



LEADING TREASURY
PROFESSIONALS

Welcome to the Association of Corporate Treasurers

October 2016

Building futures
Connecting minds
Enhancing knowledge
Creating advantage
Shaping careers
Giving direction
treasurers.org



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The ACT – the chartered body for treasury

A global network of some 7,500 members and students in over 90 countries



86% Of the UK FTSE 100 employ ACT members and students

109 CPD accredited employers

90 Business members



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How can we help you?

Educating
through
professional
qualifications

Networking
through
events and
conferences

**Shaping
careers**
through treasury
training

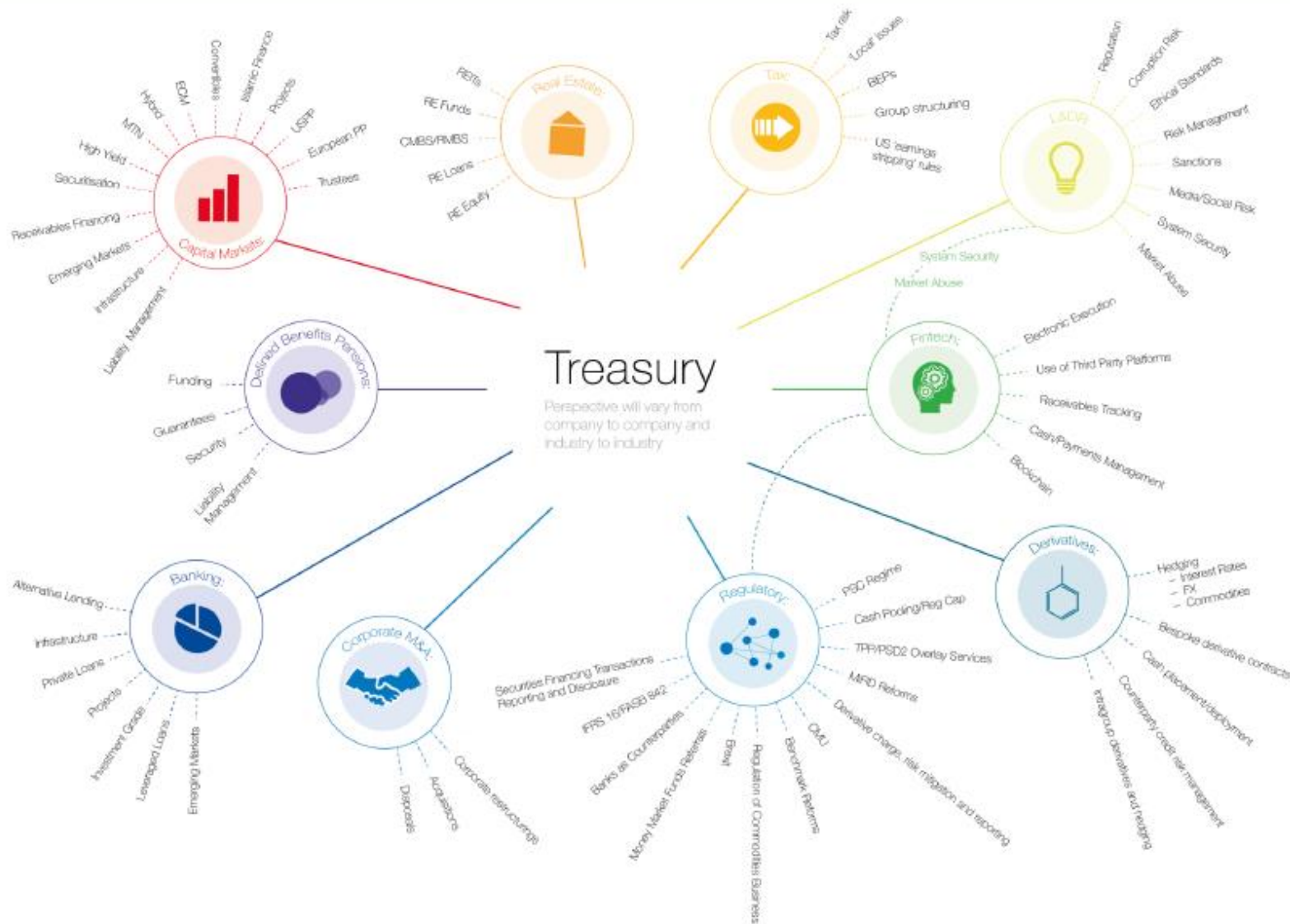
Guiding
through policy
& technical
updates

Supporting
through
membership
services

Informing
through
publications
and webinars

What do treasury professionals do?





