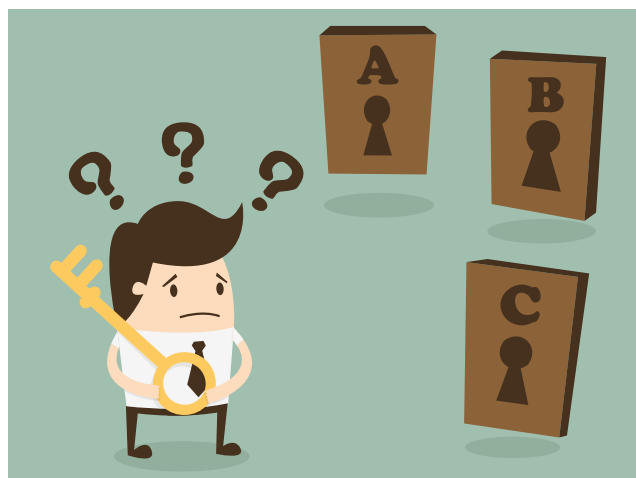


TESTING TIMES IN TREASURY

Our new treasury quiz will earn you CPD points – but only if you answer (a) every time



Q1. Your banker wants to tell you about their new, tax-efficient, cross-border, cash-pooling tool for Turkey. Your company has never had any operations in Turkey. Do you...

- (a)** Listen anyway – it might be useful some day;
- (b)** Tell him to go away and read your annual report; or
- (c)** Ask him to explain it in great detail to your colleague – then give the banker the phone number for your local kebab house.

Q2. HR says it wants to send you on a three-day ‘team management’ course. Do you...

- (a)** Think that ‘people skills’ are the way of the future in treasury;
- (b)** Glance over at the East End barrow boy who is your market dealer and sole colleague and say to HR: “Team management”? Are you giving me a team to manage?; or

(c) Ask HR how big the drinks budget is at this off-site event.

Q3. The CFO has suddenly had a great idea: the company needs a new treasury management system. Do you...

- (a)** Put together the finishing touches to a proposal you’ve been working on, providing a cost-benefit analysis, the pros and cons of the main vendors’ different systems and a draft implementation timeline;

(b) Say: “I’ve been asking for this for six years and I’ve now lost the will to live”; or

(c) Ask: “Is this because we can no longer afford the staples to hold all of our spreadsheets together?”

Q4. The CEO tells you that the company is about to acquire a large but financially troubled rival.

He asks you to prepare a report on the target’s cash position. Do you...

- (a)** Compile a report using industry data you’ve

been tracking on your key customers, suppliers and competitors;

(b) Ask the CEO: “Does the fact that they’re financially troubled not tell you everything you need to know already?; or

(c) Ask the CEO: “Is it too late to sell my shares in our own company, then?”

Q5. The CFO wants to instil a greater ‘cash culture’ in the company. Do you...

(a) Prepare a rollout of a company-wide training programme and talk to HR about how some cash-related incentives might be built into people’s bonus schemes;

(b) Say: “Excellent. Let’s pay everyone’s salaries only after our customers pay us”; or

(c) Say: “Excellent. We’ll scrap paying people by bank transfer and pay them in crisp £10 notes instead.”

Q6. The board wants you to do a presentation about the risks in the company’s derivatives exposures. Do you...

(a) Prepare no more than 10 slides explaining simply and in clear English what the key risks are and what their financial impact might be;

(b) Prepare a detailed analysis of every single derivatives position using as many mathematical formulae and Greek letters as possible – just to make sure they never ask you to do that again; or

(c) Say: “Well, actually, it is rocket science! Darned if I can make head or tail of it!”

Your score:

Mostly (a)s – You’re a proactive, strategic treasurer and you’ll be promoted to CFO soon.

Mostly (b)s – You think treasury is far too important for anyone outside of treasury to be allowed anywhere near it because they will only mess it all up.

Mostly (c)s – Who wants to be CFO, anyway? Treasury is so much more fun! ♥

“Excellent. We’ll scrap paying people by bank transfer and pay them in crisp £10 notes instead”



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ISSUE:**

The highlights of the September 2014 issue of *The Treasurer* include: **Is the Chinese shadow banking system on the brink of collapse? See page 20.** Find out more about the renminbi, on page 24. **James Kelly, head of treasury at Rentokil Initial, talks about cash management and career development, on page 26.** **Our 12-page special on cash and liquidity management starts on page 31.** Discover the benefits of retail bonds, on page 46. Learn how to manage a personality clash in the workplace, on page 58