

Network News

CIMA
Chartered Institute of
Management Accountants

IRELAND / MAY 2011

A close-up portrait of a middle-aged man with short, light brown hair, wearing a dark pinstriped suit jacket, a light blue shirt, and a pink patterned tie. He is smiling slightly and looking directly at the camera.

**CIMA leaders
in business
Leo Crawford**

**Islamic finance -
The opportunities
for Ireland**

CIMA in demand

Managing cash flow

**UCD MSc in Strategic
Management Accounting**

An introduction

Kevin Gahan
CIMA Rol Divisional President



Contents

3	Introduction
4-5	CIMA Ireland launches Diploma in Islamic Finance
6-7	CIMA leaders in business Leo Crawford
8-9	Local news
10-11	Opportunities for CIMA qualified management accountants in 2011
12	Sunday Business Post and CIMA announce scholarship
13	Managing cash flow in challenging economic times
14-15	Case study
16	Local news
17	Student calendar
18	Careers
20	Student prizes

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As we publish this spring issue of Network News, from CIMA's perspective, there is a lot of positive news to share with you. CIMA has got 2011 off to a great start, our membership is up, numbers of students registering have increased and latest figures suggest an increase in demand for our profession.

For the first time our membership surpassed the 4,000 threshold with the latest intake of CIMA qualified members. This is a significant achievement in an environment that saw membership of many professional bodies contract. In addition CIMA has also seen a significant boost to its student numbers with a year on year increase of 63% in terms of new student registrations.

In the early part of this year CIMA embarked on a marketing campaign which together with the increased routes to studying CIMA and mentoring support resulted in a large number of students engaging with CIMA. The approach is part of our growth strategy which aims to grow our membership significantly, and in parallel further

enhanced member and student services such as CPD and tuition while also identifying new business channels and opportunities for our members in specific sectors.

Furthermore, aligned to our own recruitment drive success we have also learnt both from our corporate partners and indeed, as you will read elsewhere, recruitment specialists that they are seeing an upward movement in demand for both qualified and part qualified management accountants with CIMA being the preferred choice of employers.

Continuing on an upbeat note the MSc in Strategic Management Accounting programme at UCD's Michael Smurfit Graduate Business School is now entering its second year and has received very positive feedback from the first intake of participants. Students have highlighted the relevance of the MSc to their own business and careers, in particular the strong practical emphasis, the development of their financial strategic and analytical skills and the interactive environment.

CIMA has identified Islamic finance as an area for future growth and has taken the lead with the introduction of the profession's first specialised Diploma in Islamic Finance.

As we go to press, CIMA in the Republic of Ireland and our counterparts in Northern Ireland are progressing proposals which would see the merger of both entities into one single all island body. The proposed merger is part of a global initiative by CIMA aimed at delivering greater synergies and market opportunities and would add a significant boost to membership on the island of Ireland. We look forward to updating you on the outcome of those proposals in the near future.

Finally, I would like to welcome the appointment of our new government. There are some very tough challenges and choices ahead. These will require a robust, long term, strategic approach to delivering a sustainable economic recovery.

CIMA Ireland launches Diploma in Islamic Finance



The Chartered Institute of Management Accountants (CIMA) has launched the CIMA Diploma in Islamic Finance (CDIF) in Ireland.

As the first professional accountancy body to introduce a professional qualification to the Irish market, CIMA is taking the lead at a time when the Irish government is actively working to establish the IFSC as a European hub for the provision of wholesale Islamic finance services.

The CDIF is the first global qualification of its kind to be created by a professional chartered accountancy institute. In conjunction with an advisory group of Shari'ah academics and scholars, CIMA has worked closely with the International Institute of Islamic Finance Inc. to develop a relevant and highly applicable qualification.

Islamic finance

The Islamic finance industry is growing at an exponential rate and the sector's global worth is estimated to be between €870bn and €990bn with an annual growth rate of 15% to 20%.

This growth has continued throughout the global economic crisis - albeit at a slower pace - largely because of its vigorous screening processes and stringent corporate governance practices in dealing with excess liquidity in many oil producing countries.

Islamic finance is both a new and old phenomenon. Its guiding principles originate in the early days of Islam. The modern form under the current financial framework is new to many stakeholders such as regulators, standard setting bodies, shareholders, practitioners and much of the general Muslim population.

The modern rebirth of Islamic finance took place in the Middle East in 1975 when the Dubai Islamic Bank became the first Islamic commercial bank in the world. The first Islamic insurance companies, or Takaful, were established shortly afterwards in Sudan and Dubai in 1979. Today, there are 300 Islamic finance institutions operating in more than 75 countries. As the sector grows, an international focus becomes more important.

