

## On the move...

- **Chris Bristow**, MCT, has joined CompAir UK as Treasurer after completing assignments with Avery Weigh-Tronix and Halfords as Treasury Consultant.
- **Ruth Cooke**, AMCT, formerly Chief Financial Officer at Anchor Trust, has been appointed Group Director of Resources at Arcadia Housing Group.
- **Michael Fox**, MCT, formerly Manager of International Treasury at Time Warner, has been appointed Assistant Treasurer at Reuters Group.
- **Mandeep Gill**, AMCT, formerly Financial Controller at GinetiQ, has been appointed Senior Commercial Manager at BT Global Solutions.
- **Aidan Gillies**, AMCT, previously Audit Manager at Standard Life, has joined Commonwealth Bank of Australia as Audit Manager.
- **Peter Graham**, AMCT, formerly Manager at Ernst & Young, has been appointed Treasury Project Manager at National Grid.
- **Joanna Hiatt**, AMCT, previously Treasury Operations Manager at Capital One Bank (Europe), has joined Rolls-Royce as Treasury Accountant.
- **Michael Hirst**, MCT, has been appointed International Treasury Director at Tesco. Previously he was Finance Director at Tesco Stores Malaysia.
- **James Lockyer**, MCT, formerly Treasury Manager at Unipart Group, has been appointed Technical Officer in the Education Department at the Association of Corporate Treasurers.
- **David Mallac**, MCT, previously Group Treasurer at Alliance UniChem, has joined SABMiller as Group Treasurer.
- **Peter Midgley**, MCT, has joined Imperial College London as Treasurer from Siemens where he was Interim Treasury Manager.
- **Paul Munro**, AMCT, formerly Director of Corporate Banking at National Australia Bank, has been appointed Relationship Manager of Corporate Banking Europe at DBS Bank.
- **Ran Pulik**, AMCT, formerly Financial Controller at RBS, has been appointed Vice President of Europe Co-ordination Controlling at Deutsche Bank.
- **Graham Robinson**, AMCT, previously Senior Manager at PricewaterhouseCoopers, has joined Deloitte as Senior Tax Manager in the Capital Markets and Treasury team.

### MEMBERS' DIRECTORY

Members' contact details are updated regularly at [www.treasurers.org](http://www.treasurers.org). Email changes to Anna Corr: [acorr@treasurers.org](mailto:acorr@treasurers.org)

### CAREERS

For up-to-date treasury vacancies and careers articles, log onto: [www.treasurers.org/careers/index.cfm](http://www.treasurers.org/careers/index.cfm)

# Deals of the Year winners recognised

Winners of the ACT's Deals of the Year Awards 2005 attended the awards ceremony and lunch at Saddlers Hall, London.

The Deals of the Year Awards are now in their eighth successful year of highlighting the most impressive, original and well-executed deals done by companies in a range of categories.

During the lunchtime ceremony, members of the panel congratulated the winners and presented each one with a framed article from *The Treasurer* about the company and the deal they had won their award for.

Pictured (left to right) are the 2005 winners. George Rose, BAE Systems, won the Equity and Equity-Linked Award. Françoise Cambilargiu, Rémy Cointreau, won the High-Yield Bonds Award. Andrew Winning, Wolverhampton and Dudley Breweries, won the Securitisation and

Structured Finance Award. Stephen Leung, Land Securities, won the Loans category and was overall Deal of the Year Award winner. Peter Muller and Henryk Wuppermann, Bayer, won the Trends: Hybrids Award. Jane Pilcher, Anglian Water, won the Investment-Grade Bonds Award. And Peter Jarman, Alliance Medical won the Mid-Market Financing Award.

During the ceremony, panel members outlined the challenges they faced in picking the winners and explained the strengths of each winning deal.

Pictured (left to right) are the panel members: Bob Williams of Allied Domecq; Richard Raeburn, Chief Executive of the ACT; Paul Watters of Standard & Poor's; Ian Fitzgerald of Lloyds TSB, Matthew Hurn of DSG international; Karl Fenlon of Hanson; and Francis Burkitt of JPMorgan Cazenove. ■



Going for the gongs: the 2005 Awards winners



Seven sages: judges from the Awards jury

## Credit default swap trades soar as regulation bites

The average number of credit default swap trades executed each month has increased by 89% over the last year.

A survey by Markit also found a marked increase in the volume of credit index trades transacted, with one index trade done for every three single-name trades compared to a ratio of one in every eight in 2004.

The annual Scorecard reviews market volumes, dealer and client operational models, technology, product control and risk management in the credit derivatives industry. The Scorecard, which is produced in partnership with Reoch Consulting, collates data provided by the dealers, with 23 firms participating this year.

The section under most scrutiny this year is operations. The dealers have been under pressure from the Financial Services Authority and the Federal Reserve Board to improve practices in credit derivatives processing since early 2005.

