

Stage two - Compulsory paper:

CERTIFICATE IN INTERNATIONAL TREASURY MANAGEMENT

Study Unit 1: The Fundamentals of Treasury

Section 1: Treasury organisation and operations

- 1.1.1 The treasury function
- 1.1.2 Treasury structure
- 1.1.3 Treasury organisation

Section 2: Discounted Cash Flow Analysis

- 1.2.1 Interest rates
- 1.2.2 Discounted cash flow analysis and the time value of money
- 1.2.3 The yield curve

Section 3: Foreign exchange

- 1.3.1 The foreign exchange market
- 1.3.2 Forward foreign exchange markets and swap foreign exchange markets
- 1.3.3 Linking spot, forward and future spot rates

Study Unit 2: Corporate Financial Management

Section 1: Capital structure and dividend policy

- 2.1.1 Capital structure
- 2.1.2 Dividend policy
- 2.1.3 Risk, return and cost of capital (incl efficient markets)

Section 2: Investment decision making

- 2.2.1 Shareholder value management
- 2.2.2 Investment appraisal using discounted cashflow forecast
- 2.2.3 Business valuation

Section 3: Financial accounting and reporting

- 2.3.1 Introduction to financial statements
- 2.3.2 Financial ratio analysis and financial profiling
- 2.3.3 IFRS and the treasurer
- 2.3.4 Tax and international tax planning

Study Unit 3: Capital Markets and Funding

Section 1: Equity

- 3.1.1 Equity capital
- 3.1.2 Equity issuance and private equity

Section 2: Debt instruments

- 3.2.1 Introduction to debt
- 3.2.2 Debt capital markets
- 3.2.3 Long term bank lending

Section 3: Practical aspects of debt management

- 3.3.1 Loan documentation
- 3.3.2 Credit ratings
- 3.3.3 Managing bank relationships

Section 4: Intra-group funding and alternative funding solutions

- 3.4.1 Intra-group funding
- 3.4.2 Alternative funding solutions

Study Unit 4: Cash and Liquidity Management

Section 1: Cash, liquidity and the business

- 4.1.1 Cash and liquidity management
- 4.1.2 Cashflow forecasting
- 4.1.3 Working capital management

Section 2: Borrowing and investing markets and instruments

- 4.2.1 The money markets
- 4.2.2 Short term bank borrowing
- 4.2.3 Short term bank investments
- 4.2.4 Non-bank instruments

Section 3: Managing cash in practice

- 4.3.1 Banks and bank accounts

- 4.3.2 Banking systems
- 4.3.3 Notional pooling and cash concentration
- 4.3.4 Efficient cash management

Study Unit 5: Risk Management

Section 1: Risk and its management

- 5.1.1 The concept of risk
- 5.1.2 A risk management framework
- 5.1.3 Risk measurement – tools and techniques

Section 2: Financial risk and instrument types

- 5.2.1 Types and sources of risk
- 5.2.2 Treasury financial risks checklist
- 5.2.3 Fixing instruments
- 5.2.4 Options

Section 3: Practical application for risk management

- 5.3.1 Interest rate risk management
- 5.3.2 Foreign exchange risk management

Study Unit 6: Treasury Operations and Controls

Section 1: Treasury systems

- 6.1.1 Role of technology
- 6.1.2 Treasury management systems
- 6.1.3 Systems selection process
- 6.1.4 IT security disaster planning

Section 2: Treasury policy and objectives

- 6.2.1 Treasury policy
- 6.2.2 Treasury procedures
- 6.2.3 Performance measurement

Section 3: Corporate governance and treasury controls

- 6.3.1 Corporate governance
- 6.3.2 Operational risk and control
- 6.3.3 Treasury reporting
- 6.3.4 ACT ethical code

There are five optional tuition days and two optional revision days for CertITM.

Stage three - Select two out of the following five papers:

CERTIFICATE IN CORPORATE FINANCE AND FUNDING (FAST-TRACK)

* Areas of content marked with an asterisk are NOT included in the Certificate in Corporate Finance and Funding Fast Track syllabus.

Study Unit 1: The Financial World*

Section 1: The Financial World

- 1.1 The objectives of the firm
- 1.2 Corporate governance
- 1.3 The role of finance within the firm
- 1.4 The importance of the financial sector

Section 2: Financial Statements and Ratio Analysis*

- 2.1 Introduction to financial statements
- 2.2 Financial ratio analysis and financial profiling

Study Unit 2: Valuation

Section 1: Valuation of a Project*

- 1.1 Time value of money and discounted cash flows
- 1.2 Net present value and internal rate of return
- 1.3 Relevant cash flows
- 1.4 Payback and accounting rate of return
- 1.5 Applications of project appraisal techniques

Section 2: Practical Project Appraisal

- 2.1 What techniques do managers use
- 2.2 The investment process

- 2.3 PI, tax and inflation
- 2.4 Risk and project appraisal
- 2.5 Real options

Section 3: Valuation of a Business*

- 3.1 Valuation using net asset value
- 3.2 Dividend valuation models
- 3.3 Valuation using earnings
- 3.4 Valuation using cashflow
- 3.5 Valuation when control is achieved

