

# The Working Capital Forum

## EUROPE 2022

Amsterdam, 1st December



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# Integrated Liquidity Planning

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Overview



## Enterprise Liquidity Management

A recent IDC survey reported the emergence of a new practice area called Enterprise Liquidity Management, where Finance leaders are unifying Treasury, Risk Management, Payments, and Working Capital processes to enable real-time, intelligent enterprise liquidity decisions.

### PRODUCTS



#### Treasury

Cash, Banking, Forecasting, Financial Transactions, Pooling, Netting and Accounting



#### Risk Management

FX, Commodity and Interest Rate Exposure Management, Valuations and Hedging



#### Payments

Payment Factory, Fraud Detection, Connectivity, Real-Time Payments



#### Connectivity

API connectivity to banks, ERPs, trading portals and apps to unify data and automate process

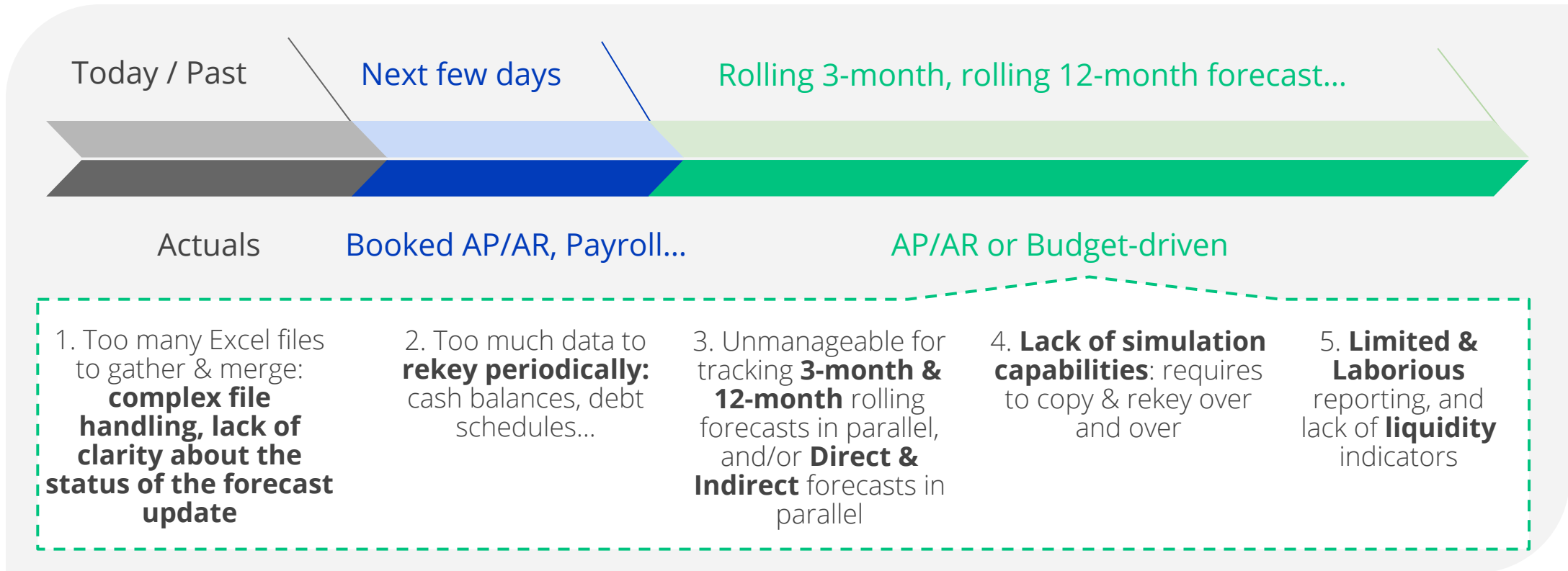


#### Working Capital

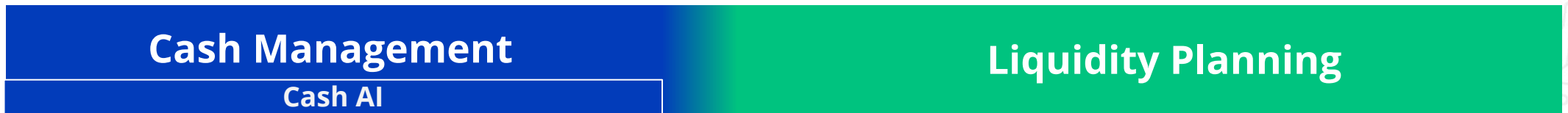
Supply Chain Finance, Reverse Factoring, Dynamic Discounting and Receivables Finance

# Objectives of Liquidity Planning: make Cash & Liquidity forecasting Faster, more Flexible and Accurate

Forecasting Horizons & Data sources



Products



# Liquidity Planning can manage multiple forecast cycles in parallel (Monthly, Weekly)

## Examples

**Forecast type 1**  
Rolling 12-month  
Forecast, refreshed  
every month

**Forecast type 2**  
Rolling 13-week  
Forecast, refreshed  
every week

<b>January</b> \$110	<b>February</b> \$120	... \$130
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12 Months (or less/more) →

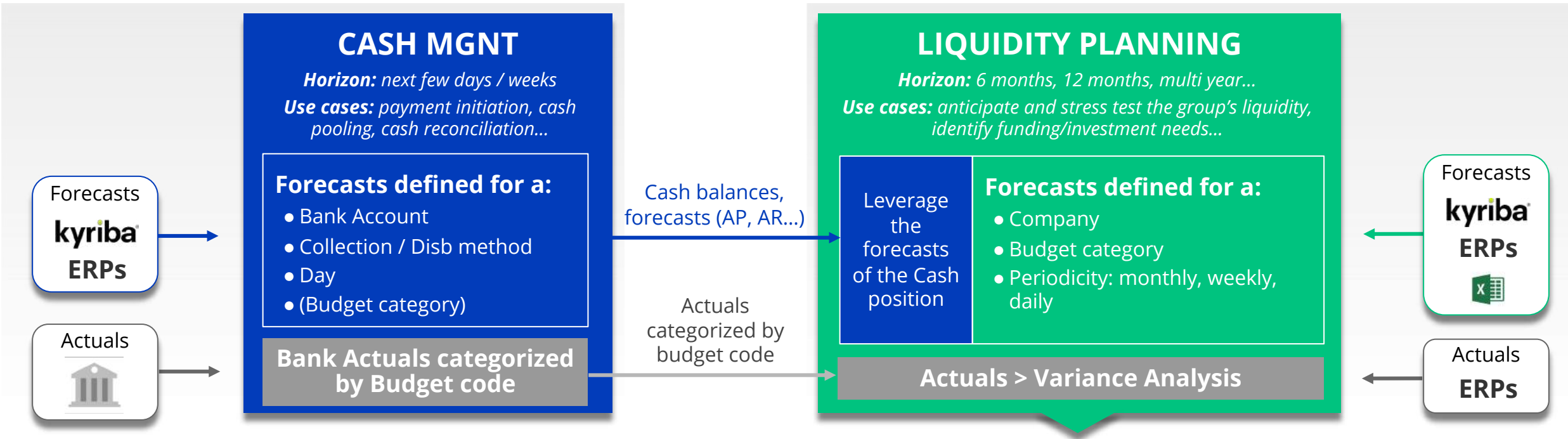
W1	W2	W3	W4	W5	W6	W7	W8	W9	W10	W11	W12
\$25	\$25	\$25	\$35	\$30	\$30	\$30	\$30	\$30	\$30	\$30	\$40

