

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are arranged in a way that they seem to converge towards the top of the frame. In the center, a commercial airplane is flying upwards. The sky is a pale blue with some light clouds. The overall color palette is dominated by blues and greys, with a slight reddish tint on the right side of the image.

# Airfinance Annual

2019/20

# Bird's-eye view of treasury

**Demands on corporate treasury are changing. Is your chief financial officer equipped to keep up?**

The rapid pace of growth across industries, including aviation, and related regulation have left too many companies lagging behind on carrying out even the most fundamental treasury functions, such as cash management, banking, debt and funding, investments, and risk management for currencies and interest rates. Such shortcomings are only amplified as companies expand into new markets, often lacking an operating model and infrastructure to support their activities, portfolios and risks.

"Be it an operational task or strategic, treasury is a vital function not only of the finance department, but also of the company as a whole," explains Joey Johnsen, Zeevo chief executive officer. "And, while some companies carry out treasury tasks within their accounting or financial planning and analysis teams, other companies have a fully implemented treasury team operation, with an established treasurer role."

As companies evolve so should their treasury function. Treasury is primarily concerned with liquidity and ensuring enough cash, whether in the bank or open credit lines/facilities, is readily available for the organisation to survive – cash is king – it is the lifeline of any organisation, and treasury keeps the heart pumping.

In aviation, funding and liquidity are at the centre of this highly capital-intensive business, as diversity of products, lenders and pockets of capital across the globe are paramount to ensuring obligations can be met.

Any rapidly growing business understands the importance of funding its model, and leadership wants

*Be it an operational task or strategic, treasury is a vital function not only of the finance department, but also of the company as a whole.*

Joey Johnsen, chief executive officer, Zeevo Group

to know how much cash is needed to ensure continued growth. This is why cash forecasting, both long and short term, is so vital. Cash forecasting identifies funding needs, and when they arise. It allows the business to anticipate this need and start now to identify the optimum funding solution and structure it – whether it is equity or debt based, or a combination of both.

As the business begins to enter into contracts, potential contingent liabilities may arise, raising concerns around what it means to the business and, specifically, its debt agreements and balance sheet structure.

Cash flow always remains critical, and, in particular, when the business starts to look for new markets; thus, beginning to deal with foreign exchange risks and other macro environment issues. Moreover, the potential regulatory, taxation and insurance requirements may further complicate matters.

Figure 1: A bird's-eye view of treasury

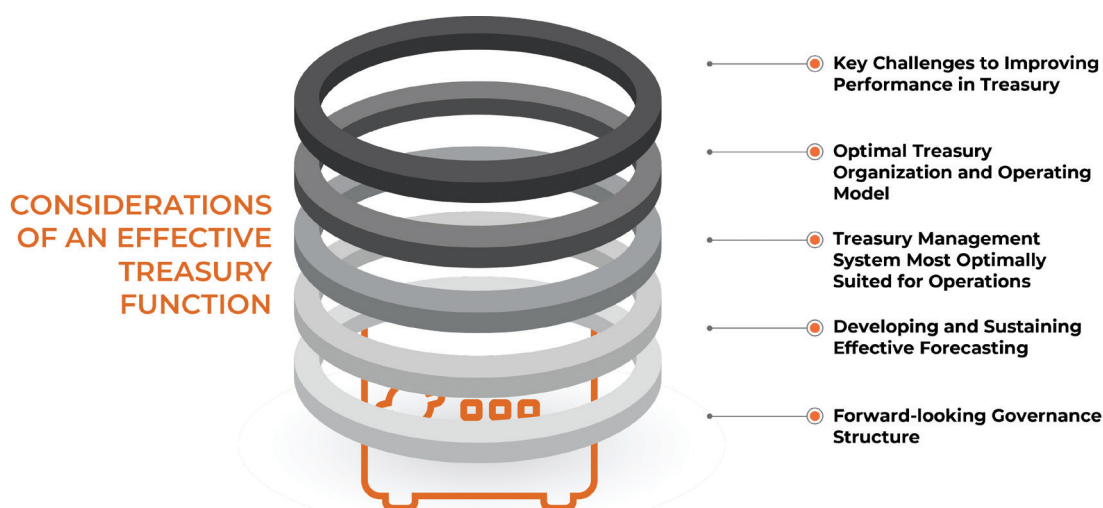




Figure 2: 30K Foot view of treasury



Once the business reaches the maturity stage, where it is generating steady profitability and has excess cash on hand, chief financial officers (CFOs) grapple with challenges such as: how to manage excess cash; what investments to consider; and whether the business has ready access to the cash, or is it in countries whereas the cash is restricted or has a cost to repatriate.

