



**TREASURY
EXCELLENCE
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Cash Management Quiz July 2021

Question 1

What are the main components of cash management?

- a. Day-to-day cash control
- b. Money at the bank
- c. Short-term investments
- d. Short-term borrowings
- e. Long-term investments
- f. Long-term borrowings
- g. Receipts
- h. Payment control

Answer

The right answer is a., b., c., d., g., and h.

Question 2

What are the key tools to manage liquidity?

- a. Financial risk reporting
- b. Cash management
- c. Segregation of duties
- d. Derivative contracts
- e. Working capital management
- f. Bank account reconciliations
- g. Organising and managing borrowing facilities
- h. Risk heat maps

Answer

The right answer is b., e., and g.

Question 3

What are the three pillars of Basel III?

- a. Enhanced cash management tools and controls
- b. Enhanced minimum capital & liquidity requirements
- c. Enhanced supervisory review process for firm-wide risk management & planning
- d. Enhanced reporting of short-term investments and borrowings
- e. Enhanced classification of liquidity instruments
- f. Enhanced risk disclosure & market discipline
- g. Enhanced diversification of sources and uses of cash

Answer

The right answer is b., c., and f.

https://www.treasurers.org/ACTmedia/Treasurers_Global_Guide_to_Investing_Corporate_Cash_ACT_2017.pdf

The ISO20022 payment messaging standard is considered to be a once in a lifetime event to migrate global RTGS payment systems to a common standard. Implementation for SWIFT and some other major RTGS systems is expected over a 5 year period commencing November 2022.

Question 4

What are the perceived benefits to the end users?

- a. Additional fields providing richer data
- b. Improved reconciliation of bank accounts
- c. Ability to specify payment of behalf of (POBO)
- d. Zero cost for payments
- e. Scope to substantially enhance AML and Fraud monitoring
- f. Enhanced management information
- g. All of these

Answer

The right answer is a., b., c., e., and f.

<https://www.treasurers.org/hub/technical/hot-topics/payments-cash>

<https://www.treasurers.org/hub/technical/hot-topics/payments-cash/new-messaging-standard-for-UK-payments>

[ISO 20022 | The Association of Corporate Treasurers](#)

Question 5

Approximately, how many additional characters will be available within the relevant message types?

- a. 100
- b. 600
- c. 1,000
- d. 9,000
- e. 20,000

Answer:

The right answer is d.

<https://www.treasurers.org/hub/technical/hot-topics/payments-cash>

Question 6

Which RTGS systems have already been migrated to the ISO20022 standard?

- a. CHAPS/Faster payments/BACS (UK)
- b. BOJ-Net (Japan)
- c. SEPA (European local ACH systems)
- d. Target 2 (Europe)
- e. CIPS (China)
- f. Fedwire (US)

Answer:

The right answer is b., c., and e.

<https://www.treasurers.org/hub/technical/hot-topics/payments-cash>