3 Months →

<b>Mon</b>	<b>Tue</b>	<b>Wed</b>
\$5		
\$20		

Daily forecasts can be positioned in monthly and weekly periods

# Overview of the Liquidity Planning product



## MAIN FEATURES

1. Forecasts managed at **Company and Budget code** levels
2. **Easy** versioning & handling of **multiple forecast types** in parallel
3. **Formula-based personalized** plan's Structure
4. **Fast** forecasts capture: **Excel-like** entry with copy & paste
5. Data **loaded from other Kyriba products**
6. *AI-generated and AI-enhanced forecast \**
7. Submission & Review **workflow**
8. **Intercompany** positions
9. **What If** scenarios
10. **Flexible** variances analysis

\* H1 2023



# Key features of Liquidity Planning

(Of the First Version of the product)

## Liquidity Planning

### Product natively integrated with other Kyriba products:

- Core data (companies, budget codes...)
- Governance (users, user rights...)
- Transactions (cash actuals, debt & investment...)

Liquidity Planning can also be used independently from other Kyriba products.

### Forecast types managed

- Handling of **multiple cycles of forecasts** in parallel: multi year, monthly over 12 months, weekly, daily, FX forecasts by accounting date...
- **Personalized structure** of liquidity plans, including **calculation formulae** that replicate legacy Excel forecasting reports
- Quick creation of forecasts **at Entity & Budget category** levels (optional bank account)
- **Fast reforecasting** and ability to **edit multiple versions in parallel**

### Workflows

- **Reforecast submission workflow** that clarifies the **status of each version** by entity
- **Comment workflow** for individual forecasts \*

\* H1 2023

### Forecast sources

- **Spreadsheet-like entry** (monthly, weekly, daily), in addition to **imports** and to **itemized forecasts** for the same period/budget code (interco forecasts with designated counterparty...)
- Automatic loading of forecasts **from other Kyriba products** (debt schedule...)
- **AI-generated forecasts** \*
- **"What If" scenarios** that assess the impact of amount/percentage/period changes on cash & liquidity

\* H1 2023

### Reporting

- Consistency check of **Intercompany forecasts**
- **Variance analysis**
- **Payment term analysis** (when forecasts include vendor/customer information)

# Illustration: generation of Cash forecasts based on Cash actuals & AI

(Feature available in H1 2023)

Forecast proposals generated by AI: based on the seasonality of cash actuals and of a user-defined change factor

Periods to forecast:  Forecast frequency:  Change factor:  Change type:

Oct 22	Nov 22	Dec 22	Jan 23	Feb 23	Mar 23	Apr 23	May 23
88,000	135,000	97,000	99,000	165,000	102,000	111,000	170,000

