



21 September, 2030

One day last year, right in the middle of the Great Flood, the Great Petrol Panic (JF, April 2000), and the Great Rail Shutdown, the International Astronomical Union posted a warning on the internet that there was a one in 500 chance that the earth would be hit by a sizeable asteroid on Saturday 21 September 2030. Before lunch or after lunch? Too far away to tell. How sizeable? Again, too far away to tell. But, about 230 feet in diameter, said the broadsheets, the size of an office block said the Middle England tabloids, and the Red Top tabloids made the blood run cold by panicking us about how the dinosaurs were wiped out the last time an asteroid wandered out of orbit in our direction.

There has been quite enough written in the newspapers about how the Saturday shopping will be affected on 21 September 2030 by the falling asteroid. It is about time that some consideration was given to the effect on corporate treasurers.

Few, I would guess, actually work on a Saturday. I myself worked every second Saturday at the Rumbley. Why? Well, we needed to serve the Rumbley public from 9.30am to 12.30pm in the banking hall downstairs, and it was felt that the counter staff would be less keen to come in to serve the public unless they could see that there were some men in suits doing serious things upstairs. If truth be told, I didn't do much serious work on a Saturday morning – apart from reading the funny section of the *FT* and sharpening my pencils – but, if an asteroid were about to strike when I was working, I suppose I could always have sheltered beneath my table.

It brings back to mind what was probably the unhappiest period of my working life when I was seconded to what was flatteringly called the corporate finance department of Widgets. Why do I describe this as the unhappiest period? Well, part of the unhappiness was caused by the hours we were expected to work. Back then, Widgets prided itself on being diversified both by industry and by territory. The underlying theory was, I suppose, that a business downturn would not affect our tree-pruning service in California at the same time as it affected our Convict Fetter manufacturing unit in Australia.

As a result, we corporate finance serfs would come in early to phone Bruce and Sheila in Sydney before they left work to go surfing and then stay very late to talk to Nathan in Los Angeles. Only wimps would not be around for these phone calls. But, I can hear you complain, surely some disruption to sleeping and viewing habits cannot cause such unhappiness. Surely, there was compensation to be found in the creative deal-making involved in spreading the diversified Widgets empire across all these time zones. Not

really, I reply. Every Widgets division had its own team of financial nerds, all younger than me, all wanting to be investment bankers. They were the ones who would spot the great business opportunity from buying a Momma and Poppa shoe-cleaning outfit in the San Fernando valley. They were the ones who would fly out to California. They were the ones who could assess the extra profit potential if we were to invest in automated shoe-cleaning equipment. We bureaucrats in the central corporate finance department, rather than the divisional, pretend investment bankers, had the privilege of taking the case for buying the shoe-cleaning outfit to the main Widgets board (a privilege we were not going to give up), and we second-guessed the divisional wannabees, checking their figures, phoning Nathan in Los Angeles after they did.

The other reason why I was so unhappy is that I barely understood what I was meant to be doing and was hopeless at the work. Completely clueless. One incident sticks in the mind, although, since I was so hopeless, only half-sticks in the mind. "Ah," said the head of corporate finance. "What you need to do is compound these figures to infinity."

Maybe, it was discount these figures from infinity. One or the other, but the first seems the more likely – though I could never grasp why infinity was involved at all. I filled page upon page of a spreadsheet, compounding the figures to infinity, and days later went back to the head of corporate finance with a pile of print-outs.

"I think that I have compounded the figures to infinity, although there is some approximation involved," I said proudly. "Don't you know the short-cut?" he asked sadly. I have long since forgotten what the short-cut was. Probably it involved reading the manual, or writing a macro,

or double-clicking the mouse. At least, with the impending fall of the asteroid, there will be no more Infinity. In future, the end date for all perpetual bonds will be 21 September, 2030; and the end date for all projections, whether we compound or discount, will be the same; and, if you happen to meet your accountants at the coffee machine, remind them that for depreciation purposes the useful life of assets will end on that date.

I wouldn't like to argue with the laws of astronomy, but it strikes me that it would simplify the spreadsheets if the the fall of the asteroid could be delayed for nine days, so that the end of the world could fall on a quarter-end, and we could avoid dealing in odd days. ■

JF

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