

People just love nicking money

2000 MCT Summer School – Grantham

The residential school is extremely hard work. But it is also great fun, and strongly recommended. Many thanks to all the organisers. Especially to Natalie Blakely for looking after us during the week, and for putting up with us talking shop during the breaks. Best wishes and good luck to everybody sitting their exams this time!

We had been told on an earlier Saturday seminar, “At the moment you all want to be good treasurers. By the time Summer School comes round you’ll just want to pass the exams.” The two aims seem pretty well aligned. The course content is highly practical. Even the ‘low cunning’ of exams is useful

Through varying degrees of fatigue, 12 relevant points (using exam style for perhaps a quarter of a mark per point?) seemed to be:

Exam technique

1. “I’d ask a consultant.” Avoid writing this.
2. “I’d bet the company on my personal view.” Also avoid.
3. “Tax.” Write it down, even if you don’t know what you mean.

Technical

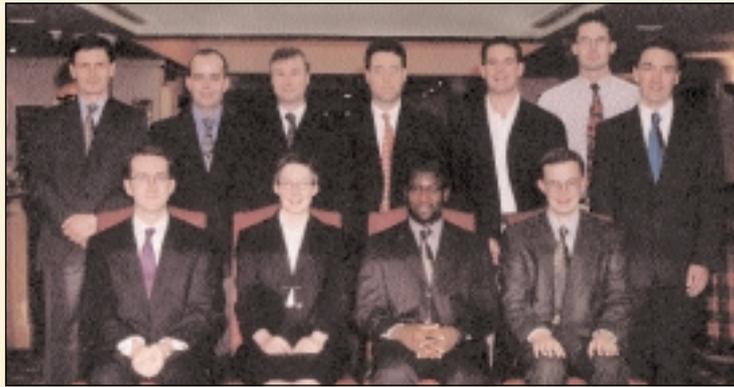
4. For paper VII arithmetic means ‘inferior’. In paper VIII they might be valid.
5. Market derived betas are so volatile some people don’t believe in them at all.
6. Watch out for grace periods in loan documentation. Your lawyer may miss them.

Practical

7. Borrowing \$5bn makes you a ‘jumbo’.
8. Borrowing \$150m makes you a ‘poor little thing’.
9. If you get real-life valuations wrong, you might end up in court.

Other

10. A stockbroker is a man who invests your money until it’s all gone.
11. Relationships are important – people will remember you.
12. Help people to remember you by playing practical jokes on them.



Back row – left to right: Jonathan Medlam, Sam Wilkins, James Rowe, Roger Burge, Mark Knight, Tom Machielsens, Douglas Williamson.
Front row – left to right: Colin Meade, Isobel MacLeod, Llewellyn Collymore, Ian Chisholm.

in the office. For example: planning/time management under pressure; and trying to critique – not just ignore – points of view one disagrees with. The practical side of the school draws heavily on the experience of your fellow students, both old friends from the seminars and new ones met at the school. If you lack the lender’s viewpoint, there will be a banker sitting in front of you. If you are not sure what in-house banks do, your neighbour probably works in one. Can’t imagine living without interest cover of less than one? Your neighbour has been living with it for six years!

The formally structured material is well integrated with the manuals and past papers. So at least you feel you’re studying the right stuff, even if it doesn’t quite make sense yet. The highly experienced speakers come from a wide range of backgrounds, but present to a uniformly excellent standard – particularly during the early morning and late night slots, when our attention spans were shortening!

In his after dinner speech, Lance Moir of Cranfield School of Management advised us, as treasurers, to get close to our businesses and educate our colleagues about our own role. Do this by telling your colleagues, “You buy knickers, I buy financial services.” Or whatever it is they do buy.

‘Diet’ – meaning ‘day of reckoning’ – was a new word for me at the school. But a week of good food and no exercise made for a more immediate need for the other kind of diet. Would we still fit into our suits?

Our final session – given by Valerio Pace of PricewaterhouseCoopers – put any exam or other worries into a proper perspective. Most frauds are fast/high impact, so payments systems are the key area of treasury control: “People just love nicking money.” Kidnapping signatories’ children is an increasingly popular technique. So we’ve got that to look forward to. ■

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