

Getting Better Visibility of your Group Finances

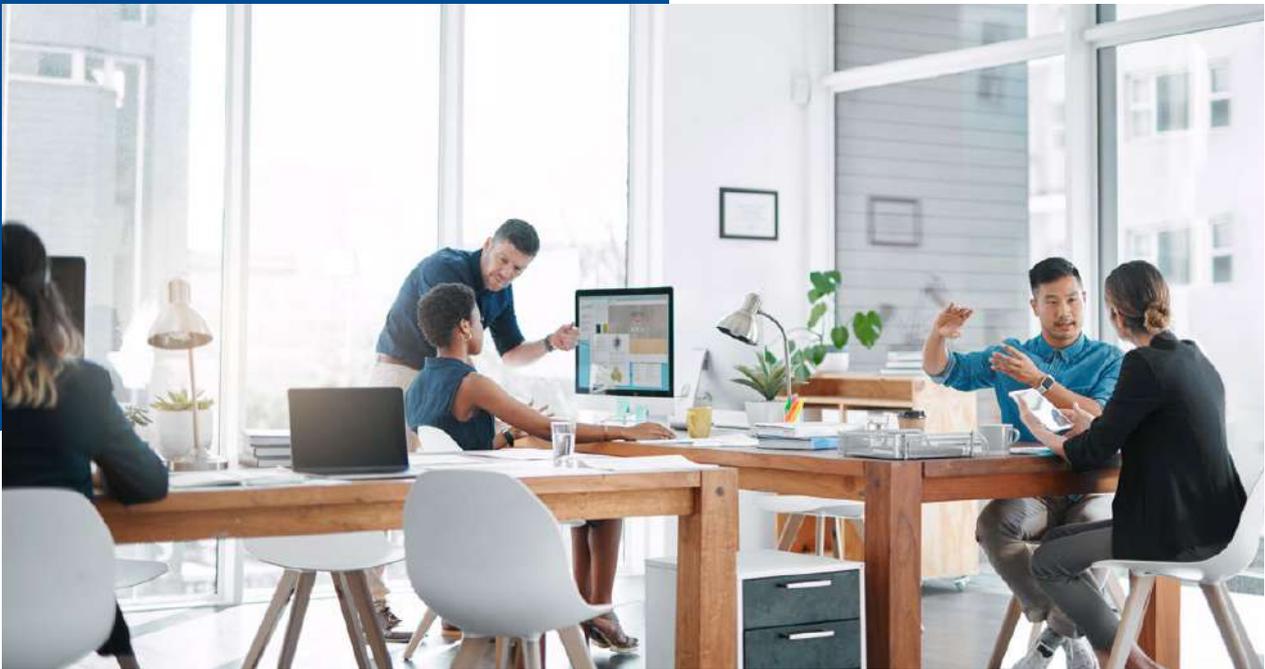
How to untangle the intricacies of group financial
management

By AccountsIQ & AccountingWeb

AccountsIQ

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Introduction

Group finance is full of intricacies. And these intricacies and challenges can lead to a lack of financial visibility for you and your finance team.

When you're managing the finances of several different companies and subsidiaries, it's easy to fall down an accounting wormhole. Management teams will request increasingly granular breakdowns of the numbers, and your accounting procedures will get further tangled in complications by falling into the 'let's export it into an Excel sheet' trap.

This approach ends with:



Precious business hours being spent collating and updating spreadsheets



Excel sheets growing increasingly unwieldy, becoming harder to audit and, eventually, bursting at the seams



Your finance team losing visibility over the company's performance and future financial management

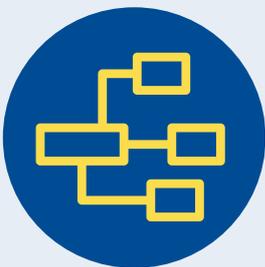
But there is a way to avoid these challenges...

Untangling the intricacies of group financial management

In this guide, we'll show you the knock-on effect of this complexity and the potentially negative effect that it has on the finance team, the CFO and the group as a whole. Then we'll explain the solution – how switching your multi-company environment to a flexible, real-time cloud financial management solution (FMS) makes your finance tasks easier, simpler and more efficient.

We'll talk to businesses that have made the switch to cloud and how this has helped them get control over their numbers and their financial destiny.

