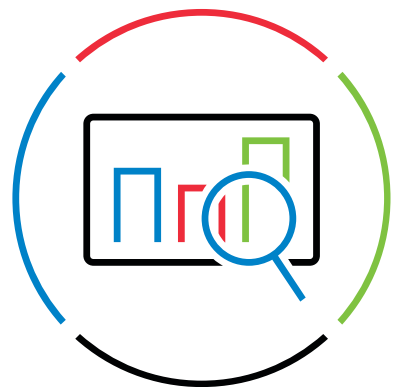




Whitepaper

The future of accounts production:

Save time, save money,
and automate compliance



Digitalisation is disrupting every industry; manual processes are being transformed due to more efficient systems, with automation playing a significant role in businesses' development



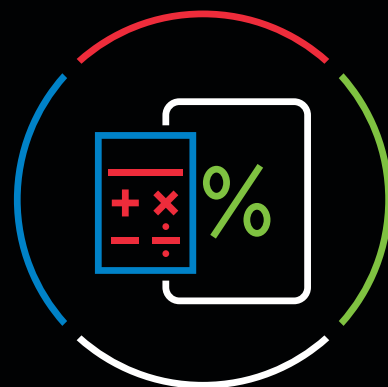
Automated tools are changing the landscape teams work in, the role that they play in an organisation, and how efficiently they operate. Regular compliance changes necessitate corporate finance teams to upskill and change the way they work.

Finance teams work in a high-pressured environment and efficiency is key—they're heavily relied upon to offer strategic and financial planning advice to help drive organisations towards their goals. Internally, teams need access to data quickly so that it can be analysed and presented to business stakeholders in various formats. The data the corporate finance team provides the organisation fuels growth.

In addition to data analysis, the corporate finance team is responsible for

adhering to all compliance requirements. Fulfilling accounts production commitments is one of the central pillars of compliance, however, constant changes in legislation and accounting guidelines make fulfilling compliance tasks onerous and inefficient.

The good news? Accounts production is the one area which corporate finance teams can gain quick wins by streamlining processes and eradicating tedious tasks, while remaining compliant. These necessary, but time-consuming, tasks can easily be performed by software. In this whitepaper we look at how you can quickly and safely automate your accounts production processes, keeping compliance at the centre of everything you do.



The accounts production burden

- Preparing statutory accounts for all organisations can be a time-consuming and labour-intensive process, causing headaches for finance teams.
- While some might consider outsourcing accounts production to a third party, this can be expensive and slow down the accounts production process. Adjustments can be time-consuming as amendments are filtered back and forth between the organisation and the auditor.

The compliance burden

- Corporate finance teams are already required to file company tax returns to HMRC online using iXBRL and accounts to Companies House, either online or in paper format. The launch of Making Tax Digital will also change how finance teams interact with HMRC. Each new compliance requirement necessitates a change to internal processes.
- Corporate finance teams, and accountants who rely on Word and Excel to facilitate compliance, could run into some accuracy, audit, and efficiency issues. These processes can also cause a headache with compliance when incorrect versions of documents are updated.



Efficient, accurate data collection

- CFOs and finance teams need access to financial data on a more regular basis to track performance against the company's strategy. This can be an inefficient use of team members' time if there isn't an efficient system behind the accounts production process.
- The rise of digital data means that internal stakeholders are demanding more than financial data to help them analyse their performance against KPIs. This additional data needs to be collected efficiently and presented alongside financial metrics—a time consuming process.