Johnsen underscores that “ultimately, businesses want to be able either to reinvest in their business or do M&A. Alternatively, they also want to return cash to shareholders, repay debt and effectively manage their capital structure, knowing what the optimum cash balance needs to be.”

She adds: “In aviation, treasury comes in different shapes and sizes, so to speak. Sometimes receivables management and cash application might be part of the treasury function at one lessor; while at other lessors, treasury is mixed with corporate finance and capital markets.”

Nonetheless, no matter where treasury fits in within a lessor’s organisation, the connectivity between functions is increasingly important. Forecasting should be linked to capital markets, treasury, contracts teams, as well as to investor relations.

Johnsen argues that “a treasury team in our industry needs to stay very close to all of the business lines to stay on the front foot – aircraft deliveries move around, trading activity, debt raising timelines, and more.”

There are a number of other considerations that face treasury teams throughout the industry, including the need to manage bank accounts and banking relationships successfully; the potential of dealing with rating agencies; the need to respond to venture capitalists and investors, both on the debt and equity sides; as well as the importance of executing transactions – all within a controlled environment.

From a 30,000-foot view – this is treasury.

### Key challenges to improving treasury performance

The primary challenge to improving performance in treasury activities is the need to ensure the organisation, as a whole, perceives the strategic nature and value of an effective treasury function to its core operations. As an organisation grows, the treasury function may not have the necessary skills or experience to meet the increasing demands. Therefore, in some cases, it is necessary for the organisation to recruit a treasurer from outside in order to develop and scale the treasury function to be a key partner in enhancing performance.

Other challenges are related to an increase in risks related to liquidity, foreign exchange and funding. To manage these challenges, it is vital to employ technology to generate accurate and timely data. Managing these challenges should not be manual or labour intensive. Therefore, it behoves the organisation to invest in proper technology solutions to mitigate risk, as well as improve efficiencies within treasury activities.

“Managing your bank and financing fees is a challenging and critical part of the treasury function, and very much so in aircraft leasing. Relationship management is critical, as ensuring your banking partners receive an equal share of the wallet for their balance sheet and funding commitments is paramount to ensuring a healthy relationship. In addition, relationships with the credit rating agencies are equally paramount in managing your organisation’s credit rating and ultimately cost of borrowing,” adds Johnsen.

### Optimal treasury organisation and operating model

The strategic importance of treasury has increased steadily over the years and has had an impact on treasury departments’ structure and operations, with the increasing complexity of business strategies and the accelerating pace of change.

“Finding the right response to the right questions on the CFO’s agenda can make the difference between a thriving company with ample liquidity and an organisation struggling with liquidity and credit downgrades,” explains Paul W McDowell, a member of Zeevo’s advisory board and vice-president and treasurer of GoDaddy.

*Let’s examine some of these key questions:*

### How do we instil a scalable and clearly defined treasury organisation and target-operating model (TOM)?

Companies have come under increased pressure from shareholders and regulators to increase transparency and improve financial performance. These expectations are leading to a significant change to the treasury function as activities are increasingly being centralised. Many organisations have just begun designing future target operating models for their treasury organisation.

Many large, global and multinational organisations have implemented shared service centres (SSCs) since the mid-1980s. Some organisations in the mid-market are still evaluating the options and have not yet started the journey, realising their internal implementations are in need of an overhaul. Even the more mature and efficient SSCs continue to face questions such as: what should we look to outsource next? Do we need to move to a global SSC in a low-cost, offshore location such as India? Is it feasible or should we consider moving to a virtual SSC environment? Should we now add new functional areas or acquired companies to the shared service centre(s)? And, specifically, should we look to move certain treasury activities to our SSC?

McDowell elaborates that “the journey is always easier if you have sorted out the fundamentals of setting up and running a well-oiled SSC”.

To evaluate your current SSC setup, organisations need to ask questions such as: do we have an appropriate technology configuration? Are we utilising best-in-class

solutions and applying leading practices? Have we implemented a continuous improvement, service-oriented culture? Is our internal control environment strong and can it support the new reporting?

