



WILLIE KENG
& ASSOCIATES PTE LTD

CASE STUDY

Building a Cash Management Solution for Treasury Function

An executive director representing a publicly-listed commodity firm was looking to improve his treasury function. Through our initial meeting, it was found that a large portion of the firm's cash was rolled over in three-months, six-months and one-year fixed deposits for the past several years, grossly yielding less than the average money market returns in SGD currency. We formulated a working plan which was easy to follow and accountable to his board.

Willie worked with his client to define and implement frameworks to reinvigorate his firm's treasury function. These included:

- Established an accountability framework for his board.
- Formulated a cash management strategy to improve returns on cash and equivalents.
- Implementation of a credit assessment checklist and portfolio tracking tool to monitor overall credit risk and cash flows.
- A revised approach to engage his private bank's advisors more effectively.
- Conducted a series of training to improve the client's bonds knowledge.

This project has resulted in a vast improvement in the client's treasury function of his company. Six months after implementation, the client's board was satisfied with the strategy and smooth execution. This created newfound trust within the treasury. Cash returns were improved from 0.3% to around 2.5% on the portfolio, while maintaining liquidity. The new framework has also allowed the client to further explore ways to improve the investment segment of the firm.