

CERTIFICATE IN TREASURY FUNDAMENTALS QUALIFICATION SYLLABUS

INTRODUCTION

SUMMARY

If you are considering a career in treasury or finance, or have recently started in a treasury, or related, role, the Certificate in Treasury Fundamentals (CertTF) is the perfect qualification to equip you with the knowledge to ensure you get off to a great start. It is designed specifically for those working in treasury and those who may be working alongside, or advising, treasury professionals. It will provide insights into the world of treasury, its importance and key areas of focus, as well as providing an introduction to both financial markets and corporate finance. The contents focus on 'treasury essentials' and will provide an excellent starting point for anyone aspiring to become a treasury professional.

CertTF comprises three units, each with an estimated study time of approximately 50 hours. It has been specifically designed so it can comfortably be completed within three to six months, alongside full-time working; or more quickly by those who have more study time available. Study is online and all necessary resources will be provided by the ACT, although you are encouraged to read more widely if you wish. You will be a Student member of the ACT while you are studying. Once qualified, you will be eligible to become an eAffiliate member of the ACT and use the designatory letters CertTF.

BACKGROUND

It is vital that treasury professionals understand the world within which treasury exists and the factors that influence how treasury operates. The CertTF will provide students with a solid introduction to the world of treasury. Importantly, it focuses on both the internal and external environments within which treasury operates.

Treasury plays a key role within most organisations. Whilst specific activities might vary, depending on the nature, location and type of organisation, there will be a lot of common ground which is covered within the CertTF qualification. So, students will explore concepts from an introductory perspective such as accounting, tax and regulation. Students will also consider the importance of governance and ethics as well as the role of treasury in risk management. Students will explore the principles of treasury operations, including the key internal and external relationships that are important to treasury. This will also include understanding different treasury structures and policies. The vital area of cash management is also covered, given its crucial importance for most organisations in terms of business survival. Towards the end of the qualification the focus broadens to provide a useful overview of the role of financial markets and corporate finance to the treasury professional.

Overall, students can expect to acquire a good understanding of the key principles of treasury. This will enable those who are new to treasury to engage with increased confidence. CertTF can also provide a springboard for further higher-level ACT qualifications for those treasury professionals with aspirations of achieving more senior treasury positions.

QUALIFICATION STRUCTURE

UNIT	PROGRESS TESTS	SUMMATIVE ASSESSMENT
1. Introduction to the financial world	Yes	Yes - one exam covering all units (90 minutes).
2. Principles of treasury operations	Yes	
3. Overview of financial markets and corporate finance	Yes	

TEACHING AND LEARNING

Students will benefit from an active and engaging online learning experience. They will undertake self-directed study with PDF, ePUB and MOBI versions of the materials and be supported by ACT technical tutors who will initiate, respond to and moderate a discussion forum for queries and wider debate. Students will have access to the online platform for 9 months from the date booked on the qualification.

Throughout the course, additional resources will be added to the online learning platform in the form of webinars, podcasts, links to relevant news and updates, and wider reading. You will also be able to take practice assessments as part of your learning programme to assist you in your preparation and to familiarise yourself with the types of assessment questions you can expect during the assessment.

ASSESSMENT AND FEEDBACK

The Certificate in Treasury Fundamentals will be assessed as follows:

- one online multiple-choice question (MCQ) exam, remotely invigilated, which will assess all three units. The exam is one and a half hours in duration
- students will be able to opt into the exam when they feel ready, as the assessment is on demand, however they will need to complete the assessment within the timeframe of their learning licence
- once you have booked your assessment, you will be provided with information and guidance on how to prepare for taking your exam with the ACT
- upon successful completion of the exam, you will receive an immediate provisional result, which will be followed by an eCertificate, confirming your result, within ten working days
- if you have failed the exam, you will be able to re-sit the exam (relevant fees payable) as soon as you feel ready, within your licence period, but no detailed feedback will be available from this exam.



ENTRY REQUIREMENTS

There are no entry requirements for this qualification, however if you are an accountant, exemptions may apply. More information on the entry routes for CertTF can be found at:

<https://academy.treasurers.org/qualifications/certificate-treasury-fundamentals>.

UNIT 1: INTRODUCTION TO THE FINANCIAL WORLD

INTRODUCTION

This unit provides a general introduction to treasury and a number of key influences that impact treasury decisions. It starts by focusing on the environment in which treasury professionals work. It specifically considers key drivers including accounting (and relevant calculations), tax and regulation, all of which play a crucial role in treasury decisions and activities.