Johnsen explains that over many years of engagements with clients across industries, “members of the Zeevo team have collectively amassed a vast knowledge trove and a compendium of leading practices and proven approaches”, which have been coalesced into the company’s treasury TOM. The underlying foundation for the TOM is its technology architecture, as depicted in figure 2.

Technology is always changing, but as much as things change, the central technology within treasury is the calculation and processing power of the treasury management system (TMS). TMS software has been at the forefront of driving the automation of treasury functions, straight-through processing and integration with other systems to the harmonisation of enterprise technology.

### Treasury management system most optimally suited for operations

A true TMS provides extended functionality enabling an organisation to centralise or decentralise treasury operations, and manage its banking footprint, liquidity, investments, funding and debt instruments, and derivatives – all within the company’s organisational structure, as noted in figure 4.

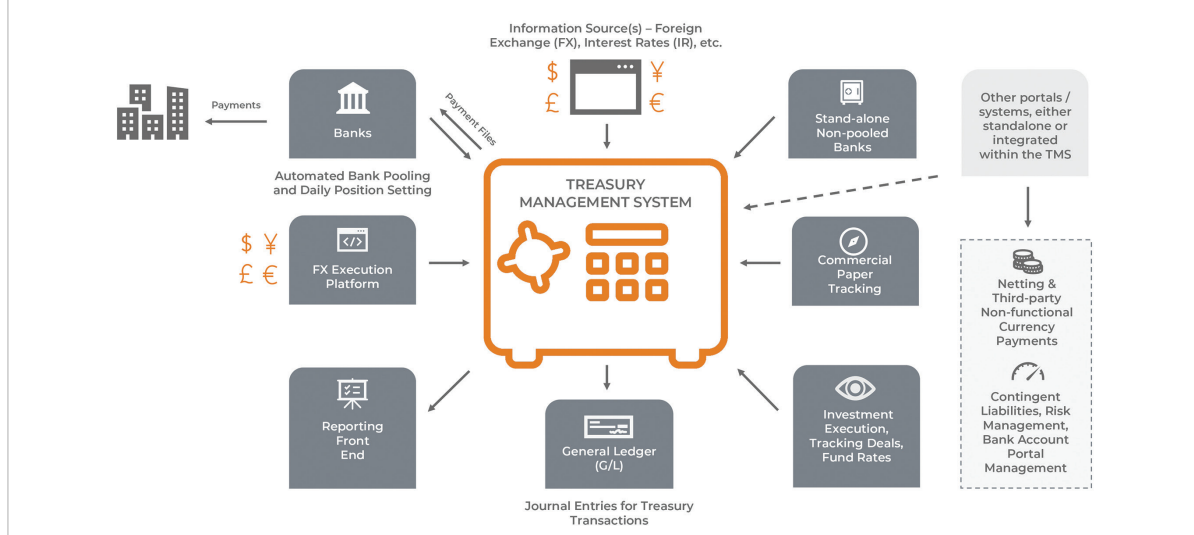
Furthermore, by automating the majority of treasury management processes, an organisation can effectively eliminate the need for spreadsheets, freeing teams up to focus on adding value elsewhere.

TMS should have bank and trading platform connectivity, support all transactions in global currencies and across an extensive range of financial instruments. The system should provide real-time valuation on all positions, while interfacing with a wide variety of external and internal systems. Optimising cash balances and positions across departments and subsidiaries is a breeze

Figure 3: Treasury operating model



Figure 4: Treasury system architecture design



with a properly implemented TMS supported by robust policies, procedures and people.

#### Current technology trends include:

- new and disruptive technologies introduced by financial services technology companies (FinTechs) are changing the way customers and businesses interact;
- treasury systems are becoming cloud-based, either as a pure Software as a Service application or as a private cloud on dedicated client databases. Outsourcing IT infrastructure and security to dedicated vendors is cheaper and more efficient than installing systems in-house; and
- blockchain, private or public, has the potential to allow for straight-through settlement, as well as the introduction of new payment considerations and currencies.

The treasury function should ascertain that business requirements are addressed in the scoping, planning, design and testing of new/enhanced functionality that is brought into production. Additionally, with such an array of considerations, which include business requirements, technical upgrade versus required functionality, timing and resource constraints, the establishment of a project management office is recommended.

McDowell stresses that “even with the best of platforms, relationship management is key. Relationships with banks, rating agencies and others can be supported by a well-designed, deployed and maintained TMS.”

