



Te Kaunihera-ā-Rohe o Ngāmotu

**New Plymouth
District Council**

Why New Plymouth District Council Swapped Spreadsheets for Hedgebook



CUSTOMER

New Plymouth District Council

CHALLENGE

The New Plymouth District Council's Financial Accountant Team was struggling to manage the growing risk and responsibilities across its borrowing portfolio on a spreadsheet.

SOLUTION

Hedgebook provides independent valuations and accurate monthly reporting across a wide range of financial instruments – within prescribed risk limits – using a quick to implement cloud-based software.

OUTCOME

NPDC's team is able to meet all of its monthly and annual reporting requirements with absolute confidence the information it's providing is accurate and meets Audit NZ standards.

It probably isn't as well-known as it should be that New Plymouth was recognised as the most liveable city in the world with a population between 75,000-150,000. The 2021 award is global recognition for the stellar contribution its council makes in managing the region's infrastructure. Fundamental to this, is its Financial Accountant Team who adopted Hedgebook in 2016 to manage interest rates across a wide range of debt and investments.

The New Plymouth District Council, located in the North Island of New Zealand, serves a growing population of some 80,000 residents. It is run by approximately 530 full time equivalent staff who provide advice and information, implement Council decisions and manage the district's day-to-day operations.

The council's responsibilities include everything from maintaining over 110 parks and reserves, wastewater management and issuing consents - through to providing recreational services and ensuring the district's eateries meet health standards.

All of this creates a wide range of complex financial management for its finance team. According to Financial Accounting Lead, Loren Moore, they had been looking to move managing interest rate risk off spreadsheets for some time.

Less time, more accuracy

"While spreadsheets definitely serve a purpose, we were struggling to manage the range and volume of treasury management activity," she explains. "It was not only taking more time to calculate interest rate swaps and accruals, but we were also constantly challenging ourselves on the accuracy of the information given the growing portfolio complexity."

The decision to move to Hedgebook wasn't a difficult one for the NPDC finance team. It was seen as a convenient, easy-to-use tool, plus its two financial accountants were able to manage and maintain all its treasury information in one place.

"We really like the numerous reporting options available for monitoring and analysis. It has become an important part of our accounting and reporting requirements including automatically calculating accrued interest for accurate monthly reporting – such as journaling accrued interest as at month end," says Loren.



Hedgebook

“Hedge book also reduces the risk of calculation/input errors when preparing end-of-year workpapers for external auditors to support disclosures in the Annual Report.”

Loren Moore, Financial Accounting Lead

“The fact our instruments are valued by Hedgebook as a recognised independent party also gives confidence to Audit NZ. Since implementing Hedgebook, it has not raised any concerns with the information provided from the product in auditing our treasury items.”

Loren Moore, Financial Accounting Lead

“Hedge book also reduces the risk of calculation/input errors when preparing end-of-year workpapers for external auditors to support disclosures in the Annual Report.”

Peace of mind at audit time

“The fact our instruments are valued by Hedgebook as a recognised independent party also gives confidence to Audit NZ. Since implementing Hedgebook, it has not raised any concerns with the information provided from the product in auditing our treasury items,” says Loren Moore

In addition to running regular reports for month-end accounting, the NPDC team use it on an ad hoc basis when borrowing/treasury information is required for internal decision-making. As the Financial Accounting team Lead, Loren also uses it for preparing financial instrument disclosures for the NPDC Annual Report.

“The more we use Hedgebook, the more opportunities we discover. It is now used for a wide range of treasury management activity including interest calculations, security valuations, cashflows (interest and principal payments), debt positions and documenting our current debt and investments,” she says.

“The Hedgebook team are open to queries and requests and provide periodic training and refreshers to ensure we are obtaining the most benefit from the platform. As a council - if you're looking for a well-supported, easy to implement and use treasury management tool - it is very hard to go past Hedgebook.”

About Hedgebook

Hedgebook is an intuitive and easy-to-use treasury management system that helps treasurers and finance departments improve the way they record, report and proactively manage foreign exchange risk. Simple and intuitive, Hedgebook provides real-time visibility and insights of hedge positions for better hedging decisions and eases the burden of management and compliance reporting.

