

## BOARD MEETING

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Minutes of a meeting of the British Waterways Board (the **Board**) held at British Waterways, 1 Sheldon Square, Paddington Central, London W2 6TT on Thursday 17 June 2010 at 10.00 a.m.

### PRESENT:

Mr T Hales	Chairman
Mr J Bridgeman	(By phone)
Mr J Bywater	(By phone)
Mrs M Carver	(By phone)
Mr R Green	
Dr J Hargreaves	(By phone)
Mr N Hugill	
Mr E Prescott	
Mr P Sarwal	(By phone)
Mr D Sutherland	(By phone)

### IN ATTENDANCE:

Mr R Evans	Chief Executive
Mr N Johnson	Corporate Services Director
Mr P Ridal	Finance Director
Mr S Salem	Marketing Director
Mr C Stamp	Prism Cosec, Secretary of the Meeting

### BOARD REVIEW

- 10/71 The Chairman noted that the Secretary to the Board had circulated Board evaluation questionnaires with a request that they be completed and returned by 30 June 2010. The Chairman proposed that there be a short discussion on the evening before the July Board meeting to discuss the initial findings of the survey with a view to a fuller discussion over dinner before the Board meeting in September.

### ANNUAL REPORT & ACCOUNTS FOR THE YEAR TO 31 MARCH 2010 (BWB 3402)

- 10/72 **Annual Accounts Report:** Mr Ridal presented his report on the Annual Report and Accounts for the year-ended 31 March 2010 noting that the accounts had been finalised with no material changes to the version previously reviewed by the Audit Committee.
- 10/73 **Audit Committee Report:** Mr Hugill reported on the meeting of the Audit Committee held on 8 June 2010 which had reviewed the year-end audit. Overall it had gone well with only relatively minor audit-related issues for the Committee to consider. The increase in the value of the pension fund liability for the purpose of the accounts had been noted with the extent of the pension fund deficit expected to become clearer later in the year when the triennial valuation was undertaken.

The principal property issue during the year had been the write-down to zero of the value of the equity in the Gloucester Quays JV. Other valuations were now improving.

Mr Ridal reported that the Audit Committee had requested that Defra be approached with a view to changing the Direction on the presentation of the accounts so as to reflect the treatment of the £7.0 million transfer from the capital reserve. Following a discussion with Defra, it had been decided to show the transaction as a transfer across reserves rather than as an appropriation of current year profits. The accounting policies had therefore been amended accordingly and Mr Ridal confirmed that Grant Thornton were comfortable with this treatment.

Mr Sarwal noted that there were still references to “profit” and “loss” rather than “surplus” and “deficit”. Mr Ridal undertook to complete a full check of the Annual Report to ensure that all such references were corrected as part of the final proofchecking of the Annual Report.

PR

It was suggested and agreed that the reference to “HQ, national and waterway management teams” in the Analysis of Operating Costs should be amended to “National and waterway teams”. It was also suggested that more explanation was needed concerning the percentage for “propensity to recommend” among boat owners, under the “customer services targets and achievements” heading in the business review.

The draft Remuneration Report was considered and it was suggested that more clarity was required in respect of the guidance provided by Kepler during the year. Mr Evans also confirmed that there had not been an increase in salaries year-on-year (the differences shown being due to the ‘pay years’ not being coterminous with the reported financial years).

[Remainder of minute commercially confidential]

The Chairman thanked Mr Hugill for his report.

10/74 **Approval:** It was agreed that the Chairman’s Statement, Group Overviews, the Finance Review, the Directors Remuneration Report, the Corporate Governance Report, the Board Members Report and the Financial Statements be approved for publication, subject to final checking. Messrs Hales and Evans were authorised to approve any final proof-checking adjustments.

TH/RE

Mr Johnson was authorised to sign the Corporate Governance Report and the Directors Remuneration Report on behalf of the Board. Messrs Hales and Evans were authorised to sign the balance sheet on behalf of the Board.

NJ

TH/RE

There being no further business the meeting concluded at 10.45am

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**Chairman**