MARKS AND SPENCER **KELLOGS** **ADIDAS** DELL OLD MUTUAL
LLOYDS BANK HARRODS MORGAN STANLEY SIEMENS **TESCO**
GULF OIL MARINE TRANSPORT FOR LONDON BLACKROCK RENTOKIL
SAINSBURYS **IBM** ROLLS ROYCE DELOITTE **JP MORGAN** **INNOCENT**
NATIONAL BUILDING SOCIETY **DIAGEO** THE SALVATION ARMY **SANCTUARY GROUP**
KPMG RALPH LAUREN
EASYJET MITSUBISHI
IKEA **RBS** **FUJITSU**
ROYAL MAIL CREDIT SUISSE
THE ECONOMIST
INTERCONTINENTAL HOTELS GROUP
HSBC **HUAWEI**
GOLDMAN SACHS
WORLD HEALTH ORGANISATION
AVIVA INSURANCE **BARRATT DEVELOPMENTS** **BUPA** **ELEMENTIS**
DISCOVERY PAKISTAN STATE OIL CO GENERAL MOTORS ALLEN & OVERY
ATLAS TRADING AND SHIPPING **PRUDENTIAL** WORLD GOLD COUNCIL **THOMAS COOK**
CAMELOT UK LOTTERIES **PETA** DAILY MAIL NOVARTIS **NEXT**
BRITISH AMERICAN TOBACCO JOHNSON & JOHNSON GRESHAM COMPUTING
MOTOROLA **VISA** **UNILEVER** BACARDI-MARTINI VIRGIN MEDIA

Every
business
needs
treasury



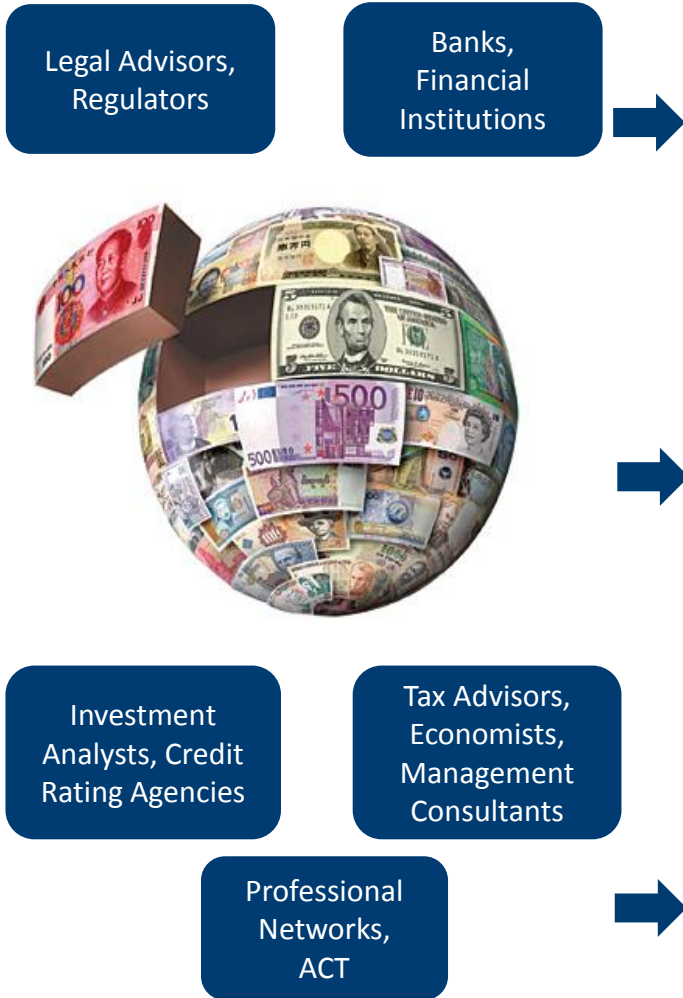
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Treasury by any name...