Efficient production of reports

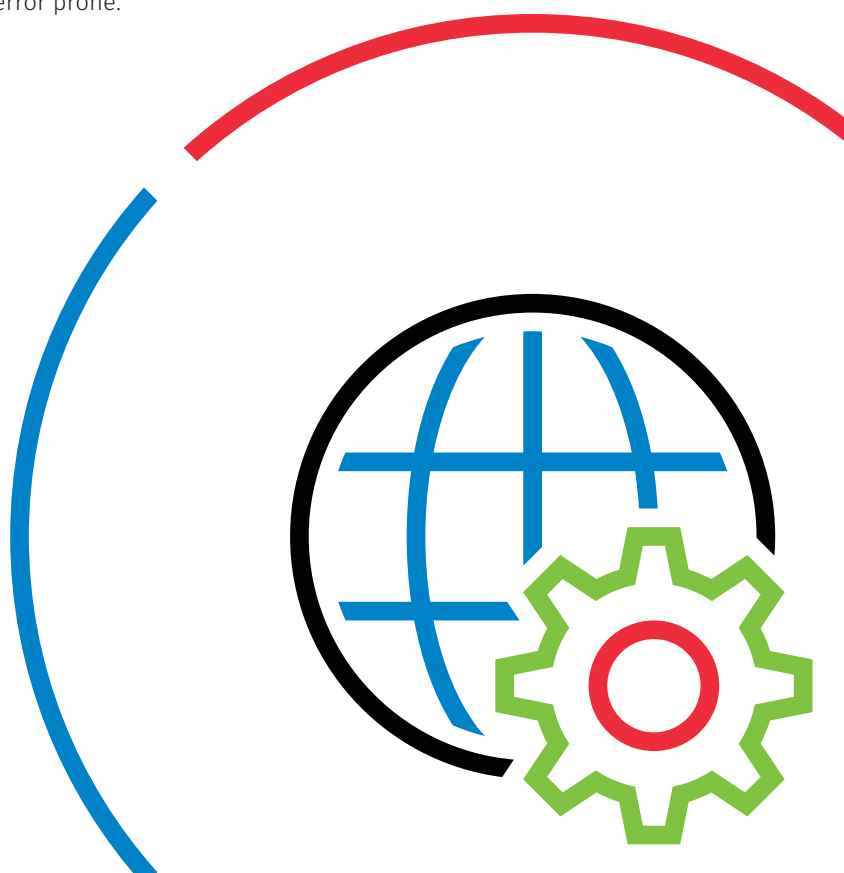
- Often formatting accounts statements, including pagination, can take an inordinate amount of time, which software tools can facilitate automatically.
- Tagging the data is time intensive and, due to the manual nature of the activity, error prone.

Future-thinking finance: Automated accounts production

- Automated tools are changing the landscape finance teams operate in, enabling them to use software to eradicate the frustrations of accounts production fulfilment. End-to-end corporate accounts production and working paper management solutions can produce compliant financial statements for compliance needs, access powerful analysis tools, and submit accounts to their internal stakeholders.

HMRC or Companies House in less than half the time of current processes

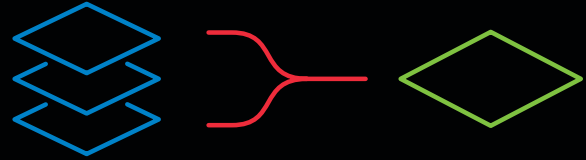
- Transitioning over to a software solution will also save your internal teams both time and budget, allowing employees to add value and offer more strategic advice to their internal stakeholders.



Four ways embracing digitalisation will improve your accounts production processes

1. Streamline your working papers process

Gain better quality control with a centralised, cloud-based, location for all your working papers for a more efficient, paperless way of storing and managing working papers.

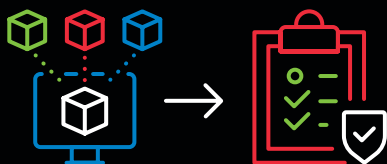


2. Format, process and tag data

Quarterly VAT filing and fiscal year-end accounting can easily be fulfilled by digital software that can quickly access source data and apply the relevant data tags.

3. Accuracy

Improve the quality of the data by highlighting anomalies quicker, and creating a more focused and relevant report.



4. Efficient formatting

Regulatory compliance filings can be submitted quicker as the financial statements can be converted into multiple formats, and compliance tasks can be completed automatically.

Quick to set up with long-term benefits

What's more, an accounts production system will futureproof your processes.

What's more, an accounts production system will futureproof your processes. After tailoring the system to your organisation's needs in the first year, creating your financial statements becomes straight forward in the future—corporate accounts team only have to update the data. This saves a huge amount of time by removing the need to format reports every year, as

everything can be stored accessibly in the cloud. The software will automatically hold document templates and formatting options so once they have been set, an internal finance team doesn't need to spend time on formatting again.

Accuracy – key to creating a high performing finance team

The problem

Keeping track of all your working papers could be a problem if multiple team members are working on the same job—for instance, people saving documents on their personal drive. There might even be boxes of files with working papers taking up space in the office.



The solution

Working paper management software is an efficient, paperless way of storing and managing the working papers in a central location. Going beyond a centralised system, cloud solutions allow you to easily access your accounts production data from anywhere, on any device. Keep up-to-date records in one location, with one source of truth.

Software like this leads to consistency across the team, and better control on where and how working papers are stored. Spend less time finding working papers and standardising their workings.



A working paper management solution is one that creates consistently formatted digital working papers and is an integral part of the accounts production solution. A fully integrated accounts production solution with a working paper management module will ensure all supporting documentation is instantly available and a consistent process is applied giving efficiency, delivering compliance and limiting risk on the business.

Dealing with the compliance burden

The problem

Complying with all the relevant financial regulations is critical for all organisations. However, new financial reporting standards introduced over the last few years, the IFRS, FRS 101, 102 and 105, have presented complex changes for accountancy professionals who have struggled to adapt their systems to stay compliant.

