**In attendance:**

**ACT:**  
Clive Emerson, Chief Financial Officer  
Ria Robinson, Director of Membership & Governance  
Stephanie Ratcliffe, Ass. Company Secretary (mins)

**Underlined sections to be removed and marked 'confidential' before posting on website (member access only)**

1.	<p><b>Apologies for absence</b> – none</p> <p>RR asked all those present on the call if they were happy for the meeting to be recorded to assist with the production of the minutes. There were no objections, and the meeting was recorded.</p> <p><b>Thank you</b></p> <p>AF, on behalf of Council, thanked CM for her significant contribution to Council over the past 4 years as she steps down from Council on 30 April 2021.</p> <p>CM: it has been a great pleasure to work with Council and ARAC and to support ACT during COVID-19. I look forward to remaining active with ACT initiatives, particularly on PTAP and supporting qualifications.</p>
2.	<p><b>Potential conflicts of interest</b></p> <p><b>a) ACT (Administration) Ltd directors (standing statement)</b> – the standard statement set out in the agenda was noted.</p> <ul style="list-style-type: none"><li>• DN: with reference to item 7b on the agenda on the proposal for the purchase of shares in ACT (Administration) Ltd, do we need to disclose anything in addition to the standing note?</li><li>• RR: the standing statement covers this item sufficiently.</li></ul> <p>Under item 7b, Council will be asked to approve the purchase of shares and a separate Admin Board meeting, attended only by those Council members who are directors of Admin, will take place directly after Council meeting. This will deal with the consideration and approval of Admin's financial statements for the year ended 31 December 2020, the letter of representation of Admin and the allotment of shares to Association (subject to the prior approval by Council of the purchase of shares).</p> <p>AF thanked RR for the clarification.</p> <p><b>b) Any other potential conflicts</b> – Council Members to declare, if any. There were none.</p>
3.	<p><b>Minutes/notes</b></p> <p><b>a)</b> Council meeting 10 December 2020 – the minutes were approved as an accurate record of that meeting.</p>

	<p><b>b)</b> Committee and panel meeting notes - all noted for information only:</p> <ul style="list-style-type: none"> <li>i) ARAC – 10 March 2021</li> <li>ii) Future Leaders in Treasury – 15 March 2021</li> <li>iii) East Africa Advisory Panel – 3 February 2021</li> <li>iv) Middle East Advisory Panel – 26 January 2021</li> <li>v) Asia Advisory Panel – 10 December 2020</li> <li>vi) Policy &amp; Technical Advisory Panel – 25 November 2020 and 27 January 2021</li> </ul>
<p>4.</p>	<p><b>Matters arising (RR)</b>  Re. Item 5, April 2020, Honorary Fellowship:</p> <ul style="list-style-type: none"> <li>• <u>Confidential</u></li> <li>• CH: the ACT has made significant progress around diversity and inclusion over the years; if an HonFCT is no longer aligned to the ACTs core principles and values, can the title be removed?</li> <li>• RR: there is no provision in the ACT’s Rules to remove Honorary Fellowship unless, like any other member, the individual is found to have breached the Ethical Code following disciplinary investigation. PH: recommend on a person’s appointment, it’s made clear that ‘for the avoidance of doubt, the appointment is honorary, not remunerated and can be withdrawn at any time, at the ACT’s discretion’</li> <li>• CM: do we review the overall diversity of HonFCTs to ensure they continue to be representative of membership? CAS: this was considered when we appointed FCTs and HonFCTs as part of our 40<sup>th</sup> anniversary celebrations and included several women. Today’s proposals (item 5) reflects consideration of ethnic diversity.</li> </ul> <p><b>Follow up note: CAS email to Council dated 31 March 2021:</b>  ‘In terms of Hon FCTs: Ria and I have discussed and thought it worth clarifying: any member, including those in this category, is subject to our Code of Ethics, and therefore if they were to be in breach of that code then we could remove them subject to investigation. What we cannot do at this time is ‘cancel’ their honorary membership due to them e.g. being unpopular in the press, or for another reason which is not around breaching ethics. Having also discussed with Agnes, we all agree that reference to the Ethics Code lends a robustness to the process, and we wouldn’t be happy applying judgment for example if a breach were not the case. We thought it worth clarifying this point whilst I am writing.’</p>
<p>5.</p>	<p><b>Chief Executive’s report (CAS)</b>  The paper was taken as read. CAS highlighted the following points:</p> <ul style="list-style-type: none"> <li>• propose two Honorary Fellowships for Council approval: Peter Matza, in recognition of his significant contribution to the profession, and John Tumwine, for his support for the profession and advocacy of the ACT in Uganda. At a recent meeting of the MAP, these two awards of Honorary Fellowship were supported. CAS and RR provided Council with more detail on the background to Honorary Fellowships – there are currently 41 HonFCTs and there is no annual cap or target. From time to time the Executive considers whether there is anyone who has made a significant contribution to the ACT/made a difference to the profession, but it is open to anyone to suggest individuals for approval by Council. PH wondered if we should consider awarding HonFCT more often and not just for recognition for past contribution e.g. to bring in more senior people from the banks to increase profile for the ACT?</li> </ul> <p><u>Confidential</u></p> <p><b>Council approved Honorary Fellowships for Peter Matza and John Tumwine</b></p> <ul style="list-style-type: none"> <li>• Council members should have received their digital badges  <b>ACTION: If not done so already, please download and use on your email footer and LinkedIn profile</b></li> <li>• CAS noted PW’s query and CE’s reply of earlier today about Diploma and Advanced Diploma numbers compared with budget (see CE email to Council 25.03.21). CE commented that the core qualification bookings were looking pretty solid</li> <li>• <b>ACTION: Council members to let CAS know if their organisations or any of their contacts, particularly at banks, recruitment agencies or consultancies would be interested in sponsoring the business and behavioural skills guides (background information provided with the Council pre-read)</b></li> <li>• we have just acquired the basic DocuSign package which will allow us to sign contracts more efficiently and securely through the e-signature platform</li> <li>• CAS moderated a GTR panel in West Africa today, and through our connections with ACT Nigeria we had a great panel. It went very well with lots of interesting discussion</li> <li>• ‘NOT the Annual Dinner!’ recently announced as the winner of the Digital Event Awards 2021. We also have nominations entered for four other awards (one for the whole ACT team). AF: congratulations on the recent award which is great news and fingers crossed for the others!</li> </ul>

