

NOTE FROM FINANCE DIRECTOR

BATCO. MILLBANK, STAINES

Note To: Finance Advisers
Messrs. D.E. Salt
K.J. Hardman

c.c. Messrs. M.F. Broughton
G.J. Burgess ✓

From: Mr. R.H. Pilbeam

Ref: RHP/MST.J
Date: 23rd April 1992

FINANCE KEY AREA PAPER

I enclose a copy of the 1992 BATCo. Finance Key Area Paper that was adopted by the Board on 16th April.

May I remind you that:-

- (a) The paper is confidential and should not be sent to operating companies.
- (b) All company financial guidelines should concentrate on the key issues. Ratios and specific comments should be tailor made for each individual company. General Policy Statements should not be included in the guidelines unless particularly relevant. Individual company guidelines need not be discussed with me except where you feel guidance is required or where there is a significant change from previous guidelines.
- (c) The Standard Finance Policies are being updated. In the meantime you should re-emphasise the need to adhere to the existing policies at all times, and remind companies that general coverage in company plans does not constitute specific approval.

A meeting has been arranged for Thursday 30th April at 2.00 p.m. in my office, particularly for those Finance Advisers responsible for setting company financial guidelines, so that we can ensure the changes in emphasis from the previous key area paper, eg. managing inflation without necessarily using CCA, managing cash flow on a quarterly basis, etc. are interpreted and communicated on a consistent basis.

In addition, a target has been set to reduce General Administration costs by 5% p.a. in real terms and Finance Advisers will have to play a key role in motivating change to achieve this.



R.H. PILBEAM

Enc.

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