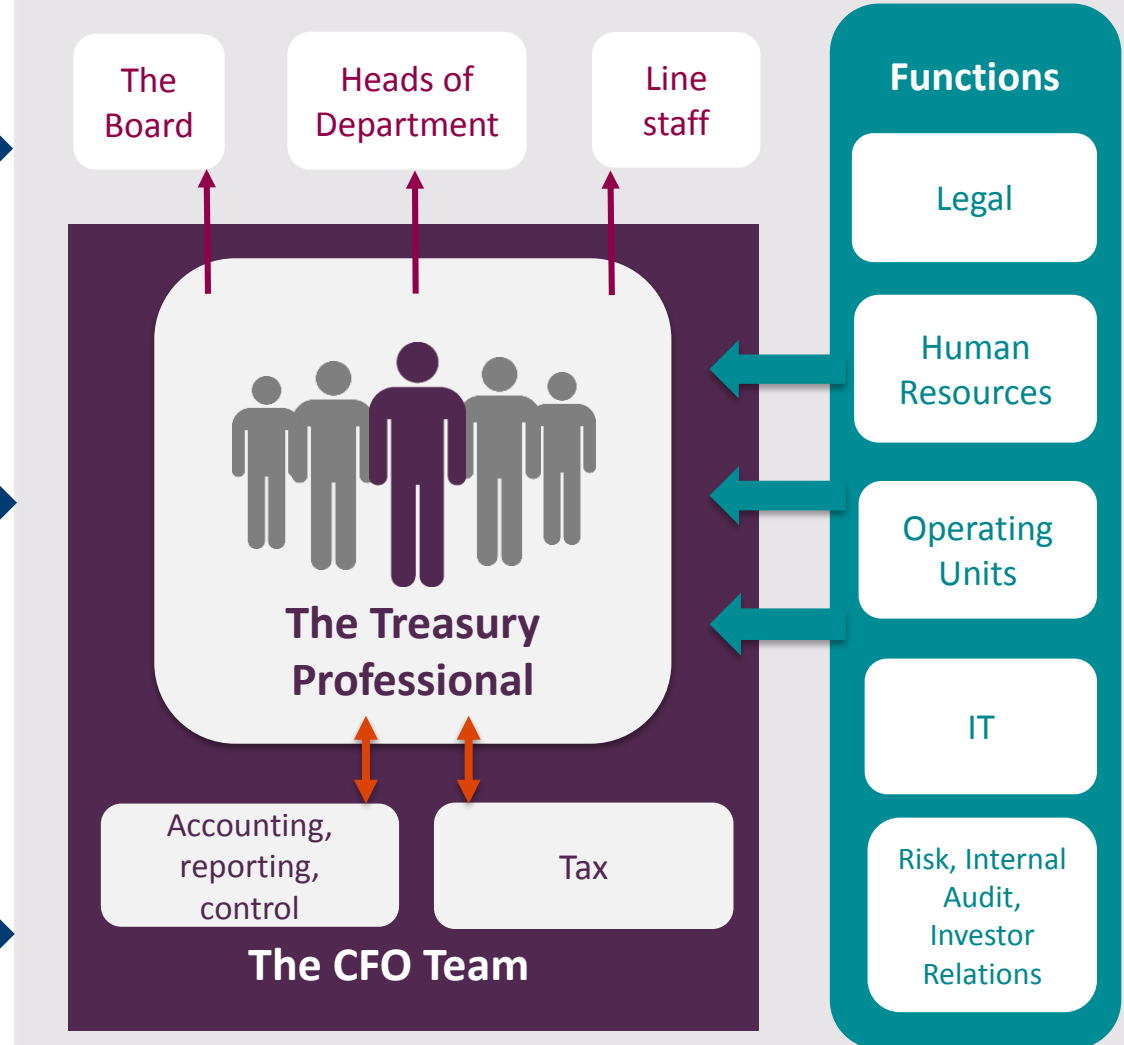


Where does treasury fit in the business?

