

Auditing the Treasury Department

A practitioners guide for the best treasury audit practice



Only by attending this course, will you learn:

- Proven parameters for scoping treasury audit
- Tackling audit challenges (e.g. treasury jargon)
- The treasury remit and its alignment with overall business strategy
- Risk implications of your analysis
- Contrasting control features and organisation structures in banks and corporates
- Review of operational and other risks types
- Identification, measurement and management techniques to control treasury risks
- Controls to lower the risks posed by rogue traders
- Variety of trading and hedging strategies and their rationale
- Treasury derivatives covering forwards, FRAs, swaps and OTC options
- Treasury performance and how it is measured and reported
- Writing value adding audit reports with impact

PLEASE REGISTER EARLY

Due to recent changes in VISA processing, delegates are strongly advised to obtain relevant VISAs up to **one month prior to the course**.

4 day course

3-6 June 2014

Singapore

Course Director

Raj Gandhi

**Specialist in Finance, Treasury
and Risk**

Who should attend

This course has been specifically designed for:

- Internal and external audit managers, risk managers and compliance officers
- Treasury managers, finance officers, back and middle-office personnel
- Those involved with the review and control of treasury activities in financial institutions, commercial banks and corporates

Prerequisite: None

Advanced Preparation: None

Learning Level: Basic to Intermediate

Field of Study: Auditing

Delivery Method: Group Live

Earn **32 CPEs** by attending

**SAVE
UP TO 50%
WITH IN HOUSE
TRAINING**
Details inside

Auditing the Treasury Department

4 day course
3-6 June 2014
Singapore

Course focus and features

This highly interactive course will enable you to understand and assess the treasury department and to determine whether its risk and control processes are adequate.

You will have the chance to engage in numerous discussions and explore several case studies where controls have been weak or have collapsed, illustrating the importance of a well-controlled treasury department.

You will also gain a deeper understanding of the key issues concerning strategy and operations, and identification of early warning signals for potential problems.

This course provides valuable insights into the audit review practices developed and successfully implemented by the Course Director, in his senior roles in audit, treasury and finance.

The course is a useful forum for networking and sharing experiences, where delegates will participate in numerous group discussions and exercises as well as leveraging the experiences of each other and the Course Director.

Course Director

Raj Gandhi

Raj is a fellow of the Association of Corporate Treasurers, a fellow of the Association of Chartered Certified Accountants and a member of the Institute of Directors. He has worked for international oil companies, small and medium sized entities and multinationals across the financial services, energy and retail sectors. A trainer and consultant since 2009, Raj has built up strong reputation internationally for being commercial with proven ability to deliver effective learning supported with real cases. Prior to this career move, Raj was CFO of London Capital Group Holdings plc (financial services). He also held senior roles in Royal Dutch Shell plc including Global Audit Manager (trading and shipping), Global Audit Manager (treasury), and Business Analyst (downstream business) in group reporting. Other prominent roles include Business Finance Director and Audit Manager (treasury) for Man Group plc (financial services) and Group Treasurer of Empire Stores Group Plc (Mail order retail).

CONTINUING PROFESSIONAL DEVELOPMENT

You may use your attendance at courses held by MIS Training Institute to qualify for CPD points with The Law Society of Hong Kong. If you wish to claim CPD Hours for your registered course, please inform us of this upon registration and **pay one month in advance** in order for your CPD application to be processed. For further information on CPD accreditation please email us on misasia@misti.com

Day 1

Introduction and course objectives

- Overview of treasury and the growing need for assurance

Understanding treasury responsibilities and organisation

- Front, middle and back office structures
- Differing roles (Advisory, agency, in-house bank)
- Role of ALCO
- Profit centre vs Value-added centre vs Cost centre
- Centralization vs Decentralization
- Size and sophistication

Discussion: Why size and sophistication matter when reviewing control, risk and segregation features.

Group exercise: Working through examples to differentiate between cost, profit and value added centre and how these impact on control and risk philosophy.

