

**Minutes of a meeting of the Board of the CFA Society of the UK (CFA UK) held at
the Royal College of Surgeons, 35-43 Lincoln's Inn Fields, London WC2A 3PP
and by Teams at 5.00 pm on Tuesday 19th November 2024**

Present:	H Eastman	chair
	A Byrne	(from 1627 to 1638)
	G Elcock	
	K Ferguson	
	S Hsu	
	W Hung*	(remote from 1627 to 1629 and in person from 1629 to 1638)
	K Kosmopoulou	
	E Koycheva	(all items to 1635)
	P Lenoble	(from 1627 to 1638)
	S Solomon	

Attending:	C Curtin (director of education)	(all items to 1635)
	V French (chief financial officer)	(all items to 1635)
	W Goodhart (chief executive)	
	L Gracie (Indigo Independent Governance)	
	M Pryce	
	P Shivaprasad (director of outreach)	(all items to 1635)
	B Young (company secretary)	

* denotes remote attendance

1623 Apologies for absence and welcome

There were no apologies for absence. The chair welcomed Mark Pryce to the meeting as a guest, prior to his proposed appointment at the AGM to be held later that evening.

1624 Declarations of interest

The chair invited board members to declare any conflicts of interest related to the items on the agenda for the meeting. There were no conflicts declared.

1625 Matters arising

The matters arising report was taken as read and noted.

A reminder was given of the information requested from board members in order to renew the D&O insurance policy.

1626 Ofqual statement of Compliance 2024

The paper relating to the Ofqual statement of compliance 2024 was taken as read and noted. It was confirmed that a robust process to challenge the statement had been carried out by the E&E committee.

The position regarding the difference between the use of third-party examiners or test centres which had been queried last year was discussed. It was confirmed that, following legal advice taken in 2023, the status adopted in the previous year had been maintained in this year's statement, with examination arrangements continued to be classed as third-party examiners. It was confirmed that the society had been transparent with the decision made last year.

It was confirmed that an external audit had been carried out on the statement on eight specific conditions of recognition. Six conditions had been fully implemented and two conditions had been challenged. One condition had not been accepted as it applied to regulated qualifications and the second related to the D&I monitoring and policy which was not mandated and was not currently possible under the society's current systems. It was noted that the collation of D&I characteristics data was being developed to allow the appropriate monitoring suggested by Ofqual in the future.

After due and careful consideration, following the recommendation of the E&E committee, the Ofqual statement of compliance 2024 was approved for submission.

1627 Budget requests

i. Marketing platform business case

The marketing platform business case requesting a budget approval of one-off costs and annual recurring costs was reviewed and noted. The additional recurring annual cost compared to the current cost was noted to be only circa £3-4k per annum higher.

It was confirmed the marketing platform would integrate the current systems and provide greater efficiency and automation, eliminating manual tasks. It was confirmed that the platform would connect with the CRM and would generally simplify email marketing processes and enable a more personalised approach to be adopted for different types of members.

After due and careful consideration, taking into account the efficiencies the new system would bring, the budget for one off-costs and annual recurring costs, the new marketing platform was approved.

ii. Business case for new finance system

The business case for a new finance system requesting a spend in FY25, including contingency spend, was reviewed and noted.

It was confirmed that the implementation of the new finance system, plus integrations from the newly implemented education system, would reduce manual tasks and key person risk and was therefore a risk mitigation activity as well as one which would introduce efficiencies.

The proposed third party reseller chosen to help implement the new system and integrations had been previously used by the society for a small standalone piece of work but was also known to a board member and it was confirmed that his firm's experience with the third-party company had been positive.

The current proposed go-live date at year-end was discussed and it was noted that in order for the finance team to spend time on implementation, temporary contractor resource had been factored into the business case to help run the year end audit and statutory accounts preparation.

The risks within the project were also discussed and it was suggested that it may be possible to postpone the implementation of the deferred revenue module, to speed up delivery if required. A full programme of user acceptance testing would be planned and a go-live decision point would also be defined.

The implementation of the new system was considered to be a necessity to reduce risk and after due and careful consideration the budget request and ongoing licence costs for both the system and integrations from FY26 onwards, was approved.

