

**CALEDONIAN MARITIME ASSETS LTD.**

**Board of Directors Meeting, 11 January 2011  
Scottish Government Offices, VQ, Edinburgh  
Minute of Meeting and Actions Arising**

**FOISA status – Exemption under Section 30 (prejudice to effective conduct of public affairs)**

**Present:**

G S Johnston (Chair)  
E Ostergaard  
K MacLeod  
G Platten  
G Laidlaw  
R Davie  
L Spencer  
A Duncan

**In attendance:**

N Thomson  
L Duffy

**Minutes:**

E Roxburgh

**1. Welcome & Apologies**

The Chairman welcomed everyone to the Board meeting, wishing them a Happy New Year.

**2. Approval of Minutes of 16 December 2010.**

The minutes were approved as a true record. The redacted minutes were noted.

**3. Matters Arising**

There were no matters arising.

**4. Finance Report**

4.1 The Board noted the previously circulated report from the Financial Controller.

**(Redacted under Section 33)**

The Board discussed a paper circulated by the Financial Controller detailing forecast P&L and Balance sheet for the next 3 FYs until March 2014. Views

were sought from the Board prior to a detailed budget planning meeting on 21<sup>st</sup> January. **(Redacted under Section 33)**

- 4.2 Pensions. KMaCL provided an update on progress with the MNOFP including the appointment of dedicated project staff.

## 5. CHFS, Cowal and Rathlin Contracts

- 5.1 Gourock/Dunoon. GL reported that discussions were ongoing with the EU.

- 5.2 AD reported that a press release about the recycling of MV JUNO would be prepared and that both SG and CFL would have the opportunity to sight and comment before issue.

## 6. Vessels

- 6.1 The Board noted the previously circulated report from the Director of Vessels.

MV FINLAGGAN – an updated build programme has been issued by the yard with a delivery date of 19<sup>th</sup> April 2011. 12 days delay have been claimed by the Yard under the contract however this position had not been accepted by CMAL.

AD reported that spares would not be ordered until the position of crewing costs was known to ensure that there was sufficient money in the budget to cover.

Board approval was sought to authorise Guy Platten and Andrew Duncan to sign Protocols of Acceptance and Delivery. **Board approval was given.**

MV JUNO. CFL has requested permission to remove machinery parts prior to going to recycling and this was being considered by AD. These parts will be for use on the MV JUPITER AND MV SATURN.

New Designs. AD updated the Board on provisional procurement timetables for the Type B Hybrid Ferries. GP updated the Board on discussions with SG over the number of ships to order. It was hoped to be able to order 2 with options on a further 2. The steering group would meet on 18<sup>th</sup> January to discuss the project including finalising the initial routes the vessel will serve on.

## 7. Harbours & Piers

- 7.1 The Board noted the previously circulated report from the Director of Harbours & Piers.

LS reported that progress on developing the Safety Management System for the Ports had been slower than expected as the Consultant engaged had been asked to undertake additional work by carrying out a Risk Assessment at Port Askaig on behalf of A&BC and CFL.

**(Redacted under Section 33).**

LS reported that the tenders for Port Ellen pier rebuilding were currently being. **(Redacted under Section 33).**

GP advised that he had met with DML/CFL Board of Directors to reiterate the aims/objectives of CMAL and our wish to work proactively with the Operator. It was a very useful meeting with DML/CFL indicating their understanding of these. GP also explained the rationale behind appointing a Harbour Master and this position appeared to be understood and accepted. It was agreed that LS would meet with the MD of CFL to agree some shared 'success factors' and that the HM would meet other senior management team members within DML/CFL at the earliest opportunity following appointment.

## **8. Corporate Services**

8.1 The Board noted the previously circulated Corporate Services Report.

Scottish Enterprise is sponsoring an awareness conference on the Hybrid Ferry Design on the 18<sup>th</sup> February in Glasgow at the Radisson Blu Hotel. GP explained that it was important that people wishing to attend the event register through the website to ensure control of numbers and for catering arrangements.

Operating Plan 2011-2012. The date for the planning day should read 21<sup>st</sup> January and not 18 February as stated in the paper.

GP advised that key staff would undertake media skills training, particularly crisis management during the year. A suitable supplier would be sourced.

8.2 The Board noted the previously circulated Human Resources Report.

## **10 Health & Safety Report (taken out of sequence)**

10.1 The Board noted the previously circulated Health & Safety Report.

## **11. Risk Report**

11.1 The Board noted the previously circulated Risk Report.

## **12. A.O.B**

12.1 Strategic Plan. It was noted that the figures mentioned in the penultimate paragraph of page 2 were incorrect with regards to overall capital requirements.

12.2 David Middleton is due to visit CMAL Port Glasgow Office tomorrow.

12.3 RD updated the Board on progress in recruiting 2 Non Executive Directors. Tenders for the recruitment consultants had been returned by 6 companies.

The successful Company was Munro Consultancy. Once an assessor is appointed from OCPAS a meeting will be arranged to discuss further.

- 12.4 GSJ advised the NorthLink Orkney & Shetland Ferries AGM was being held on Friday at 1400 hours. This will be to pass the accounts for the next year.

## **9.0 Strategy**

- 9.1 Restructuring. GP updated the Board as to progress with development of the business case. LD gave a presentation on the detailed Financial Model developed as part of the restructuring business case. He also included the slides which were to be shown to the SG/CMAL/SFT Steering Group Meeting following the Board meeting. The Board discussed the progress along with the financial model and a number of amendments to the various slides and presentation were suggested in order to clarify the messages and position particularly with regards to the capital requirements, cashflow and revenue needs.

GP reported that the Financial Model is currently being audited by Grant Thornton.

There being no further business the Chairman closed the meeting thanking those in attendance.