Outside the business



Inside the business



The differences between...

Treasury

- ✓ **Connects the business with the financial markets**
- ✓ Emphasis on money, financial risks and wealth creation
- ✓ Develops & implements financial strategies and policies to support business objectives
- ✓ Outward / forward looking – finances future business success

Effect on business:
Immediate



Accounting

- ✓ A financial reporting / internal control function in a business
- ✓ Emphasis on financial position
- ✓ Manages transaction recording, profitability, cost control, external reporting
- ✓ Inward / historic looking – analyses past events to influence future decision making

Effect on business:
Limited/delayed



Investment banking

- ✓ Operates in a financial institution or bank, raising capital for clients
- ✓ Emphasis on valuation, purchase and sale
- ✓ Manages execution of funding transactions, **generates liquidity in the financial markets**
- ✓ Outward / current looking – establish price today and execute transaction

Effect on business:
Remote





What can you expect to earn (UK)?

	London		UK*	
	FTSE 100/250	SME	FTSE 100/250	SME
Group Treasurer	£150-200k	£100-150k	£90-140k	£50-90k
Assistant Treasurer	£100-170k	£70-95k	£60-90k	£40-70k
Treasury Manager	£55-80k	£45-60k	£40-55k	£35-50k
Treasury Accountant	£40-70k	£35-50k	£32-45k	£28-40k
Treasury Analyst	£35-50k	£30-40k	£24-35k	£23-30k

Source: Hays Salary Survey 2015

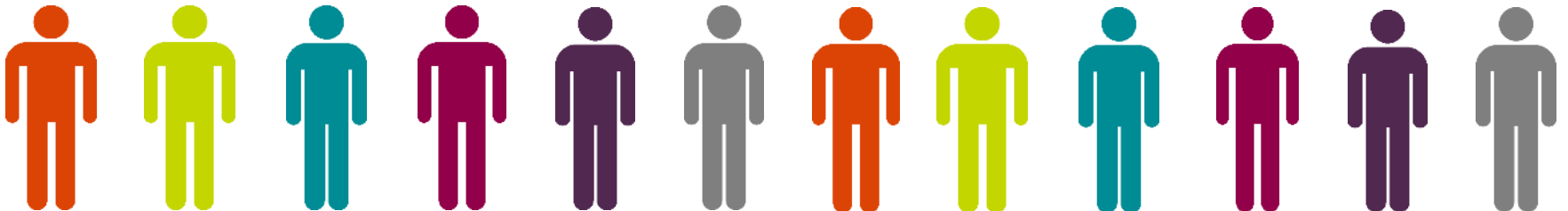
*Represents an average salary range spread across the UK



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Does this sound like you?

- ✓ Bright
- ✓ Curious
- ✓ Good with numbers
- ✓ Technically capable
- ✓ Like building things
- ✓ Willing to learn and build your knowledge
- ✓ Like problem solving and influencing
- ✓ Want to make a difference
- ✓ Interested in finance, markets, economics
- ✓ Interested in business
- ✓ Confident and good at communicating
- ✓ Driven, hardworking and self-motivated
- ✓ Interested in people
- ✓ Great at building relationships



ACT

Competency Framework

GLOBAL TREASURY STANDARDS

The competency framework defines the treasury skills and capabilities needed by treasury professionals to operate successfully in today's challenging business climate.

treasurers.org/competencyframework

COMMERCIAL DRIVE AND ORGANISATION

Appreciate own position and contribution within the context of the department, and the wider organisation and be able to relate to other business functions to deliver the organisation's strategic objectives.

SELF MANAGEMENT AND ACCOUNTABILITY

Use skills and competencies confidently and effectively to help deliver the organisation's objectives, have an enquiring mind and be accountable for own actions and ideas.