*Let us explore some typical TMS user requirements:*

#### Automated processing

TMS should enable automation of deals through electronic trading platforms, automate processing through electronic

matching systems and automatically update all electronic payments on foot of deals traded.

The list of automated processing systems to which Salmon Treasurer, a TMS that our alliance partner, Salmon Software, provides, interfaces in terms of receiving and delivering data is vast.

- **electronic banking:** a key feature of an optimised TMS enables auto-upload of bank statements through interfaces to all major banking systems and multibank platforms such as SWIFT, Bottomline and Fundtech; and
- **electronic payments:** maintaining third-party settlement instructions in an appropriate manner and automating electronic payment processing to banking partners and multibank platforms is key to a well-implemented TMS.

We recommend that the security administrator function be segregated and performed by personnel independent of the cash management group. Irrespective, security administrators access logs should be independently reviewed every month to ascertain that all activities – ie, creation of a new user, change of approval authority, etc – are consistent with senior management’s directives and approval.

Similarly, many companies have thousands of wire templates in existence. We often recommend a formal process should be established to review wire templates annually for inactivity. Inactive wire templates should be deleted, and remaining wire templates should be periodically reappraised for continued use.

- **e-Trading platforms:** executing an extensive range of over-the-counter trades using leading independent electronic trading platforms, such as 360T, FXall and Currenex. Uploading orders for execution and downloading executed orders automatically and seamlessly is key to a well-implemented TMS;

- **market rates:** optimise data coverage with up-to-the-second price feeds from top data solutions providers, such as Bloomberg and Thomson Reuters. A number of lessors do this manually, by interfacing TMS directly, rekeying rates manually is avoided and internal control is maintained systematically; and
- **accounting:** produce journal postings in respect of trading transactions, interest accruals valuations and exposures. If TMS is not integrated with general ledger, risk and unnecessary rework may hamper accounting processes.

### Cash management and forecasting

In describing the changing role of a treasurer because of evolving regulation and advances in technologies that have altered the global financial landscape, Johnsen says: “Zeevo has been supporting our clients’ treasury departments in dealing with the challenges of a rapidly changing international economy.”

Depending on an organisation’s TMS, the company may be enabled to maintain and monitor – in real time – its positions, accounts, cashbooks and cash-flow forecasts, and to gain greater control in the management of working capital, treasury positions and financial risk.

- **automated balance uploads:** balances from any number of bank accounts should be automatically uploaded for viewing individually or in groupings, such as currency, division, region, manufacturers’ serial number (MSN) and business unit;
- **automated account reconciliation:** a number of TMSs enable transaction-level detail to be viewed instantly – or exported – using familiar, standardised reconciliation procedures;
- **cash pooling:** daily cash balances may be pooled physically, using zero balances and target balances, or notionally; and
- **cash forecasting:** a TMS should be configured to bring together a range of inputs to enable daily and longer-term forecasting, providing instant liquidity and cash-flow projections. Cash receipts from aircraft rentals, overhauls, security deposits, aircraft sales, bank financings, capital market issuances, tax refunds and other cash inflows are all key inputs to your day-over-day cash forecasts.

Effective forecasting is key to managing liquidity, and a good treasury management system relies to a great extent on access to timely, quality and accurate information in determining future positions.

TMS’s forecasting functionality should ease the complex task of preparing treasury forecasts by providing instantly crucial information to help manage financial risk and determine the optimal financing and investment strategies to undertake.

Reporting should instantly collate data displaying it by currency, business unit, region, MSN, etc, while providing a full forecast update history.

- **what-if scenario simulations:** scenario planning is key to undertaking hypothetical modelling and simulating transactions based on desired outcomes; and
- **commodities panning and forecasting:** in addition to capturing commodity trades, TMS should feature commodities forecasting functionality that enables an organisation to forecast commodity requirements as they relate to the business.

### Debt, derivatives and trade financing

A TMS should enable an organisation to execute, record, settle, monitor and value financial instruments across an extensive range of products, while ensuring the ability to monitor and assess risk, exposure and hedging information. Both on- and off-balance-sheet instruments should be catered for using your TMS’s debt and derivatives functionality.