Since 2011 limited companies have been required by law to submit their corporation tax returns online with their supporting accounts, with the accounts in a version of HTML where all key amounts and text are identified using a standard set of inline eXtensible Business Reporting Language (or iXBRL) tags.

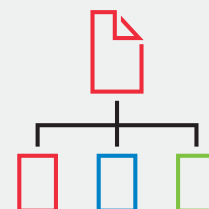
New compliance requirements such as Making Tax Digital (MTD) for VAT, will generate additional work to adjust processes to accommodate the new requirements. These changes will need to be made while also continuing to deliver day-to-day activity.

The solution

Complying with any new regulations is no longer a burden to your team with up-to-date cloud solutions. Automatic updates to functionality ensure that your software is compliant when new regulations come on board.

When the industry is faced with fundamental changes such as MTD, software providers will often send out an awareness campaign to help your team through the new process, removing the burden of interpreting new regulation changes. Commercial software can also help with adhering to vertical compliance regulations such as GDPR. Any changes to compliance requirements will be automatically updated to an accounts production software service.

Accounts production software can also speed up and simplify compliance tasks such as filing accounts with Companies House. Using accounts production software is the most efficient way for accountancy firms and internal corporate finance teams to produce fully tagged company accounts in iXBRL format to accompany the online version of a corporation's tax returns.



Take back control and reduce the opportunity for errors

The problem

Inconsistent working papers can slow down the approval process when any adjustments need to be made and each document is reliant on the member of the finance team working on that production. Without a standardised approach to storing working papers, there is minimal control and visibility on the progress of jobs. Teams that are still reliant on Word and Excel documents are increasing the risk of manual errors within documents and even the wrong document being submitted for review.

The solution

Using in-house accounts production software where all your working papers are housed in a single location means that any adjustments can be completed quickly and efficiently. Internal review meetings are an opportunity to adjust the accounts in real-time, significantly speeding up the process leaving more time to offer strategic analysis of the accounts.

Accounts production software is hugely beneficial when it comes to managing a finance team with multiple members.



The software provides an audit trail of who has edited a document and what adjustments they have made.

Furthermore, data can flow seamlessly from various sources reducing the risk of incorrect data being added by manual error. Knowing which version of a document a team is working on is important. For example, if you're trying to find out which version of a policy is currently in force, or which version of a policy was in use at a time.

Halve the time on low value tasks

The problem

Manual operations take more than double the time than automated systems. Signing off final reports can be time consuming, which can be stressful if compliance deadlines are looming. CFOs and internal teams need access to a variety of data to have visibility of the company's performance.

The benefit of digitising and automating the accounts production system is that it is easy to have complete visibility over the whole process, carry out automated compliance and errors checks, and access up-to-date data in real time.

The solution

The process of completing the final accounts can take weeks. However, using accounts production software significantly reduces the time taken and risk to the business.

The software can even send the latest documents for sign off in advance of review meetings. Automated communication means that relevant personnel are notified as soon as final accounts documents are ready for sign off and they are requested to sign them off digitally.

By installing accounts production software, you can gain access to



internal data in addition to third party sources. Sourcing the data can be automated and the data collected can be added into the accounts production software—in doing so, you're reducing the amount of touch points your team has on the data, reducing both the cost to collect the data and the cost of reformatting it into various reports.

Non-financial data such as churn rates or website data can be added to the management accounts to help inform internal stakeholders of how the business is tracking against key KPIs.

Harness market-leading technology

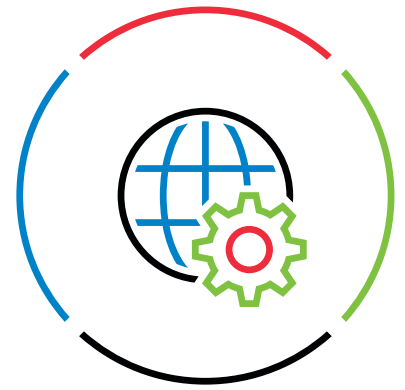
The solution

Digitising your accounts production process or going one step further by moving into the cloud, will stand you in good stead against competition. As more and more businesses of all sizes migrate to digital and cloud-based solutions, it's important to understand the efficiencies and cost-savings these solutions offer you.

AI and machine learning will fast be integrated into businesses, transforming the service that accountants and corporate finance teams offer. Compliance changes such as MTD are a good opportunity to analyse processes and evaluate where improvements can be made to create a more efficient, cost effective, and valued team.

Automation is the key to unlocking the potential of your team, giving them the opportunity to learn new skills and contribute by creating a higher value offering within the organisation other than just reporting data. Taking a digital, systematic approach is key to unlocking your teams' growth in this new digital environment.

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For information on how Wolters Kluwer can help automate and improve your accounts production process please visit www.wolterskluwer.co.uk.



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