The unit then moves on to consider the importance of governance, ethics, compliance and other forms of controls that are typically encountered by treasury professionals. The role and importance of the ACT's own Ethical Code are examined as this sets the minimum standard expected from all ACT members. The unit considers the key issue of conflicts of interest and how these should be dealt with when they arise.

Finally, the unit addresses risk management, which is one of the most important areas of responsibility for treasury professionals. The unit provides a clear introduction to the general principles of risk management (including identifying, assessing, calculating and managing treasury risks). The unit also examines the importance of risk reporting, both within treasury and the organisation as a whole.

OVERARCHING LEARNING OUTCOMES

At the end of this unit you should be able to:

L01

Describe the environment in which a treasury professional works, including demonstrating knowledge of relevant accounting, tax and regulations.

L02

Explain the importance of governance, ethics, compliance and audit to the treasury function and the organisation as a whole.

L03

Describe key treasury risks and the tools used to identify, assess, manage, mitigate and report on them.

UNIT 1: INDICATIVE CONTENT

1. The treasury environment

LO1: Describe the environment in which a treasury professional works, including demonstrating knowledge of relevant accounting, tax and regulations.

- The treasurer's world.
- Introduction to accounting and relevant calculations.
- Introduction to tax and reputation management.
- Introduction to regulation.

2. Governance, ethics and controls

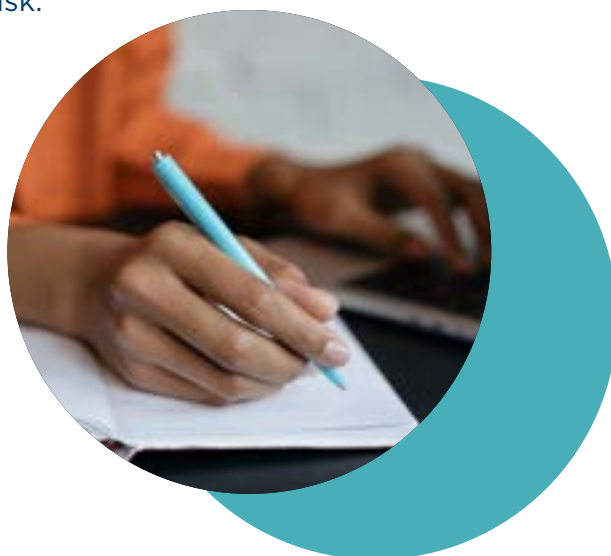
LO2: Explain the importance of governance, ethics, compliance and audit to the treasury function and the organisation as a whole.

- Ethics and the ACT's Ethical Code.
- Treasury controls essentials.
- Dealing with conflicts of interest e.g. the agency problem.
- Principles of corporate governance.

3. Introduction to risk

LO3: Describe key treasury risks and the tools used to identify, assess, manage, mitigate and report on them.

- Introduction to risk.
- Identifying, assessing and calculating risk.
- Fundamentals of managing and calculating risk.
- Risk reporting.



UNIT 2: PRINCIPLES OF TREASURY OPERATIONS

INTRODUCTION

This unit focuses on the practicalities of treasury operations within the organisation. It starts by considering the role of treasury within an organisation and the relevance of treasury systems. It also addresses the key relationships that treasury professionals are most likely to encounter, both internally and externally. For example, the unit explores the importance of bank relationship management and the role of credit rating agencies.

The unit moves on to explore how treasury functions can be structured. This includes consideration of the typical day-to-day activities that are likely to be undertaken within the treasury function. It also considers the importance of treasury policy and the impact of this on processes and controls to facilitate effective treasury operation within the organisation.

The unit concludes with an examination of cash management. For many organisations the effective management of cash and short-term liquidity needs are key to business survival. So it is vital that treasury professionals understand this important area. The unit considers the daily cash management cycle and provides an introduction to cashflow forecasting. It also discusses the importance of bank account structures. Finally, it provides an introduction to interest rates and their calculations.

OVERARCHING LEARNING OUTCOMES

At the end of this unit you should be able to:

L04

Explain the role of treasury and the importance of managing internal and external relationships.

L05

Describe how a treasury function is structured and the processes and controls needed to enable its effective operation.

L06

Describe how the organisation's cash and short-term liquidity requirements are managed.