You'll learn the key benefits of:



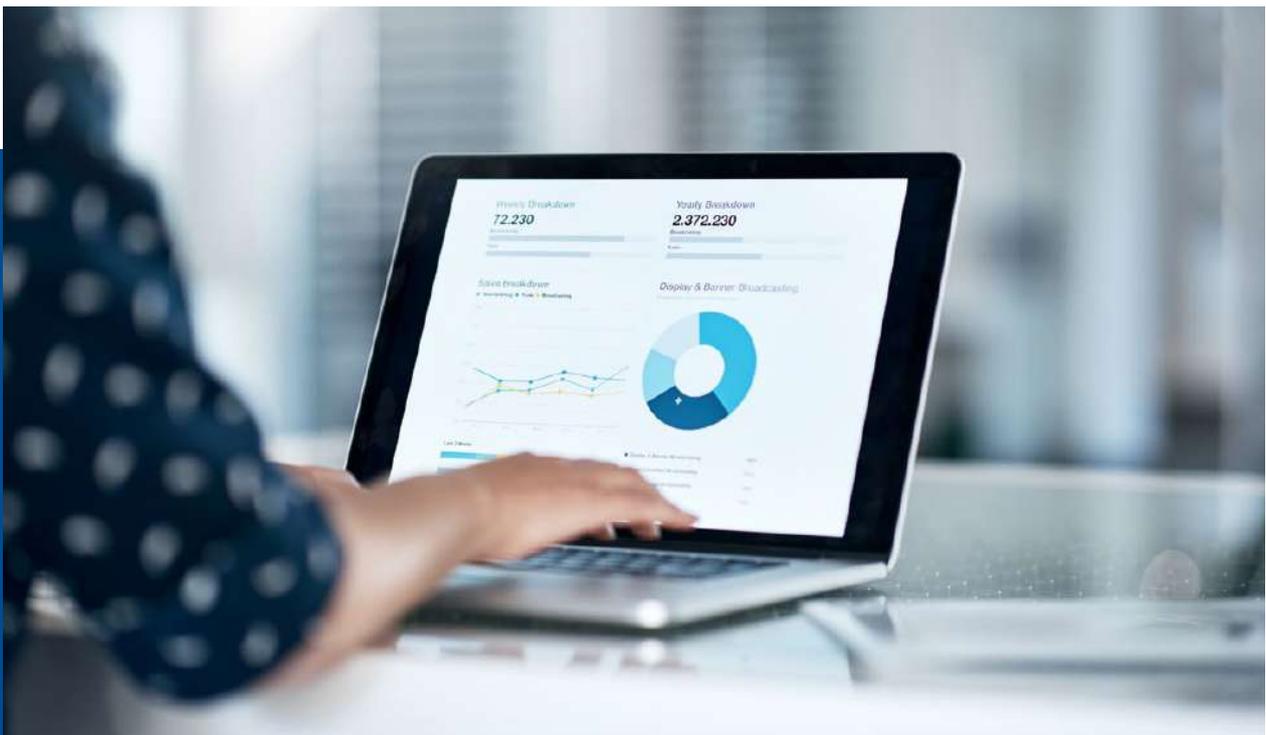
**Navigating
the intricacies**



**Easing and simplifying
the process**



**Improving your
financial visibility**





1 How complexity and spreadsheets add to the CFO's problems

Why is group finance so complex? And how does this add to the demands of the chief financial officer (CFO), the financial controller (FC) and the finance team as a whole?

Managing the finances for multiple companies, locations, departments or special purpose vehicles (SPVs) creates a multitude of challenges for the finance team to overcome. Each entity may have different accounting systems, different internal processes, different reporting requirements and even different currencies to manage.

“For the CFO, there’s a desire to create group-wide reporting and business intelligence, and for the FC there’s the aim of refining these multiple financial processes into a consistent and fully consolidated process.”

Bringing this all together to consolidate these disparate accounts under one group umbrella is challenging. For the CFO, there’s a desire to create group-wide reporting and business intelligence, and for the FC there’s the aim of refining these multiple financial processes into a consistent and fully consolidated process.

The complexity of the challenge will vary from group to group. However, there are certain core day-to-day tasks that any CFO, FC and finance function must deal with on a frequent basis.