CDIF certificates

The CDIF is comprised of four individual certificates that will be delivered via CIMA's blended tuition package. Upon completion of all four certificates you will be awarded the CIMA Diploma in Islamic Finance. The content of the four certificates are as follows:

Certificate in Islamic Commercial Law

- The sources of the Islamic commercial law including the Qur'an and the traditions of the Prophet Mohammad.
- The methodologies used to solve modern problems in Islamic finance.
- The historic contracts involved in Islamic commercial law.
- Shari'ah compliance and the importance of the Shari'ah standards.

Certificate in Islamic Banking and Takaful

- The developments which have taken place with regard to Islamic financial institutions and systems.
- The main source of funds available to banks and how these sources are rewarded.



Keynote speakers attending the CIMA CPD academy on Islamic finance, where CIMA Ireland launched the Diploma in Islamic Finance. From l-r: Barry O'Leary, CEO, IDA Ireland, John Willson, Learning and Development Specialist, CIMA Centre for Excellence, and Dr. Mohd Bakar, President and CEO, Amanie Islamic Learning Finance Center, Dubai.

- The various products developed by Islamic banks for their customers.
- The products and services offered under Takaful and issues relating to underwriting, deficits, surpluses and Retakaful.
- The financial and operational risks common to both the banking and insurance sectors.

Certificate in Islamic Capital Markets and Instruments

- The differences between conventional and Islamic capital markets.
- The primary and secondary capital markets.
- Regulation within the Islamic capital market.
- Screening processes used in accepting /rejecting Shari'ah compliant products.

Certificate in Accounting for Islamic Financial Institutions

- The reporting framework and standards of Islamic financial institutions.
- The analysis and classification of Islamic funding and financing transactions.
- How transactions adopting different contracts of financing are reported in the Islamic financial statements.
- Financial accountability and Shari'ah compliance of Islamic financial institutions.



Waris Ali, centre, pictured with Fiona Arnold, Student Recruitment Manager CIMA, and Denis McCarthy, Divisional Director CIMA Rol, was the first person to complete the Islamic finance exams in Ireland

CDIF blended learning tuition – schedule and format

The entire CDIF blended tuition offering will be completed from early September 2011 to early February 2012, and will be structured as follows:

- A 'kick-start' session delivered by John Willson, CIMA Project Manager for Islamic finance, with video-conference input by Dr Mohd Daud Bakar, President and CEO of the Amanie Islamic Finance Learning Centre in Dubai. Dr Mohd Daud Bakar, is one of the world's leading experts on Shari'ah law, and co-author of the CDIF syllabus. The session will also introduce CDIF participants to the tutors and provide an overview of the online material, and the study schedule
- **CDIF online content.** The CDIF will be studied by participants over four one month certificate study periods, in line with the study schedule. For each of the study periods CDIF participants will have ongoing access to a web based, tutor monitored 'CDIF discussion forum', with tutor input.
- **Revision seminars.** Four half day face to face revision seminars, with one seminar delivered at the end of each certificate study period. Study, revision and computer based exams includes ongoing access to web based CDIF discussion forum. The half day 'kick-start' session will be held on 3 September 2011 and the **study schedule details are available at www.cimaireland.com**

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CIMA LEADERS IN BUSINESS

Leo Crawford FCMA

In the first of a new series of interviews with CIMA business leaders, journalist Jim Aughney talks to Leo Crawford, CEO, BWG and President of employers group IBEC.



'I have always been interested in where a business is now and what direction it wants to take rather than where it has come from...'

Leo Crawford, Chief Executive Officer of the €1.2 billion BWG wholesale group, originally wanted to be a teacher and has never been interested in the technical side of accountancy. 'I wanted to be a teacher but I failed oral Irish in my interview,' he explains in BWG's offices in Greenhills Road on Dublin's Southside.

Diverted from his first choice - at least temporarily - Leo rang up Trinity College in August and asked if there were any places left on their business studies course. 'Luckily there was no CAO in those days of course and there was a place available so I took it,' Crawford recalls.

In 1980, armed with a Bachelor of Business Studies degree, Crawford looked at opportunities in accounting but found that becoming a 'technical accountant' didn't appeal. The top Dublin accounting firms at that time, like Craig Gardner, were attracting graduates at starting salaries of £2,000 a year at the time.

'I had written to all the listed plcs in Ireland asking if there were openings for a cost and management accountant. Irish Distillers Group replied and said they had a vacancy so I started with them as a cost accountant on a salary of £6,000 a year,' Crawford recalls.

Cost and management accountancy had attracted Crawford because of its focus on the cut and thrust of business rather than the auditing and accounts preparation that were a feature of an accountancy practice. 'I have always been interested in where a business is now and what direction it wants to take rather than where it has come from,' he says.