Dealing disasters and lessons to be learnt

- Recent cases: Root causes and possible mitigating controls
- Recurring control themes
- Regulatory investigations and conclusions

Discussion: Detailed review of control failures in recent high-profile cases and the lessons learned.

Group exercise: Understanding the key roles played by the front, middle and the back office.

Review of operational controls and processes

- Policies for borrowing, cash investment, foreign exchange hedging and use of derivatives
- Dealing, settlement and recording procedures
- Exposure and position monitoring and performance reporting systems
- Cash and debt forecasting
- Compliance with group treasury standards and guidelines

Group exercise: Review of policy documents for completeness.

Discussion: Recent survey findings on attitudes to treasury risks and controls.

COURSE CODE

EMPS5507 - O

Day 2

Treasury strategy, policy and procedures

- Business strategy
- Risk culture and risk awareness
- Treasury vision, mission, goals
- Accountability and applicability
- Identifying value drivers
- Addressing key components (e.g. capital structure, gearing)
- Main influences - business size and sophistication

Group exercise: Review for adequacy and completeness the main components of treasury policy.

Discussion: Best practice advice from leading professional treasury body.

Case studies: Review of example strategies in practice and challenges encountered.

Overview of the five core elements of treasury

- Corporate financial management
- Capital markets and funding
- Cash and liquidity management
- Risk management
- Treasury operations and controls

Group exercise: Highlight main activities and key attributes under each heading.

Discussion: Contrasting role of treasury operations and controls vs the other core elements.

Understanding main drivers of treasury

- Size or complexity
- Life cycle/stage of development
- Nature and size of the risks
- Level of International vs Domestic business
- Credit strength
- Skills and experience

Discussion: Impact of main drivers on the size and complexity of treasury.

Exercise: Key decision choices.

Treasury risks

- Human
- Operational
- Liquidity (incl. Basel III)
- Market
- Credit
- Linkages between risk categories

Discuss: Key attributes of risk types and their inter-relationships.

Group exercise: Document typical risks in a treasury environment.

Group exercise: Review of reporting lines, clarity/documentation and segregation of duties.

Group exercise: Review of limit structures to capture variety of treasury risks.

Day 3

Understanding and demystifying treasury derivatives

- Forwards and futures
- FRAs
- Options
- Swaps
- Documentation (e.g. ISDAs)

Group exercises: Working through several derivative examples (both interest rate and currency) to cover elements and purpose of each of the above derivatives.

Group exercise and discussion: Review of treasury legal documents (e.g. ISDA documentation).

Treasury management systems

- Security violations
- Audit trail
- Capacity and capability
- Key interfaces
- Disaster recovery

Discussion: Tackling modern day security violations (e.g. cybercrime).

Day 4

Audit planning, execution and reporting

- Developing risk based internal audit plans in practice
- Risk based internal audit plan in practice
- Prioritising, planning and scheduling audits
- Review and approval
- Audit team composition
- Successful audit execution and impactful audit report writing
- Reporting to audit committee, chief auditor, senior and local management
- Writing reports (style, structure, information, clarity, language)

Discussion:

- *Setting parameters and scope for treasury audit*
- *Challenges encountered in planning, execution and closing out audits*
- *Handling difficult auditee*

Risk management

- Principles and techniques to develop an effective risk framework
- Techniques to identify, map, prioritise and respond to significant risks
- Main elements of a risk and internal control policy
- Steps needed to implement the policy
- Challenges in defining risk appetite, risk tolerance and risk aggregation
- Techniques used to sustain the risk framework over time

Discussion: Challenges to embed a robust risk framework.

Governance

- Audit committee structure
- Control incident reporting
- Compliance with group policies and guidelines
- Compliance with regulatory requirements and best practice code
- Warning signals and what to look for

Discussion: Examples of practices used to enhance treasury governance.

End of course quiz

Course summary and close

Save time and money with **IN-HOUSE TRAINING**

MIST Training Institute provides specific, tailor-made in-house training on a wide variety of internal audit, IT audit and information security topics. Clients are able to determine the content, duration, and level of expertise of the course, creating a unique and customised programme. All our in-house consultants are professional trainers and draw on many years of practical experience in the audit and information security area.