The complexity challenge:

How many of these day-to-day financial intricacies do you recognise and relate with?

01

Ensuring the smooth running of the day-to-day bookkeeping, data entry and expenses management so your staff don't spend too long on data entry – the inputs into the finance system are critical.



Consolidating and refining multiple-entity accounts into one group-wide view, or general ledger (GL) – the accounting output of the finance system.

02

03

Managing the group's cashflow position and forecasting – to ensure a consistent positive cashflow position.



Reconciling multiple currencies across the group – to bring all accounts into a consistent reporting currency.

04

05

Managing expenses and running cost-management initiatives – to reduce costs and improve cashflow and working capital.



Debtor tracking and reducing the groups aged debt – to keep credit control consistent and lower the overall debt and liabilities in the group.

06

07

Managing the group's fixed assets – including logging the group's assets, accounting for depreciation and keeping this asset list up to date.





Reviewing and approving transactional collaboration to assure financial workflows across your group – so each transaction, purchase or payment has the correct review and oversight prior to being actioned.

08

09

Setting and managing project budgets – to help each entity stick to its budget and track billing, any variances and overall performance against these targets.



Bank feeds – auto-reconciliation and auto-posting with UK, Irish and international bank statement feeds. Keeping tabs on near real-time bank activity is a key daily task.

10

11

Providing business information and financial targets – so the board has up-to-date insight to support decision-making and track performance.



Collaborating with stakeholders across the organisation(s) that make up your group – orchestrating all the subsidiary activities and work done within other teams, such as sales in the front office.

12

13

Managing the group cash position – both at month-end close and in real-time, it's important to understand the group cash position and to manage the reconciliation of bank accounts and payment providers. This is a critical step to start every day and close every month with confidence.



Ensuring good financial governance and compliance – making sure the group's finances are secure and all regulatory conditions are met.

14

An overreliance on Excel spreadsheets

Adding to these ever-evolving financial challenges is an over-reliance on Excel spreadsheets – a trap that many finance professionals fall into, but which adds little value to the process.

The temptation is to export your complex financial data into multiple spreadsheets, allowing you to tweak and manipulate the data. But at what cost?



Wasted time and effort for the finance team

Exporting multiple data sources out into a custom spreadsheet takes time and is cumbersome and tedious to maintain.



Constant export and reformatting: essentially non-live data

Excel spreadsheets generally sit on local drives or across multiple databases, creating multiple versions of your financial truth.



Impenetrable and overly complex spreadsheets – key person risk

The resulting spreadsheet can end up being incredibly complicated, making it difficult to find the numbers or answers that you need.

Key challenges when auditing your spreadsheets

Working from multiple spreadsheets can increase your audit challenges, making it difficult to provide a clear audit trail.



The lack of a clear digital breadcrumb trail for MTD

With Making Tax Digital (MTD) compliance a key concern, providing a clear digital breadcrumb trail is problematic.



A lack of clarity and visibility of the group's numbers

Despite all the work, your spreadsheets still don't provide the visibility you need from your group-wide financial reporting.



Spreadsheets may seem like a workable 'quick fix' to the complexity issue. But the reality is that they do little to solve group finance challenges.

In the modern digital world, with so many cloud-based solutions to choose from, the good news is that there is an alternative to traditional spreadsheets, as we'll see in the next chapter.



2 **The alternative: Flexible, real-time cloud financial management**

In the past decade, cloud computing technology has revolutionised the world of accounting.

Rather than relying on desktop and server-based finance systems, tech-savvy businesses now have access to cloud financial management solutions (FMS) – Software as a Service (SaaS) resources that allow you to manage your accounting and financial management in the cloud.

“The cloud solution that best fits your needs will be dependent on the size and type of business you run, and the specific needs of your sector.”

A cloud FMS offers you a level of financial management that would have been the preserve of large corporate organisations only ten or so years ago. All your financial management needs are catered for – including the removal of outmoded Excel spreadsheets from the equation.

But there’s still a challenge to overcome when sourcing the ideal cloud platform for your group.

Finding the ideal mid-market cloud accounting platform

The cloud solution that best fits your needs will be dependent on the size and type of business you run, and the specific needs of your sector. But there's a clear choice to make once you become a group with multiple entities.

