

Treasury and Cash Flow Risk Management

Duration: 5 Days

Language: en

Course Code: PF1-107

Objective

Upon completion of this course, participants will be able to:

- Recognise the pivotal role that the treasury has in making a business profitable.
- Understand issues and risks affecting budgets and profits and devise contingency plans to mitigate these.
- Display accurate records and reporting to entice potential stakeholders and partners.
- Use financial tools and techniques to reduce financial risk caused by exchange rates and tax laws.
- Manage cash flow, liquidity, and working capital to improve returns.

- Evaluate and recommend investment opportunities based on the current economic state.
- Understand short-term and long-term financial risks and how to avoid them.
- Develop a working knowledge of risk management tools.

Audience

This course is ideal for anyone who is responsible for budgeting or financial control within a business. However, it would be most beneficial for:

- Business Owners
- Chief Financial Officers
- Project Managers
- Planning Managers
- Change & Control Managers
- Financial Professionals
- Treasurers
- Financial Decision-Makers
- Operations Managers

Training Methodology

This course uses a range of adult learning techniques to help participants improve their knowledge and expertise in financial management. Participants will be asked to engage in trainer-led seminars to discuss financial risks and take part in practical exercises to determine a strategic financial framework of priorities for a business's future.
They will have access to real-world case studies to understand how minor financial errors can affect the wider business and draw up planned contingency approaches to support change.

Summary

Due to the instability of stock markets, commodity markets, global capital, and currency changes, a treasurer is now regarded as one of the most important roles within the finance department of a growing and successful company.
The function of an effective treasurer is to provide stability and security within an

organisation’s processes, procedures, and planned changes based on current funds and budgets to ensure profitability and growth. They should identify risks and create innovative plans to mitigate loss and remain within budget.
Improving a business’ treasury systems and cash flow management can aid change and development and increase the chances of securing key stakeholders and partners by ensuring a great return on investment. For those companies that operate globally, it can also eliminate the detriments that may be caused by exchange rate changes, taxes, and interest rate decreases.

Course Content & Outline

Section 1: The Role of a Treasury Manager

- Your role as a treasury manager.
- How a treasury department fits into the wider picture.
- Managing cash globally and comparing your processes with competitors.
- Understanding credit and interest rates.

Section 2: Cash Flow & Liquidity Management & Consequences

- What is liquidity management?
- Forecasting and preparation for the future.
- Understanding short-term cash shortage and how to handle it.
- Assets and liability management.
- Your cash flow cycle.
- Baumol’s Model.
- Miller-Orr Model.
- Using cash management techniques and industry-standard inventories.
- Your cash conversion cycle.

Section 3: Capital Management & Budgeting

- What is working capital?
- Determining the optimum level of cash flow management.
- Budget control, recording, and processing.
- Consolidation and growth through joint ventures.
- Developing a long-term plan.
- Minimising the cost of your capital through WACC.
- The Capital Asset Pricing Model (CAPM).
- Capital rationing for internal and external finances.

Section 4: Managing Risk & Creating Contingencies

- Identifying potential risks before the worst happens.
- Understanding uncertainties and covering all bases.
- Measuring risk using data.
- Volatility and variance in finances.
- Using standard deviation and probability to assess risk.
- The 4T process.
- Internal controls and auditing to create your risk management strategy.

Section 5: Currency & Interest Rate Changes & Implications

- Agreements and contractual requirements.
- European and American markets and outputs.
- The global market correlation and margin payments.
- Currency and interest rate movement and what it means for you.
- Foreign currency borrowing and tactics.

Section 6: Corporate Finance Theory

- What is corporate finance?
- Understanding the value of money.
- Investing wisely and managing your investments.
- Your holding period return calculation.
- What are fixed income securities?
- Predicting risks against returns.
- The standard deviation of business security.
- Covariance and multiple securities correlation.

Section 7: Bonds, Fixed Income Securities & Valuations

- The debt market and prediction tools.
- Bonds and Sukuk.
- Credit risks and prepayment contracts.
- Understanding Bonds’ valuation techniques and price relations.
- Asset maturity and yield calculations.
- Held To Maturity Debt Securities (HTM).
- Trading Securities (TS).
- Available For Sale Securities (AFS).
- Fair Value Through Profit and Loss Options (FTTPL).

Section 8: Predicting Stock Market Changes

- IPOs and private equity.
- Seasoned offering over a holding period.

- Discounted Cash Flow Model (DCF).
- Valuation techniques and forecasting.
- Relating previous correlations to future stock potential.

Section 9: Derivatives, Hedging & Speculation for the Future

- Creating a viable investment model.
- Offsetting currency counter trading.
- Effective mark-ups.
- Diversifying your business.
- Natural hedging: internal and external.
- Hedging vs. speculation.
- Investing in your home currency and its benefits.

Certificate Description

Upon successful completion of this training course, delegates will be awarded a Holistique Training Certificate of Completion. For those who attend and complete the online training course, a Holistique Training e-Certificate will be provided.

Holistique Training Certificates are accredited by the British Assessment Council (BAC) and The CPD Certification Service (CPD), and are certified under ISO 9001, ISO 21001, and ISO 29993 standards.

CPD credits for this course are granted by our Certificates and will be reflected on the Holistique Training Certificate of Completion. In accordance with the standards of The CPD Certification Service, one CPD credit is awarded per hour of course attendance. A maximum of 50 CPD credits can be claimed for any single course we currently offer.

Categories

Finance, Accounting & Budgeting, Management & Leadership

Tags

Risk management, Treasury, Cash Flow, finance, risk, cash

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