INFLUENCING SKILLS

Develop mutually beneficial working relationships with internal and external stakeholders in order to persuade others to support a particular idea or plan of action and hence deliver value to the organisation.

WORKING EFFECTIVELY WITH OTHERS

Work as part of a team in order to support the strategic direction of the organisation and achieve team and organisation objectives.

FINANCIAL MANAGEMENT

Some elements of financial management are particularly applicable to Treasury (e.g. interest budgets and covenant compliance). These must be budgeted, managed and reported, against identified benchmarks to align with corporate and departmental objectives.

KNOWLEDGE AND INFORMATION MANAGEMENT

Collect, analyse and translate data into information that can be appropriately disseminated to assist with problem solving and decision making across the organisation.

PLANNING AND PROJECTS

Implement departmental, project or team objectives in order to manage scarce resources and deliver results that are in line with corporate objectives. Problem solving is a key skill.

CONTEXT OF TREASURY

THE BUSINESS CONTEXT

Treasury should hold a pivotal position within the organisation to add most value and must have a detailed understanding of the business. External events that may impact on the business should be identified, solutions recommended (which may not be purely treasury) and communicated in a timely manner.

ACCOUNTING, TAX AND REGULATION

Accounting rules, tax and other legislation or regulation may affect the financial markets accessed by the organisation, the activities undertaken by treasury and how such activities are reported. Regulatory requirements can change frequently so keeping up to date is key.

ETHICS AND CORPORATE GOVERNANCE

ETHICS

Ethical behaviour is a mind-set and underpins all business activity. Treasury professionals need to appreciate why ethics matter, to act ethically at all times and to lead by example.

COMPLIANCE AND AUDIT

Treasury's activities need to be clearly defined, executed and monitored and this includes the independent review provided by regular audits. Policies and procedures need to be integrated into the organisation's risk management approach. Reporting must be provided for all stakeholders (both internal and external).

RISK MANAGEMENT

RISK FRAMEWORKS

In order to explain its approach to risk management, every organisation needs a risk management framework that not only establishes the policies and processes to be followed but also articulates the risk appetite of the organisation. The process of risk management must be structured to enable visibility and support of decision making.

IDENTIFY AND ASSESS RISKS

In order to manage risk, first it must be identified, evaluated and prioritised. Strong relationships, clear communication and a straight forward process will enable Treasury to work with the business in identifying financial risk - both core treasury (e.g. liquidity, working capital, foreign exchange, counterparty risk) and other financial risks that may fall under treasury's remit (commodities, pensions etc.).

MANAGE RISKS

There are a variety of approaches to managing risk: Avoid, Accept, Transfer. Management techniques range from doing nothing, through changing ways of working, to undertaking external transactions that change the nature of the risk (e.g. derivatives). Select and implement the most appropriate response to a particular risk for the organisation.

RISK REPORTING

Stakeholders (both internal and external) need to understand how risk is being managed and whether the approach is effective. Ensure that the most appropriate risk evaluation and reporting methodology for the organisation is selected and implemented and that a feedback loop to report on remaining risks, adapt policy and refine procedures is included.

CORPORATE FINANCIAL MANAGEMENT

CORPORATE FINANCE

Corporate finance theory (risk/reward) is applied in practice to evaluate sources and uses of finance. This encompasses everything from capital structure (debt, equity and dividend policy), through major business transformations (e.g. mergers and acquisitions) to individual financing decisions (e.g. whether to buy a particular machine).

LONG TERM FUNDING

The success of the organisation is dependent on access to funds. Identification of the most appropriate sources of funding to achieve the organisations' medium/long term objectives and putting funding solutions (including documentation) in place will ensure that funding is available whenever required.

INVESTMENT

Treasury needs to be prepared to handle cash surpluses as well as borrowing requirements. A financial investment strategy (based on security, liquidity and yield) that is consistent both with the needs of the business and with its risk appetite, should be in place as well as methodology to monitor the creditworthiness of investment counterparties.

