

ACT Chief Executive Richard Raeburn has watched the ACT grow since its conception in 1979. He looks at how it has developed and outlines what he believes is vital to its continued success.

# A future built on

MY INTRODUCTION TO THE TREASURY PROFESSION WAS IN THE MID-1970s. Working for the then Bowater Corporation I found myself spending most of my time dealing with predominantly French bankers, increasingly uncomfortable with their exposure to subsidiaries of the British parent company. Some of these subsidiaries were in delightful parts of the world; we owned a Bordeaux fine wine 'négociant' and a Strasbourg-based freight distribution company but more of my travelling time was spent going to the Ivory Coast, the Congo and the Cameroons for our timber trading businesses.

This was all very exciting and indeed immense fun, leaving me with a wealth of stories about some of the more dangerous parts of Africa and a smattering of knowledge about wine, transportation logistics and tropical hardwoods (this was in the days when it was fashionable for large groups to be 'conglomerates', and Bowater had rashly pursued this with a vengeance). There was however a downside: the language of treasury I taught myself, involving such wonderful French concepts as the 'le pool bancaire', was not terribly mainstream when the time came to return to work in the UK.

Fortunately this return was in 1979, coincidental with the birth of the ACT and the formal start therefore of the professionalisation of what many were already actively doing to manage treasury, financial risk and corporate finance. At Bowater I worked for Geoffrey Jones, who whilst not one of the original eight ACT 'pioneers', was actively involved from the early days. I discovered that as his assistant treasurer, membership was going to be a *sine qua non* for my future career at Bowater. So an application form was completed and, after what I am still embarrassed to recall as an undemanding interview, I was somewhat surprised to be offered Fellowship of the ACT.

So here we are 25 years on, with a professional body of over 3,300 members, 1,500 enrolled students and close to 40 paid staff. Our three qualifications are examined in 40 countries. The ACT's professional and technical output is flourishing, and whilst the positions we take will never satisfy all our members, we can be confident that our opinion is sought



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## TIMELINE OF THE ACT

### 1978

Norman Tribble and Walter Woodford write 'ACT Now', setting out their ideas and a plan of action.

### 1979

JANUARY: Meeting at the Selfridge Hotel of the 'pioneers'; The Association of Corporate Treasurers was formed.  
 MARCH: Inaugural



meeting, governance and structure of committees was decided.

MAY: Inaugural meeting held at Plaisterers Hall, addressed by Sir Jasper Hollam (Deputy Governor, Bank of England).

AUGUST: Walter Woodford publishes first issue of *The Treasurer* magazine.

**The first issue of  
 The Treasurer  
 magazine.**

### 1982

Archie Donaldson, John Heywood, Alfred Kenyon and Daniel Hodson agree to write the four papers making up the newly-created Professional Examinations (PE). The Institute of Bankers and the Institute of Chartered Secretaries agree to set and examine Part I subjects.



**ACT coat of arms  
 'Prosperity  
 through  
 stewardship.'**

### 1983

PE correspondence course completed and sold at £600. 36 students enrolled in the first year. First Annual Dinner held in the Tapestry Room of The Brewery, EC1, with 183 attendees.

# pioneers' vision

and respected. Our events such as conferences and of course the Annual Dinner are in good shape, especially boosted this year by the success of *The Treasurers' Conference*.

Whilst we should be proud of the ACT's achievements, what is in many respects most remarkable is the fidelity shown to the original expectations of the founding pioneers. Perhaps this should be put the other way round: most remarkable is the far-sightedness of those individuals in setting (and limiting) their ambitions for the ACT. Many will know that the working document that eventually led to the formation of the ACT was a memorandum called 'ACT Now'. First drafted in August 1978, this defined the business case as:

**No body of knowledge [about corporate treasury] as such exists, which is in any way comparable to those stores which have been accumulated by the existing major professional bodies. Nor is there any organised or formalised forum through which corporate treasurers, or those fulfilling the role of corporate treasurer under other titles, can meet to exchange views and to convert the present fragmented expertise into a substantial body of knowledge of progressive value to the community.**

Within this early business case we can see the strands that have been consistently central to what the ACT does: educate, inform and influence.

Despite my predecessors' sagacity, I am not going to attempt to speculate on the ACT's development over the next 25 years. We have many significant challenges and tremendous opportunities – 'high-class problems' in many ways – that will occupy us over the next few years. My expectation is that the ACT team – Council and Executive – will be focusing on developing the appeal of the ACT to current and future members, ensuring that we continue to influence relevant areas of policy and opinion, expanding our educational qualifications, extending our scope internationally and sustaining a robust financial base.