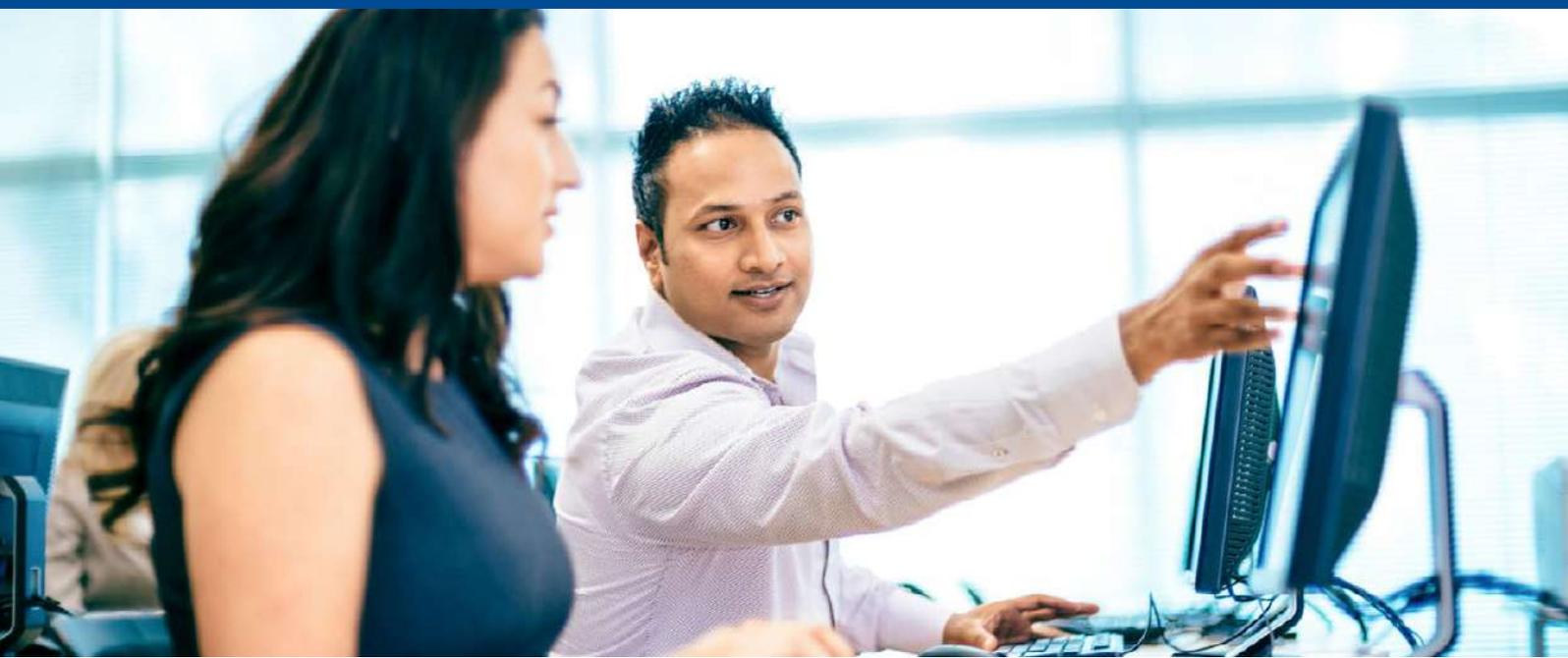
Micro-cloud solutions – At the lower end of the cloud accounting market, there are excellent micro-cloud products such as Quickbooks and Xero. But these systems are aimed squarely at the small business owner and find it hard to cope when your group expands past having more than one entity. Some systems may be great for single entity accounting but many companies with more than 1+ entity need a more scalable solution.

ERP solutions – At the top end of the cloud accounting market, there are plenty of high-end SaaS solutions available. These systems offer great detail and granularity around the group reporting, but are also complex, expensive and, on the whole, geared towards large multinational corporations who want a bespoke SaaS experience.

What's missing is a mid-market option: a cloud FMS that offers more flexibility and multi-entity reporting, but without the complications, long implementation and higher maintenance costs of a full-scale corporate SaaS ERP-based finance solution. That is until now...