Within two years at Irish Distillers, the young Crawford was transferred to sales and marketing where he was mentored by the legendary marketeer Michael Cummins.

'Michael took me under his wing and taught me the importance of brands and the importance of building a business through brands,' explains Crawford. Irish Distillers was a public company at the time.

Sometime afterwards and as a result of a number of acquisitions, Fyffes wanted to divest of its investment in Irish Distillers and put its stake up for sale. This essentially put the company in play.

What followed was the most controversial dispute in Irish business in decades. French spirits group Pernod Ricard believed that it had agreed with Fyffes on the sale of its stake and this had been sealed with a now famous hand-shake. Following an eighteen month legal battle, the courts agreed

with the hand-shake and found in favour of Pernod Ricard.

Leo Crawford was appointed finance director of Irish Distillers Group in 1991. 'Pernod Ricard were prepared to give responsibility to me as a young finance director. After I spent five years as finance director of IDG, I told Richard Burrows (IDG chief executive) at one of the annual performance reviews that I wanted to get into general management.'

Following that, Leo was appointed managing director of BWG Foods in 1996. At the time BWG was expanding through acquisitions in Northern Ireland through Hasletts and in the UK through Appleby. 'After Denis Allman left as chief executive, I was subsequently appointed BWG Group CEO in 1999.'

Crawford spent two years as CEO of BWG while it was part of the wider Irish Distillers but then in 2001 a rare business opportunity presented itself.

'Pernod Ricard had acquired Seagrams and in order to pay for the business it looked at asset sales. BWG was available and I led the MBO which paid 220 million euro for it in conjunction with Electra Partners.'

Then in 2006 the MBO team bought out Electra Partners in a deal which capitalised the entire group at 380m euro. John Clohisey and finance director

John O'Donnell were the other key members of that team. The deal was supported by AIB which was the lead bank.

In 2008, BWG purchased the Mangans wholesale chain in the West of Ireland which held the Mace franchise in that part of the country. This brought total employee numbers to 1,000.

'There had to be rationalisation as some locations due to duplicity of sites with BWG. Then the economic downturn led to the need for further rationalisation and the group now employs 700 people,' Crawford explains.

Not surprisingly, the shrinking economy, rising unemployment and reduced consumer spending have all combined to negatively impact the grocery sector and, as a consequence, BWG's business. 'We are happy that we have kept the rate of decline to 6 per cent per year during the worst of the recession and we're hoping 2011 will see the bottom of the downturn,' he says.

Some areas of the 675 BWG convenience store chain have been harder hit than others. Food is generally weathering the storm but delicatessen sales have fallen back. 'Breakfast roll man is less visible and value is critical. The market is very competitive, but BWG's buying power allows its Eurospar stores, for example, to compete with the major multiples. We now have a very strong value offering in all our

store formats.'

Surprisingly alcohol is a growing part of the BWG business as the stores reflect the trend away from going out to the pub. 'We are now importing wine ourselves which means we can pass better value and keener prices on to the customer. A large number of our stores have full off-licences,' Leo says.

On the other side of the business, a number of newer stores which opened during the peak, have had to close. 'Some have changed hands but in a number of cases in certain areas they have unfortunately closed down,' Crawford explains.

BWG had spent 50 million euro on upgrading both its franchise and owned stores prior to the economic downturn. 'Between Spar and Mace we have 675 stores - 120 of the premises owned by BWG. The roll-out of Mace with Maxol filling stations has been a big growth area,' Crawford says.

Spar has 441 stores in Ireland while Mace has 234. In addition Appleby in the UK has 300 outlets.

Crawford's management style reflects what he learned from Pernod Ricard: delegation with responsibility and accountability. 'I believe that I'm a good delegator but if there is bad news I want to hear about it. When I came to BWG I brought a strong belief in brands and I have used this in segmenting the

Spar brand into Spar, Spar Express and Eurospar. You cannot just focus on logistics. We concentrate on satisfying consumer needs. My ideal manager is someone who is financially literate and numerate but with good commercial awareness.'

'CIMA gives you that training in their courses,' he says.

In addition to his role as CEO of BWG, Crawford is president of the Spar international group which extends to 33 countries worldwide and gives him an insight into developing Spar in markets such as India and China. He is the first Irish president of the group.

Crawford is also president of employers body IBEC and as a result of that role he has been involved in meeting the IMF and EU people most closely associated with the bail-out of the Irish State. He is also a director of Stafford Holdings which owns the Lifestyle chain of sports shops.

And that first choice career in teaching - well Leo Crawford got to try that also. 'After I qualified, I taught accountancy in the evenings for a few years. That had to cease after the Pernod Ricard takeover but I was happy to get the teaching out of my system,' he concludes.