Study Unit 3: Risk, Return and Capital Structure

Section 1: Capital Structure and Dividend Policy*

- 1.1 Theory of capital structure
- 1.2 Beyond the theory of capital structure
- 1.3 Accounting measures for gearing
- 1.4 Dividend policy

Section 2: Cost of Capital

- 2.1 Required rate of return and WACC
- 2.2 Cost of debt
- 2.3 Cost of equity
- 2.4 How managers actually calculate WACC
- 2.5 Practical issues

Study Unit 4: Managing for Value

Section 1: Value Based Management

- 1.1 Shareholder value
- 1.2 Earnings-based management
- 1.3 Creating value
- 1.4 Measuring the value created by the whole firm
- 1.5 Creating value
- 1.6 Efficient market hypothesis
- 1.7 The implications of efficient market hypothesis

Section 2: Value Strategy and Metrics

- 2.1 Overview of the influence of value principals
- 2.2 Strategic business unit management
- 2.3 Corporate strategy
- 2.4 Targets and motivation
- 2.5 Measuring value using cashflow
- 2.6 Shareholder value analysis
- 2.7 Economic profit (EVA)

Section 3: Mergers and Acquisitions

- 3.1 Background to mergers
- 3.2 Motives for mergers
- 3.3 Financing mergers
- 3.4 Transaction stage
- 3.5 Who benefits from mergers
- 3.6 Managerial failure and mergers

Study Unit 5: Sources of Finance

Section 1: Equity Capital

- 1.1 Shareholders funds, debt and hybrid instruments
- 1.2 Share capital
- 1.3 Equity markets
- 1.4 Rights issues
- 1.5 Other equity issues
- 1.6 Private equity

Section 2: Corporate Debt

- 2.1 Introduction to debt
- 2.2 Bank lending
- 2.3 Debt capital markets (bonds)
- 2.4 Private placements
- 2.5 MTN
- 2.6 Commercial paper

Section 3: Debt Investor Management

- 3.1 Documentation
- 3.2 Bank relationship management
- 3.3 Credit ratings

Section 4: Other Funding Solutions

- 4.1 Intercompany funding
- 4.2 Trade finance
- 4.3 Project finance
- 4.4 Asset backed finance

AMCT Fast-Track Syllabus (may be subject to revision)

Continued

- 4.5 Leasing
- 4.6 Islamic financing

There are four optional tuition days and three optional revision days for CertCFF.

CERTIFICATE IN FINANCIAL MATHS & MODELLING

Study Unit 1: Fundamental Concepts in Financial Maths and Modelling

Section 1: Interest rate mathematics

- 1.1.1 Interest calculations and quoting conventions
- 1.1.2 The time-value relationship

Section 2: Modelling values of a series of future cashflows

- 1.2.1 Infinite series cashflows (perpetuities) and their valuation
- 1.2.2 Finite series cashflows (annuities) and their valuation

Section 3: Modelling the term structure of interest rates: no arbitrage relationships

- 1.3.1 Zero coupon, forward and par structures of interest rates: different forms of yield curves
- 1.3.2 No arbitrage relationships between zero coupon, forward and par rates

Section 4: Probability and statistical models: selected issues

- 1.4.1 Measures of central location (or central tendency), dispersion and correlation
- 1.4.2 Frequency distributions in theory and in practice

Study Unit 2: Modelling the Maths of Debt

Section 1: Short term debt

- 2.1.1 Short term debt issuers, market participants and market conventions
- 2.1.2 Calculation of interest and valuation of short term debt instruments

Section 2: Longer term debt

- 2.2.1 Analysis and valuation of bonds
- 2.2.2 Real interest rates and inflation indexing

Section 3: Interest rate sensitivity and duration models

- 2.3.1 Duration and interest rate price sensitivity, relative and absolute measures
- 2.3.2 Interest rate immunisation, convexity and modified convexity

Study Unit 3: Modelling the Maths of Foreign Exchange

Section 1: Foreign exchange mathematics

- 3.1.1 Converting between currencies: using spot foreign exchange rates
- 3.1.2 Converting between currencies: determining and using forward foreign exchange rates
- 3.1.3 The maths of foreign exchange risk management

Study Unit 4: Modelling the Maths of Derivatives

Section 1: Introduction to derivatives mathematics

- 4.1.1 Payoffs for fixing derivatives and options
- 4.1.2 The maths of FRAs: cashflows, hedging, valuation and basis risk
- 4.1.3 Futures contracts: cashflows, hedging and valuation

Section 2: Modelling swap mathematics

- 4.2.1 The maths of capital market swaps including interest rate swaps
- 4.2.2 The maths of cross-currency interest rate swaps

Study Unit 5: Modelling the Maths of Options

Section 1: Option payoff mathematics

- 5.1.1 Payoffs from trading strategies with single options
- 5.1.2 Payoffs from trading strategies involving more than one option