AccountsIQ has been specifically designed to fit this mid-market niche, providing growing multi-entity businesses with the ideal cloud FMS. There's no reliance on spreadsheets – all your accounting, consolidation, reporting, forecasting and business intelligence takes place within the AccountsIQ cloud product.





AccountsIQ – Untangling the intricacies of group finance:

If you're a modern, tech-savvy CFO, or a time-strapped FC looking for a better finance solution, we believe that AccountsIQ is the perfect mid-market cloud FMS.

Out of the box, you can get your finance function up and running fast. But you can also customise your system, add integrations and connect with additional modules to create an incredibly flexible and productive finance system.

Let's see how AccountsIQ untangles the usual finance pain points:

01

Automated bookkeeping



Remove the need for manual data entry with, for example, AccountsIQ's AP Inbox, using our own or third-party optical character recognition (OCR) technology to automate the input of paperwork, receipts and expenses.

With Open Banking you can now save time due to auto-reconciliation and auto-posting with UK, Irish and international bank statement feeds. Automated journals for accruals, prepayments and deferred revenue make month-end faster.

02

One group-wide general ledger



Quickly and easily consolidate your multiple entity accounts into one centralised, single version of the truth for the entire business, with AccountsIQ's highly flexible auto-consolidating general ledger (GL).

03

Group financial consolidation

Cash balances, as well as debtor and creditor positions, can be rolled up on demand to enable accurate, virtually real-time reporting on cash and other financial metrics.



04

Multi-currency accounting as standard

Operate as many different currencies as you need to, with multi-currency accounting against a single base currency – making it easier to produce reporting for all territories and countries. Manage Group FX rates across the business and manage complex FX, minority interest and consolidation journals in one place.



05

Smart expense management

Keep your expense management and cost reduction under control with AccountsIQ's expense reporting and our integrated apps – including the AccountsIQ **Expenses app for employees**.



06

Automated credit control with Chaser

Automate your debtor tracking with the Chaser app and let the tech automatically chase your outstanding invoices and late-paying customers.



07

A built-in fixed asset register

Keep track of your group's fixed assets in one place, centrally post your depreciation journals and deal with acquisitions, disposals and extensions.



08

Workflow approval

Remove the outdated paperwork and review habits with AccountsIQ's workflow accounting processes. Share, collaborate and approve work in the cloud to speed up your financial workflows.



09

Intercompany accounting and recharging

Keep all group intercompany accounts in one place with automated re-charges and ease of reporting and elimination.



10

Online banking

Online banking is complemented in AccountsIQ with scanned paper statement uploads to ensure you're always up-to-date with the bank's view of your cash position.



11

Real-time business intelligence

Get real-time business intelligence across your group from within your financial management system – track six different business dimensions, and get multi-dimensional analysis with unified group coding (Business Unit, Dept, Project, etc). Get granular with your reporting and business intelligence to enhance your oversight.



12

Salesforce CRM software integration

Manage customer interactions seamlessly with the Salesforce CRM software integration. Create sales orders based on closed opportunities within Salesforce. Payments taken via Salesforce can be passed across to AccountsIQ. Enables sales staff to access customer balances and statuses added by the finance team. Exchanging vital information between the front and the back office in this simple way creates consistent data and improved account management.



13 Effective payments



Enable easier payment collection via **Direct Debits** and accept online payments via **Stripe integration** and Paypal. Facilitating credit card payments for receipts for invoices raised either in AccountsIQ or in third-party systems (integrating the invoices and receipts, as well as charges and fees in an automated manner) saves time and improves agility. A common use-case is to read monthly or **subscription payments** and to create the associated invoices, receipts and allocations within AccountsIQ.

14 Encrypted security for your cloud accounting



256bit encryption keeps your group's data safe and secure online, and our audit trail allows you to track every user interaction – giving you real peace of mind and helping maintain your group governance and compliance obligations.





3 Putting the AccountsIQ benefits into action

We've heard about the benefits of AccountsIQ. Now let's see how these benefits have transformed the financial management, reporting and efficiency of our clients.

“My favourite thing about the system is how easy it is to manage multiple companies and switch between them. I'm always moving from one company to another and it's just so easy with AccountsIQ. I can very easily drill down into the detail and get from the big picture to the small picture very quickly which is very useful for me.”