We recognise that membership of the ACT must be attractive enough to draw in those

**'The ACT's professional and technical output is flourishing and our opinion is sought and well respected'**

## 1984

ACT coat of arms developed and motto 'Prosperity through stewardship' adopted.

## 1985

First set of students presented with their certificates and prizes at Nomura House.

## 1988

First Director General – Gerald Leahy.



## 1989

ACT establishes its own Part I course to be called ACT (Technical), which later becomes the Associate examination (AMCT).

ACTICAS, a joint venture between ICAS and the ACT, formed to develop the Part I syllabus.

**Gerald Leahy attends the recent ACT 25th anniversary celebrations (see page 6).**

FSMD write the new Part II course: ACT (Diploma), which later becomes the Membership examination (MCT).

## 1992

ACT holds first European Conference in Brussels.

## 1993

ACT (Technical), and ACT (Diploma) first examined.



**In 1997, the ACT moved to Ocean House, EC4, where it still resides.**

## 1997

The Certificate in Cash Management (Cert CM) – later to become the Certificate in International Cash Management (Cert ICM) – launched. Associates recognised as members and designatory letters changed to AMCT.

**'We will not jeopardise our UK base but we know how great an appetite there is overseas for our qualifications.'**

involved in what we might characterise as complex financial management, embracing treasury (in the traditional and narrow sense), risk and corporate finance. We are also well aware that success as a 'treasurer' may increasingly require expertise in the pensions area, governance and risk in a broader sense than the familiar currency, interest rate and credit areas. We therefore have to ensure that the ACT can embrace today's practitioners' needs and this raises issues for us about the qualifications we offer and the basis for membership.

We are substantially advanced in a programme to develop our qualifications. I am confident that the investment we are making will achieve a number of objectives for us, by widening the appeal of the syllabi, making the content truly international and raising the standards of the teaching material. At the same time we will return to the thorny (in terms of ACT history) issue of what is required to become a member. I will not propose anything that will devalue the recognition of the achievement of those who have passed our examinations and what it means therefore to be a member of the ACT. However, I do believe we risk the future of the organisation if we are inflexible in embracing within the ACT, in an appropriate way, those who will not study for our qualifications. We should not shirk the challenge of looking creatively at different forms of membership.

The quality and quantity of our technical output has increased significantly over the last two years. There is something of the Labours of Hercules in the challenge to maintain this. But I am under no illusions as to the risks of neglect. The history of much of what the ACT has been involved with – such as the work on the Financial Services Act and, I would argue, very recently on IAS 39 – underlines how we can strengthen our position by being seen to be prepared to contribute and debate. As with our qualifications, we are very aware of the international context of our involvement, and I hope this has been well evidenced by the recent work on the credit ratings industry as well as of course by our IAS 39 initiatives.

It is perhaps internationally that I see the greatest opportunities. We will not jeopardise our underlying UK base but we know how great an appetite there is overseas for our qualifications and our leadership contribution on technical and other issues. Our ability to develop the ACT will always depend on our financial base. Investment in education is enormously demanding, not the least because we have rightly moved beyond dependence on volunteers to drive the review of syllabi and writing of manuals. The ACT's financial history is a chequered one but today we have the strong reserves (and cash balances) to give us the confidence to take the risks we choose. That said, a measure of financial prudence will always characterise the way we grow the scope of our activities. I believe our members would not expect otherwise. As we go forward it will be difficult to emulate the perspicacity of the pioneers 25 years ago, but we have the members, supporters and staff to achieve yet more from the ACT's leadership role in treasury. ■

## TIMELINE OF THE ACT

1998

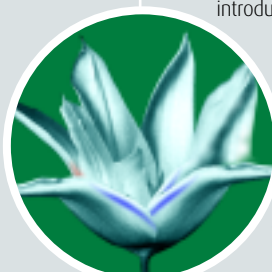
Experience route to Membership ceased, entry by examination only.

1999

Accelerated route to AMCT offered to CIMA.

2000

Online CPD facility launched.  
Governance review by Richard Raeburn,



resulting in a Council restructuring.

2001

Corporate Membership introduced.

**The online CPD facility, which won an e-business award in 2000.**



**The E-learning Cert ICM programme which contains 100 questions on 37 topics.**

2002

E-learning programme for the Cert ICM programme launched.

2003

Resolution passed giving AMCTs the right to vote at

members' meetings, in Council elections and to stand for a maximum of four seats on Council.

2004

The first *Treasurers' Conference*.  
The first tuition school run in Belgium for Cert ICM.



**The Treasurers' Conference attracted 400 treasury professionals.**