### Key highlights

- Nearly three-quarters of trades are now covered by International Swaps and Derivatives Association (ISDA) master confirmation agreements, up from 50% a year ago.
- 100% of top-tier firms use the Depository Trust & Clearing Corporation (DTCC) for trade matching. The figure is 80% across tier 1, 2 and 3 firms, up from 60% in 2004.
- Technology investment in operations is up by 32%.
- There has been significant investment in skilled resources, with the average headcount in credit operations at the major dealers increasing by almost 25% over the last year. ■

# Fears mount over Failure Score ratings

Treasurers have expressed increasing concern over the Failure Score element of the Pension Fund Levy despite efforts to reassure them by D&B, the company responsible for the score.

At a recent seminar organised by the ACT, D&B's Senior Scoring Specialist, Duncan Hale, and its Global and Major Accounts Specialist, Ron Turner, said the ratings company had worked hard over the last 12 months to ensure the previous cloak-and-dagger approach to Failure Score models was "no longer a part of the contemporary regime".

But many treasurers still feel left in the dark when it comes to their companies' failure rating – a key part of the make up of the Pension Protection Levy for 2006/07 – and which is

based on a commercially confidential methodology.

Companies are given a Failure Score based on historical performance in key areas such as trade information, business demographics and financial information. After the key areas have been taken into account, the company is given a score between 1 and a 100.

Hale said: "The PPF score is produced over a 12-month window and particular aspects of the company are taken into account. What we have ensured and worked hard to achieve is a degree of transparency for businesses without revealing precisely how our 35 models work, which would be a breach of confidentiality."

For treasurers an air of uncertainty remains

over how a company can affect and improve its rating, and many are unclear about how the models and specific criteria are applied to each company.

Hale offered some reassurance: "We can provide companies with information as to why the rating may be low. We have tried to strike a balance between pleasing the business community and considering the legal issues and constraints for the PPF."

With scores calculated on a daily basis and therefore subject to frequent change, Turner and Hale advise companies to be aware of doing anything that could affect the score in the categories they monitor. ■

**See Finding Failure p30.**

## Pension trustees get free online training

The Pensions Regulator has launched the Trustee Toolkit, which aims to train existing and potential pension trustees with a free, online and interactive programme.

The e-learning programme, which includes online tutorials and questions, will be the primary source of information to enable trustees to keep abreast of the issues.

While working through the modules, the learner is accompanied by several characters who represent different types of trustee and explain terminology and ethics.

Bill McClory, Assistant Secretary of the Communications Workers Union, said: "This shows how people get to become trustees – for example, by invitation from a colleague. By starting at a basic level you can work at your own pace and decide whether you want to become a trustee or not."

Although the programme requires users to enter their name, position and what type of pension scheme the company has, all information



is confidential and progress of individuals is not monitored.

April Alexander, Head of Trustee Learning at the Pensions Regulator, said: "We will use the details for statistics and to see how effective it is, but we don't look at particular people. It's confidential and there is not an exam at the end."

Successful completion will help trustees to meet their statutory requirement to know and understand the law, the principles

relating to the funding of occupational schemes and the investment of scheme assets, and to be familiar with their own schemes.

The first module takes about three hours to complete. However, trustees and potential trustees can access the programme and use it as a key source of information on a daily basis.

McClory said: "This is a good way for people to learn about the role of the pension trustee because it shows how to deal with various issues such as conflicts of interest. It confronts such sensitive topics with very good examples." ■

**See [www.trusteetoolkit.com](http://www.trusteetoolkit.com)**

## Head of Pensions Regulator to give ACT paper

David Norgrove, Chair of the Pensions Regulator, is to explain the role and objectives of the regulator a year after its launch. Norgrove will set out the approach to scheme funding and the risk management arrangements within pension funds at the ACT Spring Paper 2006.

Sponsored by Barclays Capital, the free event

takes place on Thursday 30 March in central London.

To secure your place to hear an insight into pensions regulation and a chance to debate the issues with the chair of the regulator and fellow treasury professionals, register online at [www.treasurers.org/goto/springpaper2006](http://www.treasurers.org/goto/springpaper2006). ■



## OBE for ex-President

A member and former President of the ACT has received an OBE for her services for the Ministry of Defence (MoD).

As well as fulfilling her duties as Director at the Institute of Business Ethics, Philippa Foster Back has been honoured in recognition for her services as a non-executive Director of the Defence Management Board and Chair of the Defence Audit Commission.

Foster Back said: "It is very exciting and totally unexpected."

Foster Back has been working with the MoD for the last 10 years. "I am delighted that I chose to go ahead and work with the MoD," she said. "It's been very hard work but also a tremendous opportunity. There are so many aspects of my position that I enjoy. I think the most challenging part is keeping abreast of all the activities involved in my job, which are very diverse." ■