



CASE STUDY

MAKE CENTS ACCOUNTING

“Strong systems and technologies for efficient weekly communication have allowed our client to continue working with us, even though they’re located on the other side of the world.”

Shane Kouros

Background

We have worked with this business owner since 2007, let’s call him Andrew. Back at the beginning, Andrew was running a completely different type of business. Let’s just say we helped him to grow it from around \$500k when we first met him to turning over more than \$15m by the time he made his exit.

The success of his earlier business paved the way for what would become a significant business and lifestyle change. One that would take him to the other side of the world to operate a global specialised food distribution business. Now based in Europe, Andrew initially engaged local accountants. However, his local accountants were unable to match the proactive, high-level and consultative approach to accounting and business advice delivery Andrew had experienced working with Make Cents Accounting for more than a decade. We soon stepped in to provide the advice and service Andrew required.

Needs Assessment

Andrew’s pressing need at that time was to implement effective accounting systems. The systems needed to support the start-up business, while offering opportunity for more advanced financial management as the business matured. Further, Andrew wanted a solution that would allow him to keep his internal processing team small and efficient.

Our Solution

Managing inventory and meeting European compliance requirements (that include reporting VAT which varies from 4%, 10% and 21% depending on circumstances) while keeping a tight rein on cashflow, were priorities. We implemented Xero but needed to custom build specific files and functionality that would allow Andrew to manage and measure his company’s progress.

We built the system to track each product sold and record sales volumes across multiple European sales regions. As Andrew’s premium product is seasonal, accurate and immediate reporting is vital for managing cash flow, while creating appropriate cash reserves for funding quiet periods.

Recommending and implementing Receipt Bank was key to Andrew achieving his goal of minimising his internal accounts processing team. We trained his administration staff to use Xero and Receipt Bank for processing transactions and this allowed Shane Kouros, Andrew’s External CFO (Chief Financial Officer) located in Sydney, to take control of the financial management of Andrew’s business.

Shane then assigned an additional Make Cents Accounting accountant to manage weekly reconciliation and maintenance of Andrew’s Xero and Receipt Bank files.

Make Cents Accounting works on Andrew’s files during the week so that Shane and Andrew can meet each week as it customary for a financial manager and business owner. The difference is that they use video calls and screen share information to review business performance, discuss strategies, review KPIs and plan any actions required.

Outcomes

Shane travels to Europe each year to meet with Andrew in person. For the rest of the time, effective systems and technologies facilitate seamless, high quality accounting and planned business outcomes that are underpinned by a strong professional relationship, even though Andrew and Make Cents Accounting are located on the different sides of the world.

Weekly scheduled meetings provide Andrew with clear information about the performance of his business and this allows him to confidently manage his day to day operation and the overall growth of the business. Unlike other companies of similar size, Andrew has no need to employ a company accountant as Make Cents Accounting delivers full-time External CFO services.

At Make Cents Accounting we help established business owners to grow and protect their assets.

For details about our External CFO service please call +61 2 96 999 171.