

A close-up portrait of Lesley Flowerdeew, a woman with blonde hair, smiling warmly. She is wearing a light-colored top and a gold necklace. The background is softly blurred.

LESLEY FLOWERDEW TELLS
GRAHAM BUCK HOW HER
ROLE AS ATKINS' TAX AND
TREASURY DIRECTOR REFLECTS
THE ENGINEERING AND
DESIGN GROUP'S
WORLDWIDE AMBITIONS.

All the world's a stage

As tax and treasury director of a UK business that is steadily strengthening its international presence, Lesley Flowerdew was well qualified to be the most recent chairman of the ACT's Deals of the Year judging panel. Her day job, based at Epsom in Surrey, is at the offices of Atkins, an engineering and design consultancy with 18,000 staff across 180 offices in 28 countries.

The group has undertaken projects all around the world, ranging from engineering design services for the London 2012 Olympics and Paralympic Games to designing the first megastructure with integrated wind turbines – the Bahrain World Trade Centre. Last October it built its US presence with a \$280m (£178m) deal for PBSJ, a Florida-based engineering consultancy (now rebranded as Atkins North America), largely financed through an agreed new £150m lending facility.

"We increased the size of our banking group from three to four banks and negotiated a more user-friendly facility in seven weeks," says Flowerdew. "The UK now accounts for around half of the group's revenue, and we are strengthening our worldwide business further to exploit growing opportunities in territories such as Saudi Arabia."

The group is also lowering its cost base using resources such as its Bangalore-based global design centre in India. With a significant presence in the UK, mainland Europe, North America, Asia Pacific and the Middle East, Atkins regards itself as multicultural and diverse.

Given this spread, the imminent introduction of the UK's Bribery Act is very relevant, and Atkins' staff have been given extensive training on its likely implications. "At one level, the Act changes nothing in terms of our clear views on the working practices it is trying to eradicate. However, with limited guidance as to its application by the authorities and harsh penalties for contravention, we're keen to understand how best to work within it," says Flowerdew.

Her career began by training as a chartered accountant with a small boutique firm in Manchester. "The firm offered me many more opportunities for getting involved in end-to-end processes than I would have got had I joined a bigger name," she recalls. "I was regularly discussing various business startups with bank managers and preparing accounts out of shoeboxes, which involved digging out all of the relevant invoices, putting them in order and generally getting down to basics. While this was all very labour-intensive, it meant that you really got into all the details."

Having qualified as an accountant, she moved on to more familiar names, joining Grant Thornton to become a tax specialist before transferring to what was then Price Waterhouse to gain international tax and transactional tax experience.

"All of these early roles presented opportunities to develop my professional skills, to give me exposure to top clients and to experience cutting-edge planning and transactions," she adds.

The next stop was retail group Great Universal Stores, which, already better known under its abbreviated title, officially changed its name to GUS in 2001. It was in the midst of several transforming deals, having acquired the Argos chain. In 2004 the long established home shopping by catalogue business that had made GUS's name was sold to the Barclay brothers, and in May 2005 the group announced it would divest its stake in Burberry by distributing Burberry shares to its shareholders, a demerger completed by the end of the year.

"I continued to work on some great transactions, but this time it was in-house," says Flowerdew. "GUS was highly innovative, with a Netherlands-based finance centre that I visited regularly. For the first time I was dabbling on the fringes of treasury. As I worked more regularly with treasurers, so my interest was steadily developing and I decided to study for the AMCT qualification to get more of a flavour of what was involved."

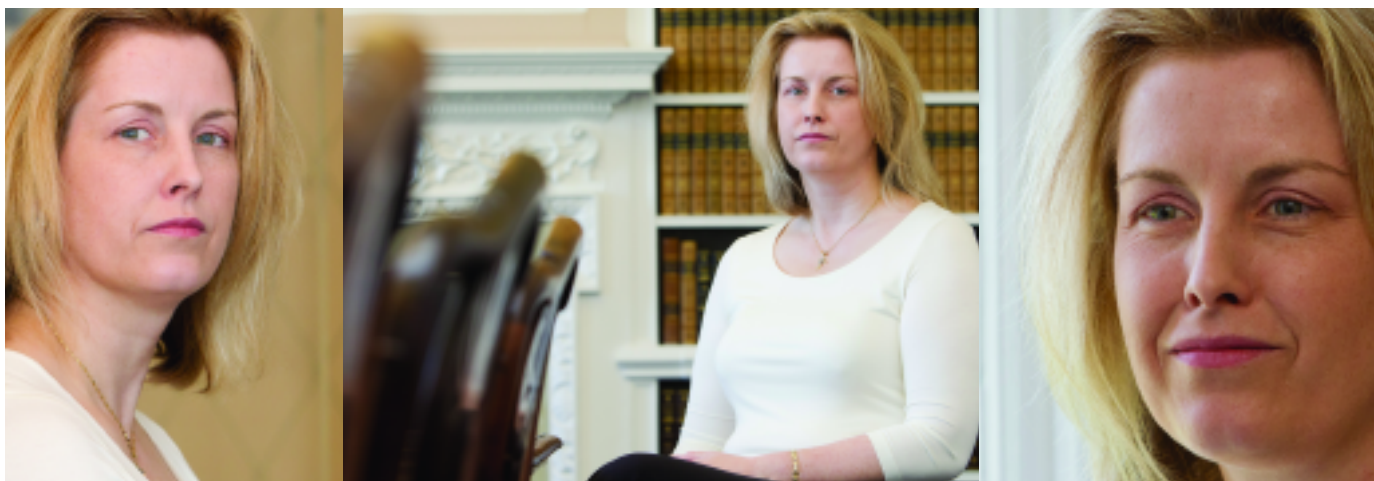
Having passed the exams, it was not long before she was advancing towards MCT status to build on her professional knowledge.

