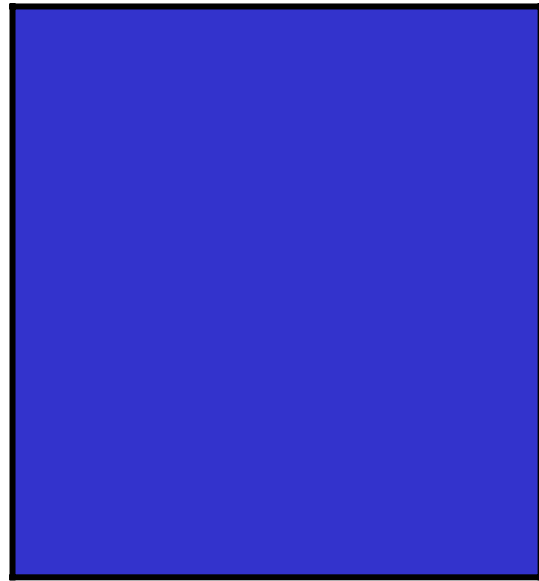
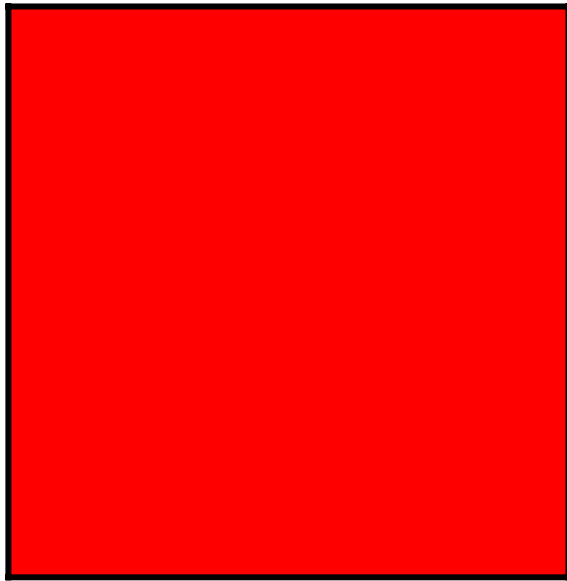


Partnership Boards and open book accounting – basic principles



Partnership Boards

- **ARE NOT** a guarantee of partnership
- **ARE** how sensible people who want to be partners might choose to organise themselves

Board functions in K&C

- To monitor and report on performance
- To be innovative (**Innovation Forums**)
- To be proactive
- To resolve differences
- To review the state of the partnership
- To review and report on workforce matters

Partnership duties

- **To make a sincere effort to understand each other**
- To be just and faithful in all dealings
- To work within a spirit of co-operation
- To communicate clearly and effectively
- **To make efficient use of resources**
- To give early warning of mistakes

Open book accounting

Two basic types:

- “Open open” book
- “Closed open” book

Open book accounting (2)

Two variants on “open open” book

- “Here’s all the data you could ever ask for” (ie you won’t be able to see a thing)
- “Here are my management accounts, and here is the capex programme in the format we discussed last time”

Closing remarks

- It works for us...but....
- There has to be enough money in the contract
- It has to make strategic sense for both parties