- **debt:** monitor and manage lending over multiple interest periods with debt instruments that include bullet loans, amortising loans, bonds (including zero coupon), floating rate notes, medium-term notes, guarantees, annuities, private placements and syndicated lending;
- **derivatives:** a TMS should have responsibility for accurate valuation, recording and posting of transactions and related activity – eg, gains and losses – for various derivative instruments. The TMS should also provide accurate and transparent reporting, especially to provide support for derivative valuations, exposure management and hedge accounting requirements. It should be able to accommodate instruments such as interest rate swaps, amortising swaps, uneven swaps, cross currency interest rate swaps, asset-backed swaps, liability swaps, currency asset swaps, swap options (swaptions), caps, collars and floors;
- **facilities:** manage credit facilities and monitor usage and availability in real-time. Multiple types of facilities should be catered for, including revolving credit lines, multicurrency drawdowns, group facilities, overdrafts, etc. Recording and reporting on fees management, including commitment fees, utilisation fees, arrangement fees, agency fees, management fees, custody fees, participation fees, and fronting fees and guarantee fees is key TMS functionality;
- **trade finance:** manage trade finance instruments, such as letters of credit, letters of comfort, letters of guarantee, letters of support, letters of tender and bid bonds;
- **liquidity planning:** the combination of forecasting cash flow and simulated datasets goes beyond simple working capital management to inform decisions on longer-term strategies;
- **equities:** buy and sell equities; review portfolios; manage coupons, coupon adjustments, redemption and dividends; and calculate profits and losses according to first in, first out (Fifo), last in, first out (Lifo) and weighted averages, as required;

- **e-Trading:** sophisticated TMSs support cross-asset trading, while interfacing with leading technologies from 360T, FX ALL, Currenex, Bloomberg and Thomson Reuters. Deals that are eTraded should be recorded automatically and immediately. For frequently performed deals, templates or wizards should be set up with pre-coded default details. Maturity dates and settlement amounts should be automatically calculated while default pay/receive instructions and journal entries should be automatically produced. A key feature to consider is whether the system will immediately, in real-time, notify a user if a deal is executed or settled on a non-trading day using a unique, in-built, perpetual algorithmic business calendar, which monitors all good business days and automatically adjusts settlements dates accordingly. This is likely a bit different from commercially available lease and asset management systems – eg, Leasepoint and CMS – which likely require a subscription to a holiday data subscription service;
- **money markets:** manage short-term money market activity directly with counterparties by phone or on eTrading platforms using all variations of short-term instruments, including short-term fixed deposits, money market funds, government treasury bills, discounted and interest-bearing commercial paper. The money market functionality of a TMS should facilitate a comprehensive set of rollover activity, including one-to-one, one-to-many and many-to-many rollovers. Off-balance-sheet instruments – eg, the forward rate agreement – should also be accommodated by TMS; and
- **foreign exchange (FX):** many aviation companies are largely US dollar-based and FX needs may only arise in the area of selling, general, and administrative (SG&A) expenses. Hedge exposure with a comprehensive set of foreign exchange management functionality. These modules are complemented with real-time links to external rates feeds and eTrading platforms. TMS's FX functionality should cover a range of instruments that includes spots, forward contracts, even swaps, uneven swaps, non-deliverable forwards, contract rolling, call options, put options, collars and caps. It should also facilitate partial contract usage, contract rollovers, contract closing and contract net settlement.
- **in-house banking, intercompany netting and intercompany position keeping:** TMS should streamline the key task of invoicing between departments and subsidiaries with: automated inter-company invoicing from multiple invoicing and ERP systems; same currency and foreign currency netting; and scheduled and automated net settlements. There are commercially available systems which enable fully automated net settlement through multiple accounts with invoice acceptance and approval processing and an in-built process for resolving disputed invoices; and
- **automated real-time interest calculations:** intercompany statements and intercompany interest data should immediately be available while relevant parties should be automatically notified of intercompany statement availability.

### Reporting

Increased scrutiny of businesses both internally and externally has highlighted the role of a treasurer as communicator to a diverse stakeholder base that may include senior management, employees, shareholders, investors, regulators, auditors, banks and business partners.

Providing timely and insightful information to senior management on a periodic basis is paramount to an active risk monitoring and oversight process. Specifically, formal management reporting of FX and IR risk activities should occur on a monthly basis to establish that senior management is aware of net exposures, hedge positions and analytical analysis in the context.

Formal monthly reviews may be appropriate to establish that senior management is aware of hedge positions in the context of current market trends and changing/developing exposures.