Neil Griffiths, Finance Partner, [PRP Architects](#)

CASE STUDY 1:



THE IRISH TIMES

The Irish Times

Keeping a finger on the pulse of the group's finances

When the Irish Times newspaper group bought the Cork Examiner in 2018, the new organisation comprised 12 entities and had four layers of consolidated reporting.

THE GOAL:

The vision was to create a more modern workplace while reducing costs, with the company wanting to move away from on-premise systems and switch to cloud. The group selected AccountsIQ as their cloud financial management software of choice.

THE RESULTS:

The group has seen multiple benefits of switching from SAP and Sage-based systems to the flexible cloud-based approach offered by AccountsIQ.

CASE STUDY 1:

KEY BENEFITS:

- **A dramatic change to the Accounts Payable process**
Automating the bookkeeping process has achieved real, measurable efficiencies in a short space of time, with integrated document scanning, slick bank reconciliation processes and an overall paperless process.
- **Integration with advertising sales data**
AccountsIQ's integration with the ad booking system includes functionality that generates all weekly invoicing and manages adjustments. It also makes an up-to-the-minute credit status of every account visible to the sales team and automates a rules-based process for issuing 'dunning' letters – reducing admin and errors.
- **Partnership approach to the group's digital transformation**
The success of the project comes from a partnership approach to designing and implementing the system and building a feasible roadmap together with the other software suppliers involved. AccountsIQ's open API allowed integration with the four main systems and six other business systems that are now connected to their finance system.

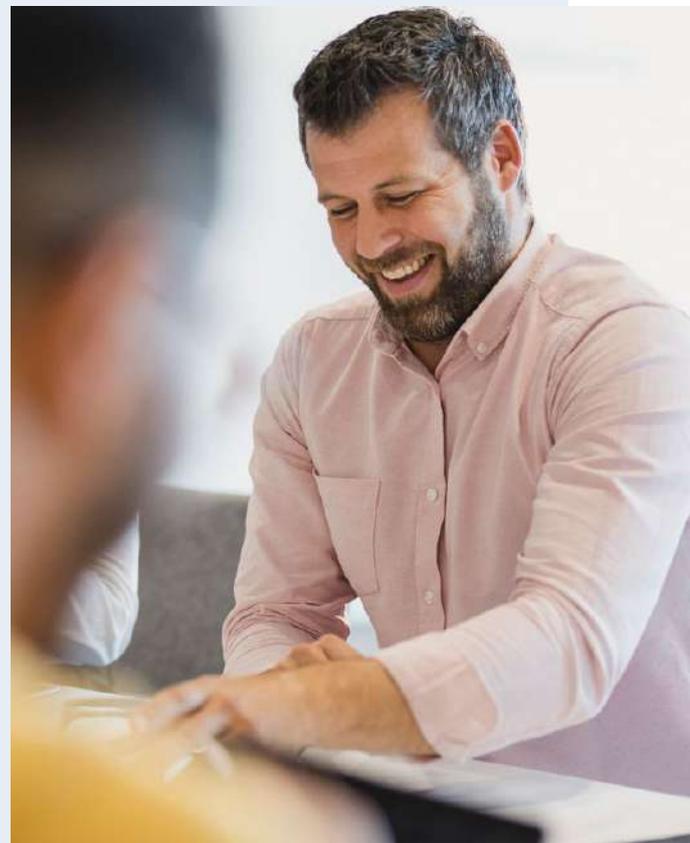
“I have more visibility, I can ask more questions, I can drill down into the detail and it's simple to do all this in AccountsIQ.”

Mike Sheehan, Group CFO,
Irish Times

THE FEEDBACK:

“One of the benefits of bringing a group together is to drive synergies in the cost base as we re-engineer how we operate day-to-day. Systems automation is the real prize and AccountsIQ has enabled us to realise these operational goals.

The savings with AccountsIQ are twofold. Firstly, we are saving costs but we also have ongoing savings through the streamlining of our processes. The system is intuitive enough that it's easy for me to run a report, approve or reject an invoice. Personally, I have more visibility, I can ask more questions, I can drill down into the detail and it's simple to do all this in AccountsIQ. It has made a real change to our reporting processes.” - Mike Sheehan, Group CFO, Irish Times



CASE STUDY 2:



SALAMANCA
Group

Salamanca Group

Flexible cloud reporting without the outlay

Privately-held merchant banking business, Salamanca Group, comprises approximately 80 businesses, making their group reporting a complex process.