It was around this time that GUS announced, in March 2006, the split of its remaining businesses into two separate companies, Home Retail Group and Experian, with separate stock market listings for each. Experian transferred its information services operations to Ireland.

She completed the MCT exams the following year, shortly after securing the post of tax and treasury director with Atkins and relocating from Manchester to the South-East.

"I am the only MCT-qualified member of the treasury team and it would be good to have more MCT-qualified members, but it has to be admitted that it's a daunting undertaking and very demanding of your time. When I took the exam I was dealing with the pressures of the new job and a relocation. I simply couldn't afford to fail. My efforts had to be devoted to ensuring I passed on the first attempt."

She joined Atkins as Metronet, the London Underground maintenance consortium in which it had a 20% stake, neared its collapse into administration. The group made strenuous efforts to arrange a restructure and rescue before the refusal of emergency funding sealed the consortium's demise. Fortunately, the group's earnings were being lifted by a growing Middle East order book, while staff were engaging with the clean-up and planning for the Olympic Park in east London.



"I was given the remit of heading up the tax and treasury functions, which at that time were separate, bringing them together and raising the profile of the combined function," says Flowerdew. "There had previously been a director, but the position was left vacant for several years. As Atkins was now reaching out around the world, there was a need for greater coordination and collaboration."

Her role involves heading up a team of nine in the tax function (spread across three locations) and four in treasury, with the team co-ordinating daily with the group's worldwide offices. Head office handles front-office functions and also looks after debt facilities, FX, bonds and guarantees, and global cash management, while back-office functions are jointly handled with a shared service facility in Worcester.

"Epsom also oversees the group's debt and cash across all territories, which is becoming increasingly challenging as we expand. In addition to looking after the group's general treasury risks, we partner with our various businesses when they are bidding, in connection with the treasury aspects. For example, we assist with negotiating and arranging the bonds and guarantees, where required, as well as provide support where there are FX needs and currency flows."

The diversity of the work keeps the treasury team on their toes but there are opportunities to get on site. "I recently visited Stratford, the site for the London 2012 Games, and was really impressed with what has been accomplished. Our workload was initially focused on the enabling works contract, overseeing the demolition of existing structures and site clean-up ready for the new Games infrastructure, but that work has grown rapidly as we've built our reputation on site. We're now working

on the design for the temporary Games structures in the Park and around the country, projects such as the beach volleyball area in Horse Guards Parade. There's also a wealth of opportunities to help deliver the legacy transformation which will follow."

The Davies Report has highlighted the lack of women directors on the boards of UK companies, although Atkins compares relatively well with two female executives on its board of nine. "I'm pleased with the report's recommendations on increasing our presence, although I wouldn't want to see it made mandatory or quotas imposed," says Flowerdew. "New cultures can't be imposed and people should be

promoted on the basis of their skills set."

The group's tax department is mainly female, and there is an equal balance of male and female staff in treasury.

The group looks for the AMCT qualification for senior treasury roles and encourages staff to sit the ACT Certificate papers. The ideal candidate would also possess an accountancy qualification and demonstrate a good deal of flexibility.

"I would encourage anyone starting out in treasury to pass the associate exams, also try for the accountancy exams and get some commercial exposure. It can be a mistake to reside too long in one particular area early in one's career, such as cash management or FX. Early diversification of experience would be of benefit to anyone sitting the ACT exams."

"I'd also recommend proceeding to MCT, but it's a formidable challenge and gaining some good experience before tackling it would be of help. As Atkins expands geographically, I can see the treasurer's role starting to move towards something that needs a different angle. This might involve regional treasurers, or a change to our management style and focus."

Quick-fire quotes

WORDS YOU MOST OFTEN SAY TO YOUR CFO?

What's in the pipeline?

WORDS YOU MOST OFTEN SAY TO YOUR TEAM?

How is cash today?

DOES A DOUBLE-DIP RECESSION OR GROWTH LIE AHEAD? Choppy markets, slow growth.

DEBT OR EQUITY? Depends, although I may currently be biased towards debt.

FIXED OR FLOATING INTEREST RATE? Depends. There's a place for both.

BIGGEST SUCCESS IN YOUR CAREER? Supporting the split of GUS into Home Retail and Experian.

DEAL YOU ARE MOST PROUD OF? Refinancing the Atkins debt facility in little more than seven weeks.

MOST VALUABLE PART OF ACT QUALIFICATIONS? Solid grounding, enhancement of knowledge.

REASON TO ATTEND ACT CONFERENCE/EVENTS? Networking, market intelligence, technical updates.

BLACKBERRY OR IPHONE? Blackberry.

Graham Buck is a reporter on The Treasurer.
editor@treasurers.org