Reporting to senior management should additionally include the following (in a timely manner):

- changes and updates in risk/exposure estimates and forecasts;
- commentary on derivatives activity (ie, a summary of the most recent risk management activities, including new hedges transacted and old hedges that have matured or terminated);
- open positions of derivatives by type showing critical terms and exposures hedged (including valuation, position balances and market exposures by product type);
- credit exposures for all counterparties/limit exceptions;
- potential impact on financial results;
- the number of unhedged/hedged exposures and their relative place within an approved hedge range;
- breaches of hedge limits (in conjunction with limits set forth in the applicable policy);
- hedge performance against benchmarks;
- proposed hedging strategies; and
- market views.

### In-house banking

TMSs can greatly facilitate the efficient movement of cash and non-cash items to and from entities and among entities.

With highly automated processing capabilities, TMS should enable an organisation to collect and collate zero balance accounts and apply them to intercompany positions in real-time, while also aggregating liquidity and maintaining individual and global currency positions. TMS should provide the data to inform an organisation's risk strategies and the processing power to generate greater efficiencies through optimised cash flow and FX management.



As a control measure, the derivatives/exposure reporting should typically be generated independent of the function or department executing the hedges – ie, at a minimum, reports should be independently verified.

An organisation requires extensive reporting capabilities to provide instant visibility on cash, exposures, positions, valuations, financing, liquidity and risk in a variety of formats, including dashboards.

### Risk management

Tools or methodologies should be employed to quantify the exposure an organisation may have in various areas. Developing this capability can help in understanding risk sensitivity and foster an environment of informed decision-making.

Additionally, the measurement from this process can be readily incorporated into a limit structure that is flexible enough to provide treasury the opportunity for active risk management, while providing insightful information on potential risks in the portfolio.

TMS is a sophisticated system that should enable an organisation to quantify, analyse, and monitor risk and exposure, both operational and settlement in the following areas:

- **cash:** manage cash and liquidity exposure through effective identification and monitoring of multicurrency cash positions across all departments and subsidiaries;
- **counterparties:** monitor and maintain counterparty limits in real time. This includes real-time advices via email on limits breaches or near breaches;
- **foreign exchange:** evaluate open and closed positions and create mark-to-market realised and unrealised gains and losses;

- **interest rate:** monitor, quantify and evaluate exposure to interest rate movements across a variety of instruments including debt and swaps;
- **valuations:** value individual instruments and group positions using live rates; and
- **hedging:** create different hedge types and monitor hedging against an organisation's hedging policies.

Ensuring accurate and consistent performance of hedging activities is dependent on the timely, accurate identification and aggregation of FX exposures – ie, balance sheet, forecasted and translational – across an organisation. In many companies, this data is traditionally collected in treasury, with links into the controller's organisation and FP&As.

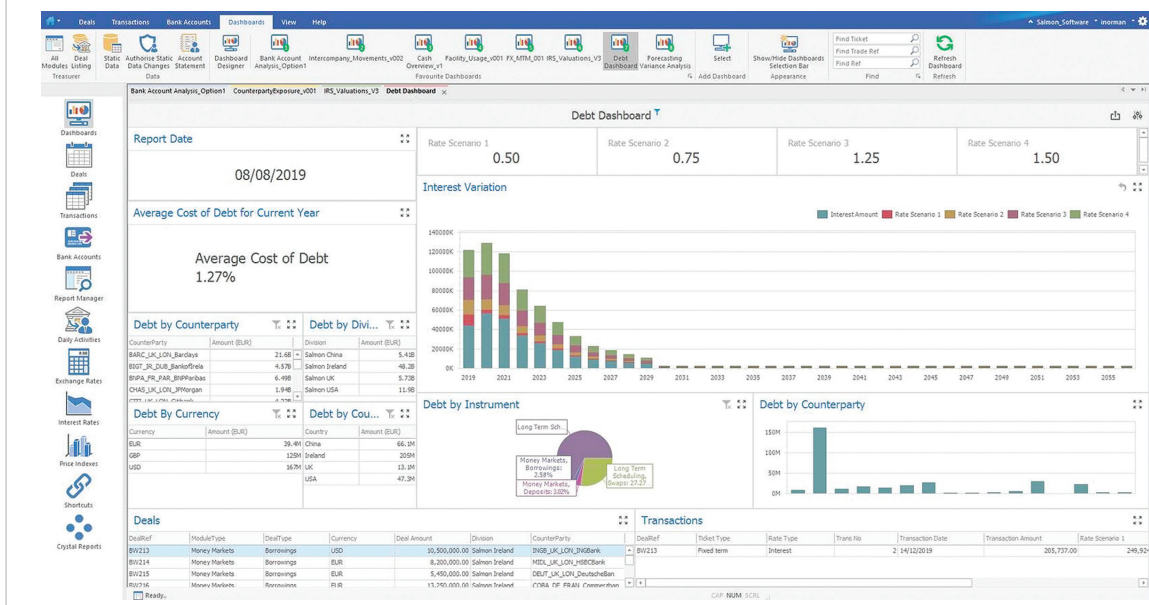
Implementing and enforcing regular controls over internal sources of information in a timely and accurate manner is critical to obtaining a complete picture of an organisation's global risk exposure. The consolidated exposure information should be analysed before hedge execution.