Business schools line out for CIMA Global Business Challenge

A total of 13 business schools and colleges are entered for the Irish final of the Global Business Challenge (GBC) which will take place on 11 June 2011 in Dublin.

The CIMA GBC, is being held in partnership with Barclays and local sponsor BPP Professional Education. The winning team will go on to represent Ireland at the global final in the city of Chengdu in China.

The CIMA Global Business Challenge is an international business management competition designed to bring out the best in potential business leaders among young people. The competition, which typically attracts teams from hundreds of higher education institutions across the globe, is open to undergraduates of public and private colleges and universities ideally from a business or finance background.

The international competition provides students with a great opportunity to test the depth of their financial knowledge, try out their business management skills, expand upon their competitive ability, and has even led to internship opportunities from well known organisations. Teams will be expected to analyse, report and present on a CIMA case study.

This is the third year of the CIMA GBC which has seen Ireland represented by Letterkenny Institute of Technology and University College Cork.

The teams for the Irish leg of the CIMA GBC are:

- NUI Galway
- University College Cork
- Athlone IT
- University of Limerick
- Limerick IT
- IT Tallaght
- IT Blanchardstown
- Letterkenny IT
- Galway Mayo IT
- Institute of Public Administration
- Cork IT
- Dundalk IT
- University College Dublin



THE 2011 CIMA
**GLOBAL
BUSINESS
CHALLENGE**
in partnership with
BARCLAYS

DBS lecturer shortlisted for global accountancy award

A Dublin Business School lecturer was recently shortlisted for the prestigious global accountancy lecturer of the year award at a ceremony at Lancaster Gate Hotel in London. Gerry Fahy, FCCA, CPA, Dip IFRS was shortlisted with six other candidates from around the world in recognition of his national and international student prizewinners in their CIMA examinations with the eventual award winner coming from Sri Lanka.

Gerry has been lecturing in corporate accountancy, tax and strategy at DBS for over 13 years where he has taught 50 professional accountancy prize and place winning students. He is dedicated to providing high quality courses and has developed a reputation for his examination-focused material. Gerry gives 'life' to the CIMA syllabus by adopting an informative style with interactive engagement of practical business experience. He places great emphasis on exam practice, technique, presentation and timing and each of his students receive a personalised study plan, which is based on past paper trend analysis and likely questions.

DBS has over 36 years experience offering tuition for professional accountancy exams and is a CIMA 'LTP Quality Partner', the highest status of tuition provider recognition. To date over 800 DBS professional accountancy students have achieved prizes and places at national and worldwide levels. This success is based on a commitment to excellence in all aspects of teaching and student support.

Speaking at the ceremony in London Gerry endorsed the quality of the overall progressive CIMA syllabus - 'It is a wonderful and critically challenging syllabus that forces and engages students to apply lateral thinking to problem solving so as to give their business a competitive advantage in today's commercial environment. It is both a privilege and honour to lecture on the syllabus and to be a small part of the students' ultimate exam success'.

Gerry is currently head of finance and strategy of a major Irish corporate and is tasked with the responsibility of the controlled growth and diversification into emerging markets. Originally from a banking and finance background Gerry has spent over 20 years working in the financial services sector and brings extensive knowledge and application to his classes.



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Opportunities for CIMA qualified management accountants in 2011



Paul McArdle
Managing Partner
The Accountants Panel



'There has been an emphatic shift in demand for CIMA qualified management accountants at all levels but particularly at the senior level such as finance director and financial controller roles.'

Paul McArdle, Managing Partner and part owner of The Accountants Panel, which specialises in recruitment in the areas of accountancy, financial services, legal and IT, discusses the current opportunities for management accountants in Ireland in 2011 and future trends.

It is almost 20 years since I started recruiting qualified accountants and during that time the landscape has changed dramatically in terms of employer needs and the roles available. For example in the case of CIMA qualified management accountants, employment was largely concentrated in the costing and manufacturing areas whilst those with a practice or audit background were the preferred choice for more senior positions.

That era is very much in the past tense. There has been an emphatic shift in demand for CIMA qualified management accountants at all levels but particularly at the senior level such as finance director and financial controller roles. CIMA members are increasingly populating boardrooms and this is undoubtedly a reflection of their contribution at strategic level adding real value to businesses. Employers today regard CIMA management accountants as more commercially focussed and delivering real strategic support to their businesses as opposed to a previously one dimensional role.

I first saw that change at the Kerry Group, an iconic global business. CIMA part qualified and qualified management accountants working there were very much in demand. As part of the group's graduate recruitment programme they worked their way up in the business, mainly as plant accountants and then moving into more commercial roles. These accountants became very marketable because coupled with being able to

do the accounting, they also understood the figures and were able to apply this understanding to the benefit of the business. As more emphasis was placed on management accounting and financial analysis, CIMA accountants were well trained to cater for this trend. The Kerry example underscores the CIMA approach and close alignment to business needs. Today the majority of FDI companies and progressive indigenous businesses seek out CIMA students both for their graduate training programmes and senior positions.