1628 Matters reserved to the board

The paper proposing that a schedule of matters reserved to the board be developed for the society was reviewed and noted.

It was confirmed that existing financial approval limits would be aligned with the schedule as part of the overall delegation framework which could continue to be updated from time to time.

It was suggested that the new chief executive should be part of the developing the document however it was noted that the matters reserved to the board would, in any case, be reviewed on a regular basis so that his/her input could be sought in a future review. In the meantime, it would be helpful to the incoming chief executive to have a clear framework of authorities.

After due and careful consideration it was approved that the company secretary would develop the schedule of matters reserved to the board in liaison with a working group, comprising of the chair, Suzanne Hsu and Kieran Ferguson and with the chief executive and the chief financial officer. The final document would be presented for board approval at the February board meeting.

Changes to the board governance arrangements were queried and, after discussion, it was confirmed that an annual framework of agenda items and approvals should also be developed to ensure that all recurring matters reserved to the board would be addressed in a timely manner.

1629 IMC Unit 3

The paper setting out the proposal for a consultation on IMC unit 3 was reviewed and noted.

It was confirmed that, following outreach activities including a round table and a stakeholder consultation, industry representatives were positive about both options for a new IMC unit 3 but marginally more in favour of the investment business option. Management was also supportive of developing the investment business unit 3 for the IMC to cater to the needs of the industry.

The stakeholders involved in the consultation were queried and it was confirmed that these were from a wide variety of roles across the industry.

It was highlighted that this would likely be attractive to candidates following the recent guidance from the regulator.

It was recommended that a full stakeholder consultation be carried to define the investment business scope and prospects. A pilot could be carried out in September 2025, subject to further board approval. The new unit would be a good way to celebrate the 30th anniversary of the IMC.

The possibility that the re-development and pilot of the CCI might coincide was discussed and it was confirmed that the team had adequate resources and skills to action these projects in tandem or one could be deferred if necessary.

After due and careful consideration, the full stakeholder consultation for IMC unit 3 investment business was approved.

1630 Management reports

i. Chief executive's report

The report of the chief executive was taken as read and noted.

ii. Operational report

The operational report was taken as read and noted.

iii. Finance report, management accounts and KPIs

The finance report, management accounts and KPIs for the period to 30th September 2024 were taken as read and noted.

1631 Minutes of previous meetings

The minutes of the board call held on 24th September 2024 were reviewed and agreed to be an accurate record of the meeting for signature. The minutes of the board meeting held on 8th October 2024 were reviewed and agreed to be an accurate record of the meeting for signature.

1632 Directors' responsibilities and declarations of interest

The registers of directors' responsibilities and directors' interests were noted.

1633 Board meeting dates 2025 and provisional dates 2026

The proposed board meeting dates for 2025 and provisional dates for 2026 were reviewed. It was noted that the 11th February 2025 meeting date was proposed to be moved to 25th February 2025. However, as some board members were unable to make the new date, a poll with alternative dates would be sent out by the company secretary.

It was confirmed that two placeholder dates for the strategy day and the two potential dates for the December board call had been diarised.

1634 Disciplinary committee terms of reference

The disciplinary committee terms of reference were reviewed and approved.

1635 Development of certificate in climate and investing

The item on the redevelopment of the certificate in climate and investing was carried forward for discussion at the February 2025 meeting.

1636 CE Succession update

It was confirmed that there had originally been a total list of circa 25 candidates. A short list of eight very good calibre candidates had been presented to the working group, four of which had been selected for interviews. First interviews would be held that week with the group members and second interviews would be conducted in the week commencing 25th November 2024 by the chair.

It was confirmed that the board call in December had been arranged to approve an offer to be made to the selected candidate, but that the CFO and COO would have an opportunity to meet with the candidate before the final selection was made. It was also noted that salary expectations still needed to be managed although an indication of the remuneration package had been provided by Sapphire.

1637 Any other business

i. Thank you to retiring director

Thanks were extended to Gillian Elcock for her contribution as a director as she stepped down from the board after her full six year tenure.

1638 Date of next meeting

It was noted that the next meeting would be confirmed once board members' availability had been canvassed.

There being no other business, the meeting was closed at 6.05 pm.

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Signed: _____

Dated: _____