In addition, it is important to work in conjunction with an organisation's reporting team to develop reporting formats to extract currency views of foreign currency-denominated payables/receivables on subsidiaries' financial statements.

For interest rate risk management, a formal range/target for the fixed and floating debt mix should be defined in an organisation's risk management policy based on the optimal capital structure. Accordingly, a formal capital structure model should be developed to optimise cost of capital either via structured debt issuance or proactive management of interest rate exposure through the use of interest rate derivatives.

Even with the changes in technology trends, the core treasury technology is still the TMS. A TMS uses static or

Figure 5: Zeevo clients, in particular aircraft lessors, now have access to the firm's comprehensive treasury advisory services augmented with Salmon Software's integrated treasury platform





reference data, rate and pricing feeds, bank statements and information entered by users to capture transactions, generate settlements, calculate forecasts, valuations, and accounting transaction and disclosure data. No matter where the TMS is located geographically and how it interacts with banks, information services such as Bloomberg, accounting and trading systems, third-party business intelligence tools and robotics, the TMS is what provides visibility into liquidity positions, settlements, forecasts, exposures and risk management happens. The TMS is the most critical technology component within treasury.

### Developing and sustaining effective forecasting

Cash-flow forecasting is an essential tool for all companies and provides treasurers with numerous benefits. Good forecasting can help treasurers optimise their cash buffers, as well as serve as an early warning system for potential cash shortfalls.

Cash flows should be forecasted on a daily, weekly and monthly basis. Short-term forecasting covers periods of up to 30 days and includes daily and weekly views. Medium-term forecasting provides monthly projections of up to one year.

While short-term cash forecasting helps treasurers effectively execute daily investments and funding actions, a medium-term forecast can help optimise the duration of the investments, hedge maturities and minimise funding mismatches.

"Forecasting is as much an art as it is a science. Accuracy is largely dependent on the experience of cash managers who supplement the forecast with adjustments based on historical trends and patterns," explains McDowell.

Cash-flow forecasting is generally compiled from treasury and business flows. Treasury flows include liquidity balances and cash movements expected as a result of investments, funding and foreign exchange transactions, while business flows include accounts payable and collections projections received from the finance and sales/marketing/leasing teams. Finer adjustments to the forecast are then carried out by treasury considering historical trends, seasonal patterns and end-of-period adjustments.

McDowell stresses that "long-term forecasting is critical to corporate decision-making in areas such as capital planning, capital allocation, budgeting, strategic investments and long-term funding decisions".

Long-term forecasting is often done by corporate finance and strategic planning teams to capture the accounting projections for revenue, expenses and changes in balance sheets over three to five years. Such forecasting should be subject to sensitivity analysis to make allowances for factors such as currency fluctuations, interest rate movements, inflation, economic influences, and other industry and market changes. Companies using sensitivity analysis have produced cash-flow forecasts under multiple scenarios for corporate decision-making.

"Even companies with sophisticated TMS applications that have automation functions sometimes face issues with non-standard data formats, multiple information sources and system integration problems," expounds McDowell, underscoring the fact that "a lack of integration between ERP and TMS software applications results in a process that remains largely manual, often requiring treasury teams to complete the forecast".

### Forward-looking governance structure

Treasury management is more complex and challenging than ever. Johnsen points to "mergers, globalisation and complex organisational models that have become the norm". Statutory and regulatory requirements demand greater accountability, transparency and control than ever before.

Johnsen further paints the picture of today's treasury function, describing the need for it to "be lean and controlled in order to drive value. Governance is a critical initiative that can transform the treasury organisation by increasing efficiency and reducing risk".