Even despite the impact of this country's economic woes or perhaps due to it, CIMA members and students are in demand more than ever. This is unquestionably due to demand for people with a real exposure to business and whose experience and skill set is grounded in meeting challenges and delivering sustainable solutions.

Looking to current opportunities, right now we are recruiting for strong part-qualified management accountants at all levels and for financial/business analysts. The analytical and commercial business skills that CIMA management accountants are trained in are particularly marketable at the moment. We have seen a significant growth in financial planning and analyst (FP&A) roles, the vast majority of people that we place in these roles are CIMA trained. These roles tend to be with multinational companies.

A lot of our larger clients (plc, corporate, global entities) with sales/marketing functions use CIMA qualified management accountants to partner with them. In some cases they stay in finance, in others they work within the sales/marketing department. Many play an integral part in areas such as pricing, running marketing campaigns, assessing the effectiveness of advertising, new brand launches etc. All are very relevant to the

commercial and strategic aspects of running a business and are an indication of the variety of work available if you are CIMA qualified.

The other area we recruit FP&A people in is around analysing costs in a business. This involves looking for ways to be more strategic in cutting costs and using existing resources more efficiently. The costing skills CIMA accountants have are particularly marketable here.

Looking to the future, we are cautiously optimistic about the recruitment market this year, with a good start in Q1. Indigenous companies are not as active and tend to be more 'one off' assignments as part of a more cautious approach. There is, however, good news for CIMA members and students. The majority of clients that are recruiting are multinationals and U.S. ones in particular. As CIMA is an internationally recognised qualification it offers a level of mobility which gives you an extra edge within multinationals and a certain assumed street cred in terms of ability to get the job done.

Good part-qualified accountants with clean exam records are in demand, newly and recently qualified accountants are also required by many of our clients. As the roles become more senior, the demand wanes a bit. With a tighter recruitment market, clients can afford to be more choosy and can often be very specific on type of experience required and the sector worked in.

In terms of salary trends, salaries have levelled off with many remaining either on present levels or have previously taken a small cut. This is largely reflective of the new reality and a competitiveness which will ultimately see more opportunities delivered. Despite a bigger change around incidentals such

as bonuses and benefits, most of the people we have placed have managed to retain close to their package or get a small increase.

The contract/interim finance management area is an area we are seeing some growth in. A lot of clients are offering 12 month contracts to cover certain projects or to back fill roles. Maternity cover contracts ranging in duration for 6-12 months are also more prevalent. Clients are also particular on getting as close a match as possible to their ideal requirements for contract roles. Candidates are also being more flexible with their salary demands.

Paul McArdle specialises in the recruitment of accountants at the finance director/CFO level.

The Accountants Panel - Who's who:

Executive finance roles

Paul McArdle
paul@thepanel.com
(01) 6377041

Interim finance roles

Sarah Blake
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(01) 6377092

PQ and qualified accountants

Elaine Brady
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Sunday Business Post and CIMA announce scholarship



UCD Michael Smurfit
Graduate Business School

The Sunday Business Post and CIMA have announced a scholarship which will fund a place on the MSc in Strategic Management Accounting programme at UCD's Michael Smurfit Graduate Business School www.cimaglobal.com/ucdmasters. This is the second year that The Sunday Business Post has partnered with CIMA to offer its readers the chance to compete for the scholarship. Last year's scholarship was divided between two students. They were Caroline Gleeson who graduated from GMIT with a Bachelor of Business Studies in Marketing and Fionn Collins, a UCD BComm graduate with an MSc in Strategic Management and Planning from UCD Smurfit School.

The scholarship will cover the full tuition fees for the MSc in Strategic Management Accounting and is worth up to €13,000 over the two-year programme period. Over four weeks, from 3 April, readers have the chance to answer five Graduate Management Admission Test (GMAT) questions in

order to qualify for the selection process. In addition, candidates must submit a short online application form and an essay outlining their interest. The top applications will go forward to an interview process and the scholarship will be awarded to the best candidate.

The MSc programme, now in its second year, will be delivered on a part-time basis and expedites a participant's qualification for a career in the increasingly important field of management accounting. Successful graduates of the programme will gain exemptions from the CIMA operational, management and strategic level exams and can progress directly to the institute's final TOPCIMA exam.