To find out more about the special benefits of in-house training, please contact:

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In-house Manager
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Email: inhouse@misti.com

IMPORTANT INFORMATION - YOUR EVENT CODE

Register on-line at:

www.mistiasia.com

EMPS5507 - O

Please ensure you enter your event code when registering and you will be entered into our quarterly prize draw to win £50 of Visa vouchers.



Membership discount

IIA and ISACA members save 10%

This discount cannot be used in conjunction with any other offer.

Group booking discount

When two colleagues from one institution book together on the same course, there is a 5% discount on the second booking. Further discounts are available for larger groups.

Venue

All of our courses are held in 4-5 star hotels, chosen for their location, facilities and level of service. You can be assured of a comfortable, convenient learning environment throughout the duration of the course.

Due to the variation in delegate numbers, we will send venue confirmation to you approximately 2 weeks before the course commences.

4 easy ways to register

1. Web
www.mistiasia.com
2. Email
misasia@misti.com
3. Telephone
+852 2520 1481
4. Facsimile
+852 2866 7340



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Registration form Yes, please register me for:

Auditing the Treasury Department (EMPS5507)
on 3-6 June 2014, Singapore

Can't make this date? We schedule our courses throughout the year. Please contact us to check for alternative dates and locations.

Delegate details (all of the following is required to process your registration)

Surname _____ Mr/Mrs/Ms

First name _____

Position _____ Department _____

Approving Manager _____ Position _____

Company _____

Address _____

Telephone _____ Fax _____

Email _____

Course fee: US\$3,990

All fees are net of withholding, business and local taxes.

Delegates registering from Singapore for Singapore courses will have to bear the prevailing GST at the date of the invoice.

Seat is confirmed only upon receipt of payment.

IIA Membership No.: _____

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Payment details (please tick as appropriate)

Cheque Invoice Credit card[#]

[#]To make this payment by credit card, please call +852 2520 1481.

I have read and understood the booking terms and conditions.

Signature _____ Date _____

How did you hear about the course? _____

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My email address is _____

Please fax back to +852 2866 7340 or email your details to courses@euromoneyasia.com.

Please include the code that appears on top of the address label above in your email.

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Fee includes tuition, documentation, lunch and refreshments. Delegates are responsible for their own flights and accommodation. An invoice will be sent upon receipt of registration form.

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indicated above, including to countries which may not provide the same level of protection to personal data as within the European Union. By submitting your details, you will be indicating your consent to the use of your data as identified above. Further information on our use of your personal data is set out in our privacy policy, which is available at www.euromoneyplc.com or can be provided to you separately upon request.

If you object to contact as identified above by telephone fax or email or post please tick the relevant box. If you do not want us to share your information with our journalists or other companies please tick the relevant box.

Cancellation policy

If any registered delegate cannot attend our course, a replacement is always welcome for the

course. Cancellations must be made in writing (letter or fax) with MISTI's acknowledgement. Written cancellations must reach this office 30 days before the programme commences. A full refund less an administration charge of US\$150 will be given. For any written cancellation requests that reach us less than 30 days before the event, no refunds will be given. However, if you wish to attend another MISTI course in the Asia-Pacific region, a 75% discount voucher which values not more than 75% of the initial payment will be issued. Please note that the subsequent course must take place within 6 months of the initial registration. Discount vouchers are transferable within the same organisation, but not to be used in conjunction with any other discount schemes. Discount vouchers will not be issued for no-shows without cancellation. MISTI reserves the right to the final decision if any dispute arises.

Flights and hotel accommodation should only be purchased when our logistics team contact you to confirm the course venue. The attendee is solely responsible for their flight and accommodation arrangements and costs. In the unlikely event MISTI should have to cancel an event it will not be responsible for any costs incurred by attendees. MISTI therefore recommends that clients purchase fully refundable air tickets and accommodation.

Incorrect mailing

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