A corporate treasury should have its own specific individual policies, procedures and delegation of authority, which are approved by the organisation's audit/finance committee or board. Treasury policies should be treasury specific and separate from accounting policies, which are generally GAAP related.

In addition, treasurers should be provided enough delegation of authority to perform their roles without unnecessary additional bureaucracy, while still operating in a controlled environment. The treasury function should also have its own forms/templates or ideally workflow processes, which should cover the key aspects of treasuries' business and be communicated to the organisation.

"Treasury matters are complex even to the professionals. Even to other finance experts, treasury is complex. Therefore, it is critical that a treasurer communicates effectively to the board, senior management and other teams within an organisation," contends Johnsen.

Treasury reporting should be standardised, similar to an organisation's monthly financial statements, and should be jargon free, and timely, to ensure the audience becomes familiar and comfortable with the presentation and information furnished.

"This is vital in order to enable directors and senior managers, who are the decision-makers and authorisers/approvers of much of the treasury activity, play a proper role – essential governance," concludes Johnsen.

### Zeevo can assist

The world's most progressive companies link corporate strategy to the finance and treasury functions. Zeevo's finance and treasury team provides end-to-end finance transformation solutions, covering finance strategy and vision, finance organisation and talent strategies, finance process redesign and adoption, and finance systems changes.

Zeevo has the capability to assist companies in each of these areas of treasury:

#### Target operating model

- **feasibility assessments:** developing a shared vision, business case development, understanding the benefits of shared services, stakeholder assessments, objective articulation and identifying the processes to be shared;
- **organisational design:** determining how processes will change and which application/IT infrastructure solutions are needed, site selection, tax impacts, security and controls, and program, project and change management;
- **building and testing the model:** creating detailed business process models and user documentation, building interfaces and supporting data conversion, and training development;
- **implementation:** developing a migration strategy, providing post-implementation support, and managing the relationships with third-party and internal business partners; and
- **optimisation:** analysing actual performance against the original business case, designing and implementing continuous improvement processes, refining policies and procedures, training development, optimising resource models, analysing and updating service levels and service level agreements.

#### Treasury management system selection, implementation and/or optimisation, covering:

- planning and scoping;
- business requirements analysis;
- RFP development and deployment;
- vendor selection;
- project management of implementation/optimisation;
- system configuration;
- testing; and
- post go-live support.

 Zeevo can help transform your treasury team, not only as far as systems, but also global banking footprints, cash pooling, cash forecasting, investing, business flow structures, capital structure and other related areas. 


**Paul W McDowell**, a member of Zeevo's advisory board and vice-president and treasurer of GoDaddy

#### Effective forecasting, covering:

- TMS enhancements to automate the collection and consolidation of inputs;
- requirements analysis with respect to enhanced management reporting;
- custom report/forecast development; and
- integration of lease and asset management systems with TMS systems.

#### Governance, covering:

- treasury policy statement creation;
- treasury governance arrangements, including investment policy creation;
- treasury strategy presentations and related departmental branding;
- risk identification and mitigation; and
- treasury operations advisory work, including dealing, treasury procedures, treasury controls, reporting and disclosure.

"Zeevo can help transform your treasury team, not only as far as systems, but also global banking footprints, cash pooling, cash forecasting, investing, business flow structures to minimise foreign exchange, capital structure and other related areas," says McDowell. "In a nutshell, Zeevo has your leasing platform covered in all aspects of treasury, from nose to tail." 

## The Zeevo Group difference

Our team of industry experts is highly skilled in management consulting, technology, software development and implementations, and all aspects of aircraft leasing.

We are committed to remaining unbiased regarding vendors, technologies and platforms. Zeevo service offerings provide end-to-end treasury transformation solutions, from planning through implementation, deployment and optimisation. Services range from strategic to support of tactical and operational initiatives.



**KNOWS**

FINANCE TRANSFORMATION

# IS YOUR LEASING PLATFORM FUTURE READY?



Technology continues to impact the day-to-day responsibilities of finance professionals across all levels. Lessors are increasingly automating their processes, from performing account reconciliations and forecasting to recording maintenance reserves and leveraging business intelligence to support decision-making and mitigate business and technology risks. Is your platform ready for the digital future?

Zeevo is a proven provider of end-to-end finance and digital transformation solutions, assisting CFOs and CIOs in developing and executing a broad vision that is enabled by technological advancements. Zeevo will unleash the power of technology and finance transformation to generate insights your teams need to address the complexities and challenges in order to take best advantage of the digital age.