For further details on how to apply for the CIMA scholarship, please check out the Sunday Business Post or visit www.smurfitschool.ie/cimascholarship

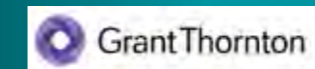
CIMA members preview new Peace Bridge

CIMA members were given a unique opportunity to preview the newly constructed Peace Bridge in Derry/Londonderry ahead of its official opening later this year. CIMA was delighted to bring an event to the North West of the Province and particularly grateful to our hosts for the day, GRAHAM Construction who were responsible for the design and build of this landmark project which will create genuine new shared space in the city. Pictured are CIMA members at a briefing on the Peace Bridge prior to the visit.



Managing cash flow in challenging economic times

Michael Neary, Partner, Corporate Finance, Grant Thornton



During economic instability and slowdowns, cash flow management becomes critical to both the short and long term success of a business. Of course, generating sales and managing your business is also very important, but ensuring that cash from sales is collected and your daily cash flow requirements are managed is even more important.

Anticipating cash requirements

Managing cash flow begins with an understanding of the specific cash requirements of your business. During difficult times, cash resources can be stretched to their limits, leaving business owners scrambling to meet their obligations. Proper planning, in anticipation of these requirements, can help avoid serious cash shortages. Planning includes the preparation of cash budgets. These budgets should be prepared on a monthly basis to incorporate fluctuations in cash requirements due to the effects of seasonality on the business. Also, anticipating the effects of an economic slowdown on your customers and suppliers is important. Will your sales levels remain the same? Will your customers continue to pay their bills, or will collections slow, increasing your need for working capital? Will your suppliers continue to provide you with the goods and services you require to operate?

Working capital management

Managing the flow of cash from operations is extremely important. If done effectively, it can be a source of additional cash. However, during adverse conditions, a more realistic goal is to prevent the amount of operating cash required to run the business from increasing. This can be done through

effective monitoring and management of accounts receivable, inventories and accounts payable. A frequent review of receivable balances outstanding will provide useful information with respect to collection periods. Are you preparing and reviewing monthly aged accounts receivable listings? Increased efforts to collect old receivable balances can have a positive impact on cash flow. Thorough credit checks on new customers can reduce the negative impact of bad debts. Also, receivables from groups of related companies should be identified and monitored. Often the weakest link in the group will impact on all the companies.

Maintaining stock balances, although necessary for business, is a drain on operating cash flow. Stock turnover and production processes should be analyzed to determine whether the amount of inventory can be lowered, reducing the amount of cash tied up in stock.

Accounts payable provides a source of operating cash flow. Utilising terms provided by creditors allows for the deferral of cash payments necessary to finance sales. Negotiating an increase in credit terms with existing suppliers can free up some operating capital, however, you must be careful not to jeopardise relationships with your suppliers. Initiating credit terms with more of your suppliers may be a more effective way to defer operating cash outflows.

Review discretionary spending

A review of the amount and timing of discretionary spending items may reveal expenditures that are not critical to current operations and so can be eliminated or deferred. Discretionary operating expenditures may include travel, meals, entertainment, advertising and promotion and bonus payments. Discretionary capital expenditures may include leasehold improvements or an upgrade of the current computer systems. But use caution...do not eliminate or defer spending that will adversely affect the ability of the business

to generate revenues.

Review existing borrowing facilities

Review existing borrowing facilities to determine if the business's borrowing capabilities are used to the fullest. Review the capital structure of the business to be sure the short-term operating requirement are being financed with current assets and that the long-term capital requirements are financed with long-term assets. Your Grant Thornton adviser can be of assistance in conducting these reviews. A business with a need for more cash may consider borrowing from an alternative lender capable of providing increased margining of current assets. A business with lower borrowing requirements may want to consider less expensive traditional bank financing.

Generate cash from redundant assets

On occasion, a business will own assets, which are not considered necessary for day-to-day operations. Examples of redundant assets may include marketable securities, vacant land or equipment not currently being used. The sale of these non-core assets can provide the business with additional cash flow.

Generate cash through sale-leaseback arrangements

Additional cash flow can also be generated through the sale and subsequent leaseback of long-term operating assets. For example, plant and equipment used for production could be sold to unlock the equity in these assets, providing a significant amount of cash to the business. These assets can then be leased back by the business.

Conclusions

It is always important to manage the cash flow in your business well. In challenging economic times it is critical. A Grant Thornton adviser would be happy to review your cash flow situation and provide recommendations to help your business prosper. Make cash flow management a major part of your day-to-day operations.

CASE STUDY

Adrian Cronin

Financial Analyst, Bord Gáis

For Adrian Cronin, who is a finance analyst with Bord Gáis Éireann, studying CIMA has enabled him to move from a solely IT role in the company to a role where he uses his finance skills to complement his systems background.