UNIT 2: INDICATIVE CONTENT

1. The role of treasury

LO4: Explain the role of treasury and the importance of managing internal and external relationships.

- The role of treasury and treasury systems.
- Internal and external relationship management.
- Bank relationship management.
- Credit rating agencies.

2. Treasury structure and policies

LO5: Describe how a treasury function is structured and the processes and controls needed to enable its effective operation.

- Treasury department structure and systems.
- The daily activities of a treasury function.
- Treasury policy, processes and controls.

3. Cash Management

LO6: Describe how the organisation's cash, and short-term liquidity, requirements are managed.

- The daily cash management cycle.
- An introduction to cashflow forecasting.
- Bank account structures and functions.
- An introduction to interest rates and related calculations.



UNIT 3: OVERVIEW OF FINANCIAL MARKETS AND CORPORATE FINANCE

INTRODUCTION

This third and final unit focuses on the relevance of financial markets to treasury professionals and on general corporate finance principles and concepts and examines the main financial markets that might be encountered by a treasury professional.

It starts by addressing the role of financial markets as a source of finance, including a discussion of capital markets and the use of banks as providers of debt.

It then focuses on the use of financial markets for some more specific treasury transactions. Firstly, providing an introduction to the key elements of these transactions and then moving onto specific areas. These include the use of financial markets for managing investments, foreign exchange transactions, interest rate risk and relevant calculations.

Finally, the unit moves onto corporate finance. It introduces the main concepts and principles in relation to corporate finance theory and the relationship with funding for various purposes. In particular, the unit focuses on the principles of risk and return, which play a vital role in treasury decisions. It also considers capital structures and how to raise finance in the most effective way, including relevant calculations. It concludes by introducing general principles relating to project appraisal techniques (including relevant calculations) and considerations.

OVERARCHING LEARNING OUTCOMES

At the end of this unit you should be able to:

L07

Explain the main financial markets and products used by treasury to secure funding.

L08

Explain the key fundamentals and market conventions when undertaking money market, foreign currency and interest rate transactions.

L09

Describe core corporate finance theories and relate these to practical funding and project appraisal situations.

UNIT 3: INDICATIVE CONTENT

1. Introduction to financial markets as a source of finance

LO7: Explain the main financial markets and products used by treasury to secure funding.

- An introduction to financial markets.
- An introduction to equity capital markets.
- An introduction to debt capital markets.
- An introduction to bank debt.
- Comparing different financial markets.

2. Treasury transactions in financial markets

LO8: Explain the key fundamentals and market conventions when undertaking money market, foreign currency and interest rate transactions.

- The key elements of financial transactions.
- An introduction to investments and relevant calculations.
- Fundamentals of foreign exchange transactions and relevant calculations.
- An introduction to interest rate transactions and conventions.

3. Corporate Finance Theory

LO9: Describe corporate finance theories and relate these to practical funding and project appraisal situations.

- Risk and return principles.
- An introduction to corporate finance theory.
- Capital structure and raising finance effectively, including relevant calculations.
- Project appraisal principles and relevant calculations.



GLOSSARY OF QUALIFICATIONS TERMS

Award	For the purpose of this qualification, upon passing your exam, you will be awarded the Certificate in Treasury Fundamentals. The award is therefore the outcome of your studies and assessment and represents your achievement.
Unit	A unit represents a segment of learning within the Certificate in Treasury Fundamentals. Each individual unit has its own rationale and content. Each unit also has a number of learning outcomes and supporting indicative content.
Overarching learning outcomes	The learning outcomes within a unit lay down the expectations of the learner and define the level of knowledge and understanding required in order to be fully prepared to take the ACT assessment.
Learning outcomes (LOs)	These appear within each of the sections in the units and act as the basis to determine knowledge and understanding which shape your learning and assessment. Within each LO, we have included assessment criteria which will help guide you to what will be expected within the assessment.
Indicative content	The indicative content is an indication of the knowledge required in order to fulfil the assessment requirements and achieve the learning outcomes and it details the level of technical content of the programme.



ACT COMPETENCY FRAMEWORK

The result of consultation with senior treasurers, banks and learning and development teams, the framework defines the competencies treasurers need to operate successfully in global business today. The skills a treasurer needs over their career varies according to seniority. The competencies have been benchmarked and mapped to four job levels; tactical, operational, managerial and strategic.

The content of this syllabus introduces the skills required to operate at a tactical level.



Strategic Level
Managerial Level
Operational Level
Tactical Level

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