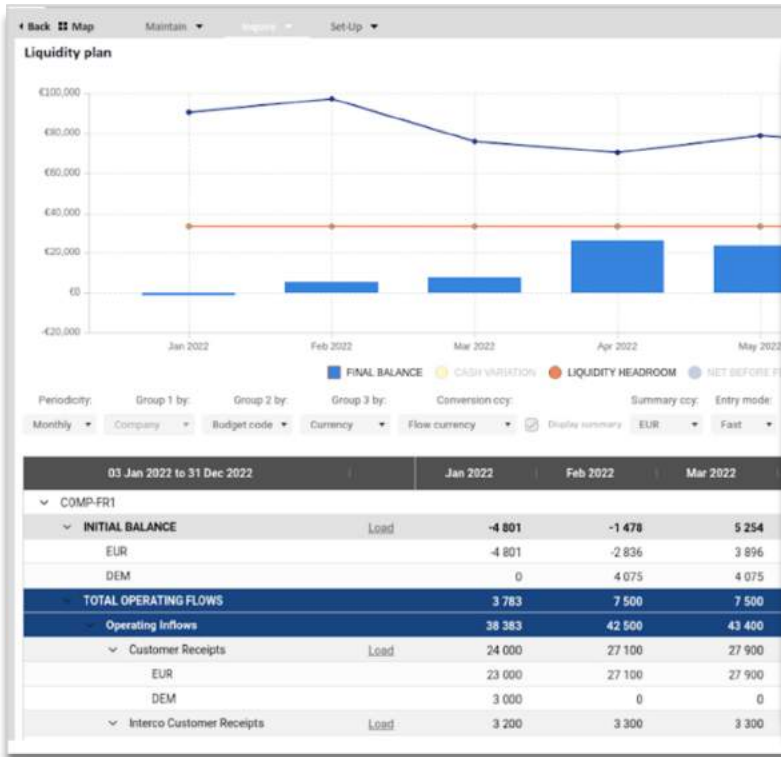
Sum of forecasts

## \$967,000



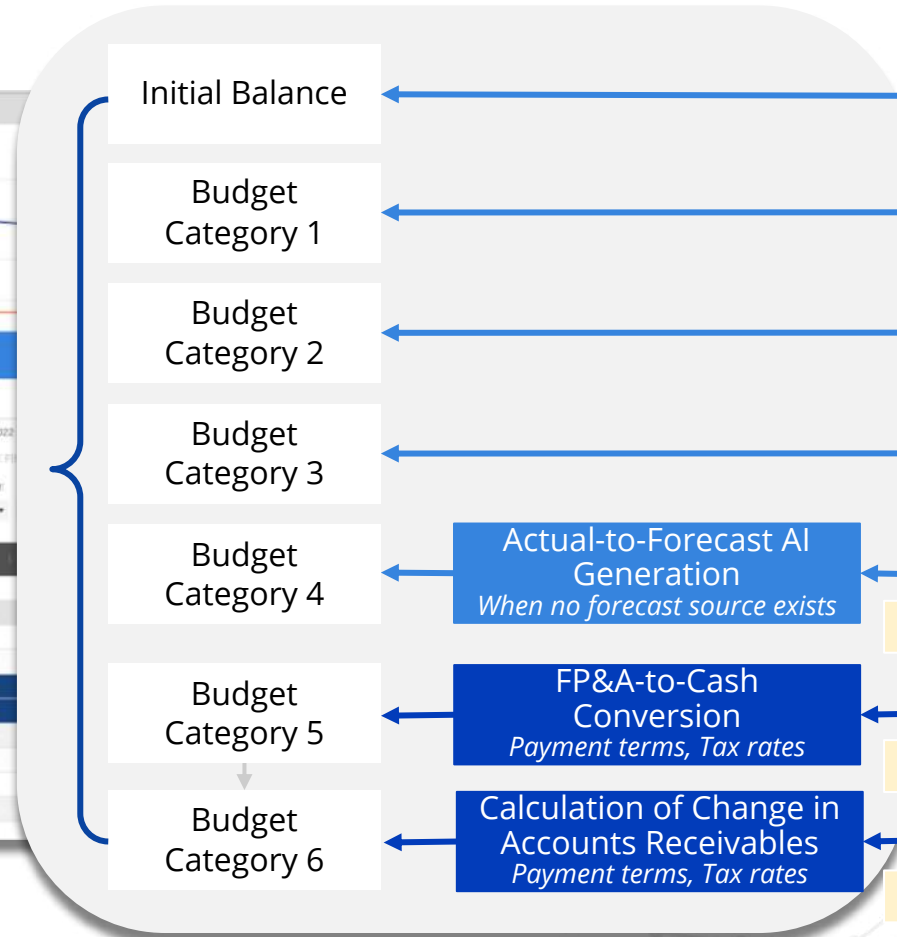
# How it works: designation of the data source to use for each Budget category (and Entity)