According to Adrian the best thing about his job is the variety of work that it involves. Adrian has spent the past two years working in procurement as part of a supply chain optimisation project that has delivered benefits and efficiencies of over €20m during that time. As part of his role Adrian could go from one day presenting to the CEO on the status of the benefits measurement process at a regular category council to dealing with a graphic designer in designing the layout of the bi-monthly procurement newsletter the next. 'My role was to extract financial information from the systems we use to track spend, identify trends and develop reports that changed people's behaviour. As part of this I produced spend dashboards that are sent company-wide that show people the pattern and trends of the company's spend. Ultimately the savings fed into the budgeting process. Now that project is completed I am moving into a more finance focussed reporting role in networks finance.'

Adrian is keen to dispel the misconception that purchasing is all about efficient transaction processing and that it can't add much to the bottom line. 'While it is true that there are very many thousands of purchase orders to be created, approved and received, procurement is made up of three additional pillars that can add real value to any business. These are supply chain optimisation, contract management and supplier relationship management. These additional pillars, supported by an efficient procurement process, are where real savings are to be found; savings that have a real impact on the bottom line.'

Studying CIMA equipped Adrian with the essential grounding he needed to make the leap from IT to finance. Specifically Adrian

found that CIMA suited him as it not only expanded his horizons and career options but also at a pace that suited his lifestyle. 'I had been working for some time in the IT area and I wanted to move into the finance area. I saw CIMA as offering me the bridge to cross into finance. As well as offering a very relevant and future focused syllabus, CIMA offered me the ability to study at my own pace in a timeframe that suited my lifestyle. My past work experience in IT came in very handy in many parts of the syllabus and that helped me in the exams,' states Adrian.


Adrian agrees that he enjoyed very much studying the CIMA syllabus for the exams and found it very interesting and focused on the real world with very practical examples used throughout. 'During the earlier part of my CIMA studies, I gained a thorough grounding in the accounting rules and regulations that govern and drive business today. As I moved to the strategic level papers, I learnt about the need for businesses to have a vision and a relevant mission. Real world experience can be brought to bear on the studies which worked well for me in the exams. I also began to read more of the financial press on a regular basis and this helped me develop my own thinking on financial matters. I found that having my own ideas worked well for me in the exams at the higher levels.'

From a career perspective, CIMA opens up many choices and provides different routes to attaining the qualifications which means you can tailor your studies to suit your needs says Adrian 'I would encourage anyone who is interested in a professional qualification with a strong hands-on business emphasis to study CIMA. The self directed nature of the study is a great fit to the modern world of work and is very flexible in terms of fitting in with different students' needs. The syllabus is very relevant as well with a refresh of content every five years ensuring it stays that way. From my perspective it has given me the bridge to move from the IT world to the finance world and thus expand my career options.'

A strong advocate for lifelong learning, Adrian believes that the only way to remain relevant is to be on top of the latest thinking and regards the CIMA emphasis on CPD as integral to the qualification. 'There's a saying in the pipeline industry – a big part of what we do – that rust doesn't sleep. Well in the same way, the business world doesn't sleep either. In order to keep yourself and your skills relevant now and in the future CPD is key. The value CIMA members add is that they are practical and future focussed in their approach to finance work. I believe that it is very important for me to keep abreast of the constant changes in business and keep an eye open for how those changes can affect my sector and what opportunities they can present. I like to bear in mind what Henry Ford said on learning: "Anyone who stops learning is old". I'll try and keep from getting old for as long as I can.'

Adrian has also benefitted from the Bord Gáis culture that encourages employee development. 'Bord Gáis believes in developing its employees and to that end I am given the opportunity to attend training that keeps my professional development up to date. For instance I attended a finance leadership academy training course over three sessions in London last year. That course tied in perfectly with my professional development. I get the full support of my manager, who is also CIMA qualified, as well as the learning and development department. I speak to finance colleagues to see what has been useful for them in the past as well.'

Adrian is also very actively involved with CIMA through the branch network. 'Since getting my "letters" I have taken an active role in my local CIMA branch committee. I have found this to be a great way of getting to know other CIMA members in a social setting and discussing the challenges and opportunities they face in their industry sectors. It's a great way of learning about the breadth of what CIMA members do.'



'...I found that having my own ideas worked well for me in the exams at the higher levels.'

Paula Roberts' outstanding achievement

Foxford woman, Paula Roberts, from Toomore, was recently admitted to CIMA as a fellow (FCMA). Being admitted as an FCMA is an exceptional achievement that recognises the individual's outstanding strategic management experience. Generally, new members of CIMA are admitted as Associate of the Chartered Institute of Management Accountants (ACMAs). Out of a total 4,000 CIMA members in Ireland 557 are FCMA's. Paula who is finance manager with Ireland West Airport Knock where she is also a member of the senior management team is now studying for a Masters of Business.