THE GOAL:

The group's aim was to reduce the time spent producing consolidated accounts and management reporting packs using a complex process run from spreadsheets, and to find a cloud-based financial management platform to replace their outdated Sage 50 system.

THE RESULTS:

Salamanca Group originally tested out the NetSuite cloud accounting system, but chose AccountsIQ due to the more flexible group reporting and reduced cost outlay.

KEY BENEFITS:

- **Automatic consolidation based on real-time data**
- **Easy to produce custom management reports**
- **Improved working processes, such as purchase order approval**

THE FEEDBACK

"AccountsIQ's main success for us has been the efficiency it has brought to the business. The product is a good fit for our pretty complex accounting requirements and AccountsIQ gives us real value for money. We are looking forward to finding even more ways to use the system to improve the way in which we work." - Lee Camp, Finance Director, Salamanca Group

CASE STUDY 3:



Apera Asset Management

Turbo-charged accounting for a large group

Apera Asset Management is a large multi-entity, international business, with a complicated group structure and a need for detailed group-wide reporting.

THE GOAL:

The group wanted to move from Xero to AccountsIQ when consolidation became too cumbersome and international jurisdiction requirements became too complex. The aim was to deliver simplified and efficient group consolidation, international accounting and reporting with a multi-currency capability.

THE RESULTS:

Apera Asset Management knew that their finance requirements had outgrown the limitations of Xero and have achieved real efficiencies by moving over to AccountsIQ. reporting and reduced cost outlay.

KEY BENEFITS:

- **Automated consolidation and reporting**
- **Multi-jurisdiction compliance**
- **Automated workflow approval**
- **Integrated, automated expense management**

THE FEEDBACK

"I was looking for a Xero equivalent but more turbo-charged in its ability to do consolidation, meet the requirements of multiple jurisdictions, and handle foreign exchange. AccountsIQ seems to tick more boxes than other systems designed for businesses like ours. They had a lot of clients in our sector, mostly with similar needs: simple accounting, complex reporting, consolidation and international requirements. I could see AccountsIQ working well for us too."
- Rob Shaw, CFO, Apera Asset Management

Visibility combined with flexibility – the value of AccountsIQ

Switching to AccountsIQ enables our business clients to gain a greater visibility of their group accounts, coupled with flexible, real-time insights into their financial position.

As we've seen in Chapter 3, the benefits of AccountsIQ have made a tangible difference to larger groups, giving them one version of the truth for finance teams and business leaders.

Why choose AccountsIQ?



Consolidation

You get unified results for multi-company and multi-unit groups, in real time. This eliminates errors and provides one clear view of all your numbers and reporting.



Reporting

You can produce highly configurable and customisable reporting. Tailor reporting to your needs and maintain the integrity of the data and numbers.



Business intelligence

Make use of our unique general ledger (GL) coding structure. Get deep visibility into company performance, with simple, easy-to-use analysis of the numbers.

Customer success

Customer success is in our DNA. We offer training, learning and support when switching to AccountsIQ. Our highly experienced team will get you up and running quickly and efficiently.



Seamless integration

We offer flexible integration, supported by an API library that can link with a growing list of third-party solutions. We can also offer custom integrations, tailored to work with your existing systems.



Approval on the go

We offer paperless approval of your workflow, giving you full online collaboration as well as complete auditability. There's a full breadcrumb trail of all interactions in the system, to eliminate risk.



In the mid-market space, you're looking for off-the-shelf problem solving, with some configuration and customisation added in at the onboarding stage and as you grow etc.

We believe AccountsIQ is the ideal midmarket cloud FMS to achieve this goal – and once you've experienced the product, we think you'll agree.

About

ACCOUNTS IQ

Launched in 2008 in Dublin, AccountsIQ's award-winning cloud-based FMS simplifies how multi-entity businesses capture, process and report their results.

It provides anytime anywhere access to dynamic businesses, growing via subsidiaries, branches, SPVs or through a franchise model. Its unique architecture allows it to consolidate thousands of entities in a group and its API allows integration with 3rd party software for business-wide efficiency. Today, AccountsIQ is used by 4,000 businesses across 85 countries.

Looking for a more grown up cloud accounting system?

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