

## **MINUTE OF MANAGEMENT BOARD MEETING – 22 JULY 2009**

Present:	Mr Pimlott (Chair)	Mr Sharp	Item 3
	Mr Godfrey	Mr John	Item 4
	Mr Harrison	Mr Hall	Item 4
	Mr Haslehurst	Mr Cassell	Item 5
	Ms Letsinger	Ms Johnson	Item 6
	Mr Crawford		
	Mr Addison Smith		
	Mr Dodgson		
	Mr Havelock		
	Mr Ridley		

Secretary: Dr Phillips

### **1. Draft Minute of 24 June Meeting and Matters Arising**

1.1. MB agreed the draft minute of the 24 June meeting.

### **2. Annual Legal Review**

2.1. MB conducted its annual review of legal risks. MB commended the work carried out in amending the Act and noted that guidance detailing the implications would be provided to the Business Group.

### **3. Q1 Performance Update**

3.1. MB was presented with an update on ECGD financial figures, which highlighted key financial performance indicators and business forecasts.

### **4. International Financial Reporting Standards (IFRS)**

4.1. MB discussed the Government requirement that all departments must implement IFRS phase II by FY 2011-12. Under this requirement, ECGD was on course to have shadow accounts prepared by September 2009 for audit by Mazars. IFRS issues had been discussed in meetings with both the Chair of the Audit Committee and Mazars.

4.2. MB proposed that a temporary IFRS working group be created in order to give proper consideration to the issues raised by IFRS.

- 4.3. MB was informed that ECGD had been employing a fair-value methodology on its swap transactions since 2004. ECGD had successfully implemented IFRS 23, 25, 26 and 29 in recent years.
- 4.4. MB noted that several outstanding issues remained, including how ECGD would populate the necessary Claims Development Table, and the format and inclusion of a Risk Reporting section to preface the accounts.
- 4.5. MB was presented with the “next steps” that would be undertaken to ensure completion of the shadow accounts by the specified deadline. MB advised that these should include effective provisions for transfer of knowledge within ECGD.

## **5. Business Systems Reconfiguration Update**

- 5.1. MB was informed that the analysis undertaken to scope the later stages of the BSR Programme had been completed and resulted in a greater understanding of the scope and resource requirements of the key projects. Resource was now being put in place to support delivery, such as the recruitment of a new Head of the Business Change Unit.
- 5.2. MB noted that technical work was progressing well and that a Business Design Analysis Group had been set up to ensure that deliverables were consistent with the business requirements.
- 5.3. MB was informed that thorough testing of each element of the programme was acting as an important risk mitigant. The benefit from the new data management systems was expected to become evident by the summer of 2010.

## **6. Human Resources Update**

- 6.1. MB was presented with an annual Human Resources update, which outlined the strategy and achievements over the past 12 months. ECGD was in line with the wider civil service agenda. One of the key areas of achievement had been effective knowledge and skills management, which had been promoted through implementation of the Learning and Development Strategy.

6.2. The emphasis going forwards would be on leadership within the organisation and the review of ECGD's Joint Equality Scheme. Given the increase in business activity since the onset of the financial crisis, resource management had been a particular challenge for the Human Resources Department in the past year.

**7. AOB**

7.1. MB noted ECGD's recent 90<sup>th</sup> birthday celebration at the FCO, attended by Ian Lucas MP.

**Dr Phillips**

**Chief Executive's Office**