



Abstract

A leading custodian bank was establishing a full service Global Treasury in Europe as a platform for growth following a recent acquisition, and sought to build a robust infrastructure in a compressed timescale. Avantage Reply worked closely with the Head of Regulatory Reporting to deliver the FRS reporting solution for the expanded Treasury functions.

Establishment of a Global Treasury function following an acquisition

THE CLIENT

The client is a leading custodian bank primarily providing central administration and custodian services to investment funds.

THE CHALLENGE

The client is in the process of establishing a full service Global Treasury in Europe as a platform for growth following a recent acquisition. The Global Treasury will be created as part of the Bank to provide deposit taking and money market facilities to clients and also to undertake Treasury portfolio management and repo activities.

The challenge is to build a robust infrastructure for regulatory reporting and capital management, finance, risk management, compliance and treasury operations in a compressed timescale.

APPROACH AND SOLUTION

The particular focus for the client in Avantage Reply's assignment is to work closely with the Head of Regulatory Reporting to deliver the FRS reporting solution for the expanded Treasury functions described above. This includes the integration of new systems, interpretation of current and future regulatory requirements, sourcing of new data requirements, addressing IFRS issues, working with the parent and the FRS vendors and also UAT testing. The role involves project management and business analysis. Global Treasury experience of various frameworks and adaptability are key to providing the client with advice and support as the Treasury strategy evolves.

There was an initial analysis of IAS 39 requirements to address the volatility which would be introduced with the use of derivatives. An analysis of the various systems available for implementation was provided and suitable vendor demonstrations arranged for the client.

A review of the new Capital and Liquidity Management Policies, Trading and Investment Portfolio Guidelines and Contingent Funding Plan was also provided.

RESULTS AND BENEFITS

- Delivery of a Regulatory Reporting framework to address the activities of a complex Global Treasury platform.
- The integration of new systems and enhanced Treasury activities.

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