Paula, centre, is pictured with Dervla Geraghty, President of CIMA West of Ireland branch and Alan Flanagan, Vice President CIMA Ireland at a special event in the RDS to mark the intake of new CIMA members.

Student calendar April – July 2011

MONTH	DAY	EVENT
APRIL	MID	Exam admission advice available for May exams
	11	Strategic pre-seen available for May and September exams
MAY	24/25/26	Examinations
	24	Talkback opens
JUNE	10	Talkback closes
	16	May T4 on PC exam results
	24	Closing date for May examinations appeal
JULY	14	May exam results released
	MID	Prizewinner publication
	20	Pre-seen available for September and November exams
	22	Closing date for September T4 on PC and resit examinations (UK and Ireland only)
	31	New students must register by this date to sit professional level exams in November
	31	Closing date to apply for exemptions from Certificate and Professional papers before November exams – applications after this date may not be granted in time for entry

CIMA moves to new headquarters

CIMA Ireland has relocated to new headquarters in Dublin's city centre as per address below.

CIMA Ireland
5th Floor
Block E
Iveagh Court
Harcourt Road
Dublin 2
T. +353 1 6430400
F. +353 1 6430401
E. cima.ireland@cimaglobal.com



Please note that telephone, contact numbers, fax and email addresses remain unchanged. For those intending to visit the office at any time directions and transport options are available on www.iveaghcourt.ie/location-amenities/amenities-map



Class of 2010

226 newly qualified members were admitted to CIMA in the 2010 intake a number of who attended the new members reception in the RDS.



CAREERS



Company Name: Acorn Marketing
Position: Junior accountant
Contract type: Permanent, full-time
Location: Dublin 2
Salary: Competitive
Description: Junior accountant role reporting to financial controller. Invoicing, reporting and financial analysis.
Contact: phil.cottier@acornmarketing.ie



Company Name: Hughes and Hughes
Position: Financial Accountant
Contract type:
Location: Dun Laoghaire
Salary: Starting €40k
Description: General accounts
Month end duties in Preparation of accounts.
Preparation of Balance sheet and all month end activities.
Vat and accounting returns.
Preparation of detailed cash flow forecasting.
Monthly Margin analysis.
Contact: derek.hughes@hughesbooks.com



MBA PROGRAMME

Challenge your thinking, transform your future



The **DIT MBA** programme is designed for executives with substantial management experience. This two year, part-time programme offers a comprehensive grounding in core functional areas, while also focusing on a number of key themes including entrepreneurship, leadership, strategy, innovation, global business operations and sustainability.

Developed in conjunction with leading academic and industry experts, the emphasis of this programme is on applied learning. The **DIT MBA** equips participants with the skills and knowledge needed to excel in future senior management roles. DIT welcomes applications from graduates of all academic backgrounds.

For more information contact:
Colin Hughes
MBA Programme Manager
T: 01 402 7088
E: colin.hughes@dit.ie

www.dit.ie/mba



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- revision seminars
- exams and syllabus



Be involved – get connected with other CIMA students and members.

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Chartered Institute of Management Accountants Ireland



STUDENT PRIZES



Mary Dolan of IT Tallaght being presented the CIMA Award of Excellence by Martin Nolan, Head, Department of Accountancy and Professional Studies IT Tallaght, Fiona Arnold, CIMA and Mr. Tom Clarke, Chairman, Governing Body, IT Tallaght.



Peter Cleary, UCC Lecturer, Fiona Arnold, CIMA, and Cian Hourihan, UCC student, CIMA Award of Excellence recipient.



Fiona Arnold, Student Recruitment Manager CIMA, and Denis McCarthy, Divisional Director CIMA Rol, pictured with Daniel O'Callaghan (centre), the first Engineers Ireland student to finish the CBA exams.



Fiona Arnold, CIMA, John Doran, UCC Lecturer, Emma Barry, UCC student, Ciara O'Sullivan, UCC student, Derry Cotter, B.Sc. Accounting Programme Director, UCC.



Caroline McNulty presents Marian Dolan with CIMA Award of Excellence, Sligo IT



Paul O'Sullivan, CIMA advocate Letterkenny, prize recipient Mark Kilalea, and Billy Bennett, HOS Business Studies, Letterkenny IT.



Dr. Maria Hinfelaar, President LIT, Mark Connolly, CIMA South West branch President, Patrick Carrig, LIT student and prize recipient, Mr. John Clifford, Chairman, Governing Body, LIT.



Dr. Maria Hinfelaar, President LIT, Mark Connolly, CIMA South West branch President, Caroline Hickey, LIT student and prize recipient, Mr. John Clifford, Chairman, Governing Body, LIT.