The demands on corporate treasury departments are undergoing constant change, driven by shareholders, regulators and organizations themselves. Requirements for increased transparency, better control and enhanced performance means treasury leaders need to continuously update their technical knowledge, reduce costs, minimize volatility, deliver value and ensure clear lines of communication. They need a dedicated information system to support those challenges.

It’s increasingly important that organizations adopt an integrated, holistic approach to their treasury activities, rather than pursue temporary solutions for individual issues.

Shareholders are looking for companies to provide more information about how they manage financial resources and risks. Their demands for increased transparency and better control are driving a global trend toward centralization of treasury activities.
Treasurers also need to cope with the growing complexity of financial instruments, volatile financial markets and the introduction of new regulations and accounting practices. Hot topics include the European Market Infrastructure Regulation (EMIR) for over-the-counter derivatives, IFRS 9 and 13 for derivatives accounting and valuation, tax matters for cash pooling and payment factory implementation, and the Single European Payment Area (SEPA).

In such a challenging environment, our Corporate Treasury team can help you define the role and responsibilities of your treasury function, and work with you to enhance its performance.

Drawing on our broad experience and deep knowledge, we can provide assistance in all areas of treasury. Our portfolio of solutions covers the full scope of a treasury function including:

- Treasury organization and governance
- Treasury performance assessment
- Financial risk management (interest, foreign exchange, credit risks and commodity risks)
- Cash and liquidity management, including cash forecasting
- Corporate funding and capital management
- Treasury technology, including treasury management system (TMS) selection and implementation
- Valuation and accounting for financial instruments (IFRS and local GAAP)
- Audit, quality assurance and compliance

We can give you a thorough assessment of your treasury organization, benchmarked against industry practice, with clear recommendations for improvements and processes to reduce significant risks.

Our assessment will enable you to prioritize actions within your treasury and define an action plan for implementation.

We have developed a framework to assess the functional performance of a treasury function, based on our global experience with treasury organizations. We also take into account external benchmarks and guidelines, such as those from industry bodies, IFRS and corporate governance codes.

The many facets of corporate treasury require a pragmatic interpretation of relevant regulations, which need to be considered in the broader context of the company's risks and its level of complexity.

Taking into account external market trends, as well as our extensive industry experience, we have developed a compact corporate treasury checklist that allows a comprehensive benchmarking against leading practices and provides a quick insight into potential improvements.
We can help you develop and strengthen your understanding of financial risk management strategies, helping you to achieve your organization's goals – both in terms of better business performance and enhanced financial reporting.

This includes a comprehensive overview of your organizational structure and infrastructure (such as policies, controls, processes and models), and the development of methods and processes for quantifying, assessing and monitoring financial risks.

We can guide you through the optimization of your company's financial resources (cash management and funding) and help you detect the best path to follow, so you can ensure that cash is managed effectively – from both a financial and tax perspective.

We can help you assess the reliability of cash forecasting and the adequacy of your process in this area, designing or executing a better cash-forecasting model as required. We can assist you secure your payment means more effectively, leveraging SEPA and other changes in the payments landscape.

In the area of corporate funding, we can help you to select and implement:

- Appropriate structures, procedures and systems to determine and manage the financing strategy of your company
- A financing strategy tailored to meeting organizational, legal, regulatory, fiscal, contractual and accounting constraints
- Ways of reaching optimal financing costs and an appropriate diversification of funding sources

We can support you on the application of IFRS 7, 9 and 13, and perform the following:

- An impact assessment
- CVA and DVA methodologies and quantification
- Profit and loss volatility assessment, using our modeling and valuation skills
- Hedging strategy optimization
- Valuation review (basis risk, IOS valuation, commodity specifics and others)
- IFRS convergence project

We can assist with:

- Alignment of treasury technology to your requirements
- Fast and efficient integration of systems into your processes
- Extensive TMS knowledge and proven methodologies for system selections, and the business aspects of implementation
- Independence in choosing the system provider
- Sustainable knowledge transfer

50% of large companies have not implemented homogenized procedures to forecast their cash flows.

34% of companies do not analyze the variances between real cash flows and forecasts systematically, in order to make the necessary improvements.

Source: Ernst & Young European Treasury Survey 2011
Audit, quality assurance and compliance

We can provide the following services, as part of a specific internal audit assignment, as agreed upon procedures, or as audit support:

- Help to reduce operational risks and identify operational improvements
- Advice on compliance with relevant legislation and regulation (such as EMIR for OTC derivatives)

Helping you get the most from your corporate treasury

Our Corporate Treasury team includes more than 150 professionals serving industry leaders and high-performing companies across Europe. We have the specific skills and experience needed to provide you with treasury solutions that are both sophisticated and practical. More widely, our highly integrated global network, based in every time zone, works with large companies worldwide - delivering services and sharing market insights and best practices.

Contacts

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