

# Hedgebook Single Source of Treasury Truth for Nelson City Council



## CUSTOMER

Nelson City Council

## CHALLENGE

Nelson City Council runs a large number of infrastructure projects with a budget in the tens of millions. For its finance team this means tightly managing interest rate swaps to stay within budget and treasury policy limits.

## SOLUTION

Hedgebook enables finance teams to securely record and manage swap details.

## OUTCOME

The finance team is confidently able to provide treasury management to the Council.

When Prabath Jayawardana started with Nelson City Council he was delighted to find Hedgebook was already in play. He had previously worked with the cloud-based solution at Gisborne District Council and then Westland District Council and was keen to explore the full extent of what it could do.

Nelson City Council primarily uses Hedgebook to manage interest rate swaps on infrastructure projects. "It is really good not to be maintaining this information on spreadsheets as anyone can change it and that is when errors get in," explains Prabath.

Nelson City Council has 20 in its finance team. While Prabath takes responsibility for running Hedgebook, others in the team help enter instruments or with filing and document management. They collectively need to stay on top of working within the approved risk control limits of the Council's Treasury Policy as the team can be held to account for any variance.

## One source of truth

"Hedgebook gives us one source of truth for the Treasury function. We have controlled logins plus the ability to create read only access as well," explains Prabath. "As an administrator I can have Hedgebook tailor access at an individual level, to what someone needs to see and do.

"We have invested in all the right tools at Nelson City Council and it is a wise investment that ultimately saves on time, errors and money. Spreadsheets might be 'free' but entering the wrong date in a column, or shifting a decimal point by mistake can be catastrophic.

"Our Debt and Swap portfolio is several hundred million which reflects the level of infrastructure investment we are making to put the Nelson region in a good position. Tightly managing interest rate swaps helps us keep these projects within an affordable budget and ultimately stops additional burden falling on rate payers."

**“We enter, maintain, and check the data ourselves – managing it all from start to end in Hedgebook. It is a lot easier than having someone trying to do this for us. Nobody is making assumptions that aren’t correct – we know firsthand what it should look like - and why.”**

Prabath Jayawardana, Manager Finance,  
Nelson City Council

**“Having a trusted system where you’re not spending time doing additional checking, particularly when under pressure at year end, makes a world of difference.”**

Prabath Jayawardana, Manager Finance,  
Nelson City Council

## Tight reporting windows

While it is undoubtedly an interesting job a lot of the risk management activity falls into tight reporting windows at month and year end. Relying on manual spreadsheets to prepare these reports is not something Prabath ever wants to go back to.

He explains; “At month end we need to accrue interest for the month for management reporting purposes. In Hedgebook, we can do accrual reports at the click of a button. We don’t have to do any calculations, Hedgebook does it for us which really takes the pressure off.

## No external assistance needed

“We also run the Cashflow Report which tells you when payments on loans and other financial instruments are due and helps us to manage working capital. At year-end, we use Hedgebook to value Swaps at the click of a button.

“We don’t need any additional external assistance to create the valuations needed for audit. Nothing goes into the system without us knowing it giving us total ownership and accountability with this single source of truth.”

## 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 and interest rate 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.