	<p>Comments</p> <ul style="list-style-type: none"> <li>• <u>Confidential</u></li> <li>• JB: Rothschild &amp; Co are investing a great deal into improving sustainability and have a social impact team to help charities and not-for-profit organisations. They operate a scheme to help with structural sustainability improvements, on a pro bona basis, which could be of interest to the ACT</li> </ul>
6.	<p><b>CFO's report (CE)</b></p> <p>a) Latest management accounts –the finance report for January was included in the pre-read and the report for February 2021 circulated by email earlier in the day.</p> <p>CE noted:</p> <ul style="list-style-type: none"> <li>• year to date in line with budget after two months. <u>Confidential</u></li> </ul> <p>Comments:</p> <ul style="list-style-type: none"> <li>• <u>Confidential</u></li> <li>• CM: Greensill developments - an important subject for treasurers. Implications for Supply Chain Finance and how looked at by Regulators. CAS: team is monitoring carefully as facts become clearer</li> <li>• CM: some news reports suggest conferences and other physical events will be allowed to go ahead with vaccinations and/or testing. CAS: good news but there are significant lead times involved in planning events so unlikely we will hold any large in-person events this year. We have already decided the Annual Dinner and METS will be virtual although it may become possible to run some small in-person events towards the end of the year</li> <li>• SN sought clarification on the movement in creditors less than one year between the year-end statutory accounts and the management accounts. CE: will take up offline <b>Follow-up:</b> CE provided SN with a bridge between the management accounts and statutory accounts balance sheet which answered SN's question.</li> </ul> <p>b) MI pack for quarter ended Dec 2020 – taken as read and noted</p> <p>Comments:</p> <ul style="list-style-type: none"> <li>• <u>Confidential</u></li> </ul>
7.	<p><b>ARAC's report to Council (PW)</b></p> <p>PW: ARAC's recent meeting focused on reviewing the draft audited financial statements for the year ended 31 December 2020, the going concern papers and discussing the Audit Findings Report with Crowe. Crowe's audit had taken into account the updates to auditing standards and the impact of COVID-19 on financial reporting, including the more positive statement on going concern now required in the Audit Report.</p> <p>The audit had progressed very smoothly which was a testament to CE and the team.</p> <p>As noted in the ARAC minutes, ARAC is satisfied that the organisation should be considered a going concern and recommends that Council approve the letter of support to ACT (Administration) Ltd, the group financial statements and the letter of representation.</p> <p>a) Approval of the Group audited financial statements for the year ended 31 December 2020</p> <p>i) Going concern, insolvency test update and letter of support: Association to Admin Ltd</p> <ul style="list-style-type: none"> <li>• CE: the going concern papers have been updated to reflect year-end figures and the cashflow statement is extended for two years. With the CBILS loan now in place, the auditors are comfortable with going concern and the extra work done has demonstrated that the letter of support to ACT (Administration) Ltd is appropriate</li> </ul> <p><b>Council approved the letter of support</b></p> <p>ii) Crowe Audit Findings Report</p> <ul style="list-style-type: none"> <li>• CE: noted that the audit partner had said it was very unusual not to raise any control findings. CE was very pleased and had passed that feedback to his team. There was one unadjusted audit difference of £5k relating to one employee being on furlough during the year which was posted against employee costs rather than as income (government grant). The amount was not material and Crowe were comfortable with the treatment</li> <li>• SN: had there been much discussion on the contingent liability note which showed no contingent liabilities given the future obligations to venues? CE: yes, discussed with the auditors and agreed that these were future P&amp;L commitments and not subject to disclosure</li> </ul>

