

**Minutes of a meeting of the Board of the
CFA Society of the UK (CFA UK) held at
Chartered Accountants' Hall, 1 Moorgate Place, London,
England EC2R 6EA at 5.00pm
on Tuesday 22nd November 2022**

Present: L Matthews chair
H Eastman
G Elcock
K Ferguson (items 1462 to 1469)
W Hung (items 1465 ii. to 1469)
K Kosmopoulou (items 1465 to 1469)
P Lenoble (items 1465 to 1469)
F Lundie
T Nuding
S Solomon
H Thomas (items 1462 to 1469)

Attending: B Young (company secretary)
W Goodhart (chief executive)
V French (chief financial officer)
A Ramsay (chief operating officer)
L Gracie (Indigo Independent Governance)
S Verjee (director of outreach)
A Pinch (director of customer experience)
A Byrne
E Koycheva (items 1463 to 1469)

1461 Apologies for absence and welcome
Apologies for absence were noted from David Zahn and Christina Curtin. Alistair Byrne and Elena Koycheva were welcomed to the meeting.

1462 Declarations of interest
The register of directors' interests was noted. The declarations of the proposed new directors would be updated for the January meeting.

1463 Minutes of previous meetings
The minutes of the board meetings held on 12th July 2022 and 4th October 2022 were reviewed and approved as accurate records for signature.

1464 Matters arising
The matters arising report was taken as read and noted.

1465 Board matters
i. _____ FY23 re-forecast
The FY23 re-forecast paper was reviewed and noted.

A summary of the main highlights of the re-forecast, which had been produced to reflect the lower levels of certificate in climate and investing registrations, was verbally provided. The reforecast projected an improved full year operating loss of £99k versus a loss of £413k in the original forecast. Cost savings included £225k of direct costs and £202k in staff costs. It was noted that costs relating to the IT transformation project were mainly due to delays in third party contract work and therefore primarily only represented a timing difference. Staffing costs had been reduced due to two roles being postponed into FY24 and delays already incurred in recruitment activity. Adjustments had also been made to reduce revenue projections for the certificate in climate and investing in FY23. Conversely, forecast revenues

for the ESG certificate had been increased by 16% following an increase in the amount forecast by CFA Institute.

Foreign exchange gains, where revenue was generated in US Dollars, were noted. It was also confirmed that three foreign exchange hedges had been put in place following a recommendation by the finance committee.

The phasing of the total IT transformation spend approval of £1.26m was queried and it was confirmed that £939k of the budget was expected to fall in FY23 and was included in the reforecast. Re-brand costs had also been included in the sum of £160k as well as the cost of the senior IT officer. It was confirmed that no IT transformation activity was being cut but simply postponed until after FY23, which was primarily driven by third party capacity. It was also clarified that IT transformation activity was not being slowed down by the re-forecast and, in fact, work was being accelerated under the previously-presented plans developed by the senior technology officer to run workstreams concurrently. The current workstreams were outlined.

A member events list, which highlighted those events continuing and those that had either been cancelled or postponed, was discussed. It was agreed that it would be useful to see the list of events, particularly the events for volunteers given the emphasis on restructuring volunteering. It was confirmed that the careers conference would be held in the next financial year. The list of events would be circulated to the Board.

After due and careful consideration and subject to circulation of the events list, the FY23 reforecast was approved.

ii. Volunteer strategic orientation group recommendations

The volunteer strategic orientation group recommendation paper, outlining strategies and actions identified by the working group needed to make volunteering process improvements, was reviewed and noted. An earlier board briefing had been held to address the detail. It was agreed that it was important for the working group to work towards improvements in communication and enhancing governance whilst at the same time empowering volunteers.

The use of the term “task group” under the committee naming convention was discussed and it was suggested that this could be changed to emphasise the importance of the groups.

The proposed merger of the ethics and professionalism steering committees was discussed and concern was raised about how it would work in practice. It was reported that the proposed merger had been discussed in great detail and, due to the levels of collaboration between the two committees that already happened, it was hoped that it would be beneficial to merge them. The practical way in which this would be implemented would be a matter for the merged committee to decide upon. The sufficiency of the staffed office resource to support the enlarged committee was also queried. It was agreed that Weiyen Hung, Katerina Kosmopoulou and Hilary Eastman would meet outside of the meeting to discuss the proposed merger in more detail.

It was highlighted that tables 1 and 2 in the paper were a key summary of the recommendations for the board to approve at this time and the volunteer community would be given an opportunity to review and feedback on the other recommendations before the final proposals were brought back to the board for approval.

The implementation plan was being developed by Katerina Kosmopoulou and the COO and would be brought back to the board at the January meeting.

After due and careful consideration, the volunteer strategic orientation group recommendations were approved in principle.

iii. Investment committee chair recommendation

The treasurer’s paper setting out the recommendation for the appointment of Haig Bathgate as investment committee chair as successor to Tim Nuding was taken as read and noted.

It was noted that the incumbent chair had agreed to remain on the investment committee to support the new chair for at least three months.

After due and careful consideration, the recommendation that Haig Bathgate be appointed as chair of the investment committee was approved.

iv. Directors' appointments

It was noted that Alistair Byrne and Elena Koycheva had been recommended as new directors by the nominating committee and the recommendation had subsequently been adopted by the board. Resolutions to approve the proposed candidates had been included on the AGM notice and voting would be completed at the AGM later that evening.

The retiring directors, Tim Nuding, Helen Thomas and David Zahn were all warmly and sincerely thanked by the chair on behalf of the board for their contribution to the society throughout their six year terms.

v. Vice chair appointment

Following the recommendation of the nominating committee and her subsequent shadowing of the vice role, it was resolved that Katerina Kosmopoulou be appointed as vice chair of the board, subject to and with effect from her re-appointment as a director at the AGM to be held later in the evening.

vi. 2023 Board meeting dates and 2024 provisional board meeting date

The board meeting dates for 2023 and the provisional board meeting dates for 2024 were reviewed and noted.

The board meeting on 25th April 2023 would need to be re-arranged.

With the exception of the April 2023 date, the board meeting dates were approved. The secretary would arrange for calendar invites to be sent.

1466 Chief executive's report

The chief executive's report was taken as read and noted.

1467 Finance report, management accounts and KPIs

The finance report, management accounts and KPIs as at 30th September 2022 were taken as read and noted.

It was observed that member renewal numbers were lower but that this was a function of the time of year. Renewals had been generally stronger than before with the exception of local members.

1468 Any other business

There were no other items of business.

1469 Date of next meeting

It was noted that the next board meeting would be held on Tuesday 24th January 2022 at 5pm at the offices of USS, 6th floor, 60 Threadneedle Street, London EC2R 8HP.

There being no other business, the meeting was closed at 6.01pm.

4th Floor, Minster House
42 Mincing Lane
London EC3R 7AE

Signed: _____

Dated: _____