Section 2: Option payoff maths: hedging and hedged results achieved

- 5.2.1 Hedging a portfolio: options plus underlying asset/(liability)
- 5.2.2 Hedging corporate exposures with options

Section 3: Option valuation modelling

- 5.3.1 Binomial option valuation models
- 5.3.2 Black Scholes option pricing model
- 5.3.3 Arbitrage and the put-call parity relationship

Study Unit 6: Modelling the Maths of Portfolios and Corporate Finance

Section 1: Modelling portfolios: analysis of risk and return

- 6.1.1 Modelling simple portfolios: analysis of risk and return
- 6.1.2 Modelling multi-asset portfolios & portfolios including liabilities

Section 2: Modelling for corporate finance

- 6.2.1 Modelling the cost of corporate capital
- 6.2.2 Modelling the relationship between corporate value and capital structure

Section 3: Modelling the maths of Value at Risk

- 6.3.1 Modelling the maths of Value at Risk for single risks
- 6.3.2 Modelling the maths of Value at Risk for multiple simultaneous risks

There are four optional tuition days and two optional revision days for CertFMM.

CERTIFICATE IN INTERNATIONAL CASH MANAGEMENT

Study Unit 1: Reviewing the Basics

- 1.1 Introduction to cash management
- 1.2 Important cash management concepts
- 1.3 Introduction to the company
- 1.4 Introduction to working capital management
- 1.5 Introduction to banking
- 1.6 Basic banking services
- 1.7 International payment vehicles
- 1.8 Settlement and clearing systems

Study Unit 2: Cash Management Fundamentals

- 2.1 International banking infrastructure
- 2.2 Spotlight on international systems
- 2.3 Foreign currency account
- 2.4 Treasury technology
- 2.5 Liquidity management and forecasting
- 2.6 Short-term investment
- 2.7 Short-term borrowing

Study Unit 3: International Cash Management Tools and Techniques

- 3.1 Cross-border liquidity management – netting techniques
- 3.2 Cross-border liquidity management – pooling and cash concentration
- 3.3 Cross-border liquidity management – tax and regulatory implications
- 3.4 Foreign exchange and risk management
- 3.5 Treasury organisation
- 3.6 Bank relationship management
- 3.7 Efficient account structures

Study Unit 4: Cash Management Case Studies

Managing cash at the local level

Case Study 1: UK vignettes

Case Study 2: Japan

Managing cash in an important but challenging environment

Case Study 3: China

Managing cash across a region

Case Study 4: Scandinavia and Western Europe

Case Study 5: European cross-currency, cross-border pooling
Case Study 6: Southeast Asia

Managing cash on a global basis

Case Study 7: BP's Virtual Treasury project

Country-specific information

- Selected country profiles
- Tax and regulatory summary for selected major countries and regions
- Additional source

There are five compulsory tuition days for CertICM.

CERTIFICATE IN RISK MANAGEMENT

Study Unit 1: Risk and its Management

Section 1: Risk

- 1.1 The concept of risk
- 1.2 Risk and the economic environment
- 1.3 Risk, investors and corporate finance

Section 2: Risk Management

- 2.1 Risk management
- 2.2 Risk identification and assessment
- 2.3 Types and sources of risk
- 2.4 Risk evaluation
- 2.5 Responses to risk
- 2.6 Risk management policy and reporting

Study Unit 2: Financial Market Risk: Interest Rates

Section 1: Identifying, Assessing and Evaluating Interest Rate Risk

- 1.1 Identifying and assessing interest rate risk
- 1.2 Evaluating interest rate risk

Section 2: Instruments and Responses to Interest Rate Risk

- 2.1 Yield curve mathematics
- 2.2 Interest rate risk management Instruments: short term
- 2.3 Interest rate risk management Instruments: longer term
- 2.4 Responses to interest rate risk

Study Unit 3: Financial Market Risk: Foreign Exchange

Section 1: Identifying, Assessing and Evaluating Foreign Exchange Risk

- 1.1 Identifying and assessing foreign exchange risk
- 1.2 Evaluating foreign exchange rate risk

Section 2: Instruments and Responses to Foreign Exchange Risk

- 2.1 Foreign exchange risk management instruments
- 2.2 Responses to foreign exchange risk

Study Unit 4: Financial Risk: Liquidity

Section 1: Identifying, Assessing and Evaluating Liquidity Risk

- 1.1 Identifying and assessing liquidity risk
- 1.2 Evaluating liquidity risk

Section 2: Responses Liquidity Risk

- 2.1 Responses to liquidity risk
- 2.2 Reducing liquidity risk
- 2.3 Transferring liquidity risk

Study Unit 5: Other Financial Risks

Section 1: Other Financial Risks

- 1.1 Credit and counterparty risk
- 1.2 Commodity risk
- 1.3 Pension risk

Study Unit 6: Risk Management Issues

Section 1: Risk Management Issues

- 1.1 Operational risk in treasury
- 1.2 Regulatory issues and governance
- 1.3 External reporting and accounting

There are four optional tuition days and three optional revision days for CertRM.