INTERCOMPANY FUNDING

Intercompany funding of subsidiary operations is generally an efficient source of funds for an organisation. It may not be straight forward to implement or manage, as tax, legal and regulatory aspects must all be taken into account especially when setting up intercompany structures such as netting systems, In House Banks etc.

TREASURY OPERATIONS

TREASURY OPERATIONS INFRASTRUCTURE

The treasury function must be set up to support the business to reflect the needs and culture of the organisation. This includes establishing a framework of policies and procedures which enable the treasury to be resilient to external shocks (disaster recovery) and to function effectively; and building strong relationships with the business and financial institutions.

FINANCIAL PRODUCTS AND MARKETS

A thorough understanding of the various financial markets and related instruments is core to treasury. Familiarity with the intricacies of transacting such products and the risks and benefits they offer the business, as well as the ability to explain products to non-treasury members of the organisation are key.

TECHNOLOGY

The use of technology (increased automation) can improve the accuracy and security of treasury transactions, by delivering solutions to manage payments, disaster recovery etc. The wide range of systems products available need to be thoroughly evaluated to ensure those selected are aligned to the treasury's delegated powers, policies, procedures and audit requirements.

CASH MANAGEMENT

Efficient cash management is crucial to the long term success of the organisation. This involves identification and implementation of a) cash management solutions for day to day funding of operating units and b) mechanisms for remitting cash across a group.

LIQUIDITY MANAGEMENT

Liquidity management focuses on the organisations' short term need to meet payments as they fall due. This can be achieved through the development of accurate cash flow forecasting solutions, and the management of working capital and external sources of funds to ensure resilience.

TRADE FINANCE

Trade finance relates to operational cash flows and specifically to supporting customer and supplier transactions. Trade finance solutions manage the risks which arise with cross border trading. It also covers supply chain finance solutions.

BUSINESS SKILLS

BEHAVIOURAL SKILLS

TECHNICAL SKILLS

CHARACTER: Traits • Values • Virtues | COMMITMENT: Aspiration • Engagement • Dedication



LEADING TREASURY
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Supporting every stage of your career

ACT core qualifications pathway



Networking | Events | Webinars | Publications | Policy and Technical advice | Short courses



Exemptions & Dual Awards

BA Finance, Accounting & Finance graduates:

- Pass Corporate Treasury Management:
 - Eligible for award of CertTF AND
 - Exemptions from all CertT units
- Pass Corporate Treasury Management AND pass either Analysing Financial Information or International Financial Management:
 - Eligible for award of CertT
- Pass International Financial Management alone:
 - Exemptions from 3x CertT units

How do you get started?

Case Study...

Roshun Tulkens, MCT

Current Role –

International Treasury Manager, Developing Markets, RB plc; based Dubai

Career path:

- BSc Chemistry, UEA 2004
- 2+ yrs graduate scheme – Enterprise Rent-a-Car – starts AMCT
- 3 months treasury assistant, Alghanim, Kuwait
- 1 yr FTC Rexam, UK - completes AMCT, starts MCT
- 2 yrs Burberry, UK – completes MCT
- 3 yrs RB, UK & UAE





What can you do right now to grab an employer's attention?

Become an ACT e-Affiliate member

- ✓ Shows your commitment to professional standards
- ✓ Mark of involvement with the Chartered body for the profession
- ✓ Stand out in the tough job market
- ✓ Build your knowledge and expertise
- ✓ UoH group offer - £10 for one year of membership

What you get

- ✓ The Treasurer magazine and an array of online resources
- ✓ Access to the ACT's global network
- ✓ Exclusive invitations to free member events
- ✓ The latest industry news via ACT newsletters and blogs

*****PLUS...*** unlimited access to the ACT Career Hub**



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How to get involved with the ACT

- Visit the ACT's website **www.treasurers.org**
- Register online to receive ACT's monthly e-newsletter
- Follow the ACT on social media



- Email:
 - **professionalstandards@treasurers.org**
 - **enquiries@treasurers.org**
- Call the ACT today:
 - **+44 (0)20 7847 2527**
 - **+44 (0)20 7847 2540**

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