## Liquidity Plan



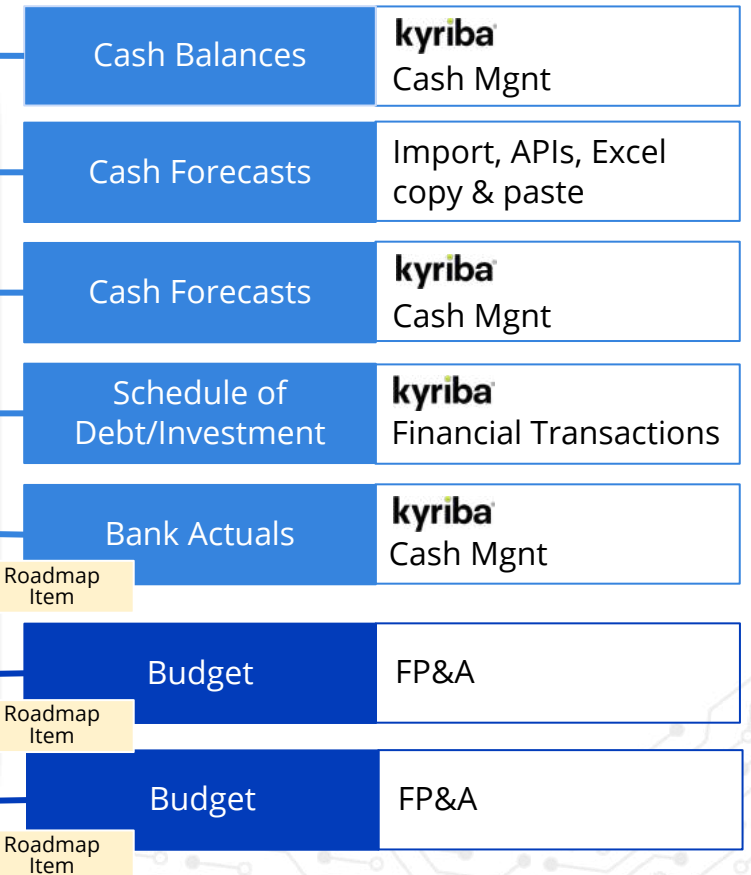
## Plan's Structure

Also includes User-defined Formulae



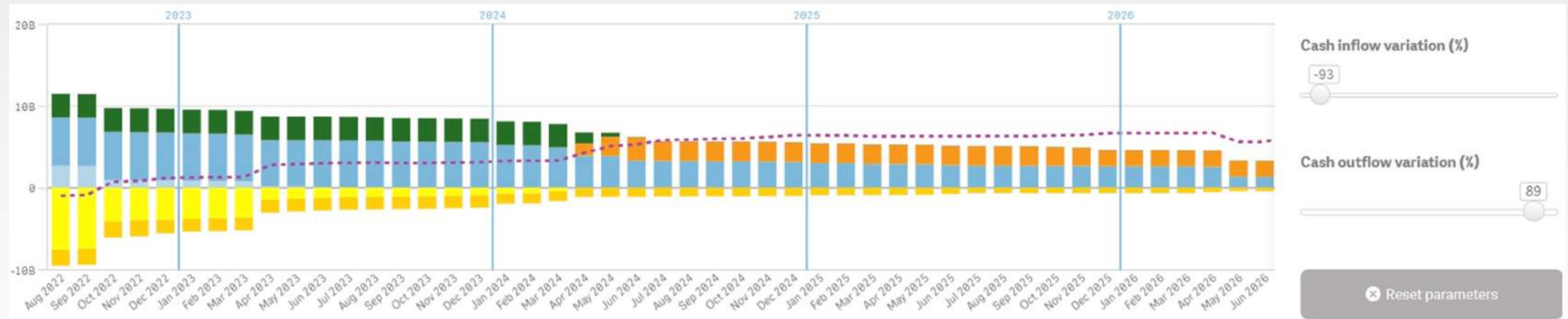
## Data Source setup in Liquidity Planning

Examples



# Liquidity Planning feeds Liquidity Analytics with future cash balances and flows, and allows a prospective analysis of the Net Financial Debt

## Net Financial Debt



- Available Credit Lines
- Used Credit Lines
- Long Term Debt
- Short Term Debt
- Cash Balances
- Investments

### Liquidity Analytics intersects:

- Financial Transactions, from **Deal Capture** (Available)
- Short-term Balances & Forecasts, from the **Cash Position** (Available)
- Short-term Balances & Forecasts, from **Liquidity Planning** (Q1 2023)

# Thank You !

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