	<p>iii) Group letter of representation - noted</p> <p>iv) Group Financial Statements – noted NB. ACT (Administration) Ltd letter of representation and financial statements to be considered by the subsidiary’s directors at the separate Admin board meeting following Council.</p> <p><b>Council approved the group letter of representation and group financial statements and authorised AF to sign the letter of representation and AF and CAS to sign the financial statements</b></p> <p><b>b)</b> Proposal for the purchase of shares in ACT (Administration) Ltd (CE) In November 2020, Council recommended the proposal to purchase £2m of shares be split into 2 tranches, the first purchase of £1m was made in November with the second purchase, to be made in 2021.</p> <p>The paper sets out the three tests:</p> <ol style="list-style-type: none"> <li>(1) cash – OK</li> <li>(2) reserves – the forecast suggests Admin’s reserves will be negative either this month or next</li> <li>(3) inter-company debt – this continues to grow <u>Confidential</u>. The share issue will help clear this although it will build again.</li> </ol> <p>AF asked for clarification of the large figure in Association’s income and expenditure account in January. CE explained that this relates to the release of membership subscriptions deferred income relating to the period January to April, invoiced at the previous 1 May and received before year-end.</p> <p><b>Council approved the purchase of shares in Admin</b></p> <p><b>c)</b> Annual review of ACT’s Treasury Investment Policy (CE) Council noted the annual review of ACT’s Treasury Investment Policy, which had been undertaken by Naresh Aggarwal, Associate Policy and Technical Director, and that there were no changes proposed to the existing policy. ARAC recommends the treasury investment policy to Council for approval.</p> <p>CE: Goldman Sachs Sterling Reserve Fund has confirmed that, given the current zero percent yield, the fund fee charges of 0.15% have been waived.</p> <p><b>Council approved the Treasury Investment Policy</b></p> <p><b>d)</b> Other items – see minutes of ARAC meeting 10 March at item 3(b)(i) – noted.</p>
8.	<p><b>Governance (RR)</b></p> <p>a) Council election update Four nominations for the one vacancy had been received. The candidates’ details have been put onto the ACT’s electronic ballot system, voting is now open and closes on 9 April.</p> <p>RR encouraged Council members (Fellows and Associate Members) to vote if they had not already done so and to encourage their teams and other member contacts to vote. So far, just 134 votes have been received, although this is similar to recent years. A reminder has been published in the member newsletter and RR will circulate the election voting link to Council. CH agreed to post the link on the FLiT LinkedIn page. <b>Post-meeting note:</b> a further reminder was subsequently sent to all eligible members which generated a few more votes.</p> <p>b) Disciplinary RR: a new case has recently come to our attention which is likely to be straightforward. A case investigatory report will be put together shortly and sent on to a Case Examiner for consideration. In line with the Disciplinary Rules, we now seek a Case Examiner from Council and welcome a volunteer to come forward. DN offered to act as the Case Examiner as already undertaking a previous case and so familiar with the process.</p>
9.	<p><b>ACT Charity support from 1 May 2021 (CAS)</b></p> <p>AF noted that a lot less was raised at the virtual dinner than at previous in-person events. CAS: direct donations are always low, but the auction was severely affected with few bidders and fewer high-value items such as</p>

	<p>holidays because of COVID. We will have more time to run a better campaign next time and to explore other opportunities for raising funds at a virtual event.</p> <p><b>ACTION: Anyone with ideas that might work well to let CAS know.</b></p> <p><b>Council approved support for Hand in Hand International for a further year</b></p>
10.	<p><b>Any other business</b></p> <ul style="list-style-type: none"> <li>• SN: James Colhoun, a leading treasury recruiter sadly died in March 2021 - will forward obituary on to CAS</li> <li>• CE: seeking Council approval to update the bank mandates to remove former members of staff and to add CE to the mandate. The bank requires that Council resolves to change the mandate for Association, and Admin directors to do the same for the subsidiary's bank mandate <b>Council approved the recommendation to add Clive Emerson, the Chief Financial Officer, to the Association's bank mandate as a signatory and to remove any staff members that had left the ACT</b></li> <li>• CAS: thank you to CE and the finance team for their outstanding work in ensuring a successful audit for the year ended 31 December 2020. Council members agreed that their vote of thanks be minuted</li> <li>• PH: wondered if the tone of the financial statements could be considered overly positive, for example, "poised for a solid future" and "Council believes that the COVID-19 risk has been mitigated". KH: had a similar thought. CE suggested and Council agreed that there was no need to amend the financial statements but it would be noted in the minutes that there were still challenges and risks ahead to be dealt with</li> <li>• CH: this will be my last Council meeting before going on maternity leave. AF, on behalf of Council, congratulated CH and wished her all the very best.</li> </ul>
11.	<p>Next Meetings (taking place virtually)</p> <ul style="list-style-type: none"> <li>• Council update call: Wednesday 5 May 2021 16.30 to 17.00</li> <li>• Council meeting: Tuesday 13 July 2021 14.30 to 17.30</li> </ul>
12.	<p><b>Closed sessions</b> – not minuted.</p> <ul style="list-style-type: none"> <li>i) Council and Chief Executive only</li> <li>ii) Council and Chief Executive but excluding any conflicted members of Council (if any) – not needed.</li> <li>iii) Council only</li> </ul>