

Accounting packages and (virtual) cake

30 September 2020

 @AdaptaforNFP

Adapta Consulting

We are:

- A specialist information systems consultancy
- We only work with membership organisations, charities, associations, trusts and others in the NfP sector
- We are completely supplier-independent
- Our consultants have held senior positions in a broad range of different organisations
- Our advice and guidance is based on practical experience gained over many years
- ...apologies for the lack of cake...

Introductions



Programme

- 14.00 **Arrival and welcome**
Introductions and overview
- 14.05 **Update on the accounting systems landscape**
David Membrey, Adapta Consulting
- 14:30 **Case studies – short stories from speakers**
David Locke, Head of Finance, R.A.B.I.
Neil Goulder, Finance & Operations Director,
Artichoke
- 15:20 **Breakout room discussions and sharing**
All
- 15:50 **Review**
David Membrey, Adapta Consulting
- 16:00 **Close**

Rules of Engagement!

- The first rule of Virtual Cake Club...
- Please **remain in mute mode** unless you wish to participate in the Breakout Room discussions after the speakers have presented.
- ‘Share screen’ should only be used for speaker presentations.
- **If you have a question relating to the speaker presentations,** please submit these at any time using the Chat feature. Questions will be picked up once each presentation has ended.
- If we do not have time to cover questions/all questions, we hope to open a private discussion space following this event.
- **If you have a technical question** please use the Chat facility, and select **Paul Stirrat**, who will be able to help.

Breakout sessions will all discuss:

1. Has lockdown/working from home changed your perception of what a finance system should deliver?
2. Does your organisation see the finance system as purely the responsibility of the finance team and if so how can you change this?
3. What do you think are the three most important criteria for a new finance system?

Each group can choose which of these questions they discuss (or have a go at all of them!). Each group will have a member of the Adapta team who will facilitate the discussion and capture headline notes. Everyone will be returned to the main room for wrapping up.

During breakout sessions: To contribute you should raise your hand using the 'Raise Hands' feature. Unmute once you have been prompted to by the Facilitator.

How to raise your hand: Click on the icon labelled 'Participants'; Click on your name and select "Raise Hand". Hover your cursor over the screen to view the menu.

Results of the questionnaire:

- Systems in use:
 - Sage 50 (8)
 - Quickbooks (2)
 - Aqilla (1)
 - Sage 200 (2)
 - Pegasus Opera (1)
 - MS Great Plains (1)
 - Access Dimensions (2)
 - Sun Accounts (4)
 - PS Financials (1)
 - Advanced OpenAccounts (2)
 - Advanced eFinancials (1)
 - Epicor (1)
 - Unit4 Business World (1)

Results of the questionnaire:

- Perceived issues with current system:
 - Outdated and clunky
 - Outdated, not user-friendly
 - Lack of workflow
 - Poor reporting
 - Cannot produce management accounts
 - Old and frail
 - Not sure if current system is expensive

Some thoughts on the finance system landscape...

- What do you really want from your finance system?
- What are the risks of doing nothing?
- This is an organisational decision not just finance!
- This is rarely just a technology project!
- Do you know the 'cost' of using your current system?
- Are there good and bad systems?
- Are there good and bad suppliers?
- Why do implementations so often not go to plan?
- How reliant do you want to be on Excel?

Functionally rich

UNIT4

ORACLE
NETSUITE

Microsoft Dynamics 365
Finance & Operations

SUNACCOUNTS®

PS Financials
By IRIS

Microsoft Dynamics 365
Business Central

sage

xledger

SAP Business One®

Intacct

access

iplicit

advanced

Microsoft Dynamics GP

ACCOUNTS IQ

AQi//A

SaaS

Liberty Accounts
EST. 1996

Legacy

pegasus

sage 200

xero

Exchequer

qb

QuickBooks.

sage 50

Functionally limited

adapta

Selection levers:



- Cost
- Functionality
- NfP focus
- Hosted v SaaS
- Strong roadmap
- Ease of integration
- Implementation time

Functionality:

- Multi-company
- Partial VAT recovery
- CoA and analysis
- Reporting/dashboards direct from the system
- Statutory reporting
- Multi-year reporting
- Budgeting and forecasting
- Expenses and P2P
- Document management (OCR)
- Multi-currency and localisation
- Integration (e.g. CRM, banking)

Change management:

- Understand finance processes (as is)
- Understand medium and long-term goals
- Understand use of Excel and 'parallel finance systems'
- Understand appetite for change in finance and non-finance staff
- Drive change from the top
- Choose an appropriate pace for change
- Understand your supplier and ensure they understand you

Top 5 pieces of advice



- #1 Avoid the year end
- #2 Don't compromise on budget or project management
- #3 Explain what you want to achieve, not what you want done
- #4 Plan to integrate with O365 and other functionality if possible
- #5 Give time and resource to wider organisational training and cultural adoption

Implementation of a new accounting system

David Locke

Director of Finance

Royal Agricultural Benevolent Institution

Introduction to RABI



We're farming's oldest and largest support charity

R·A·B·I 
Supporting Farming Families

Registered charity no. 208858

Background

Old Access Lite Accounts System

Old Welfare and Fundraising systems

No purchase ledger

Management Reporting quarterly in spreadsheets (if at all)

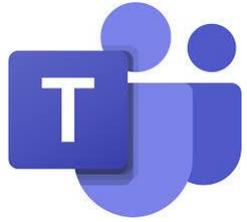
No drill down or analysis available

No access outside of Finance team

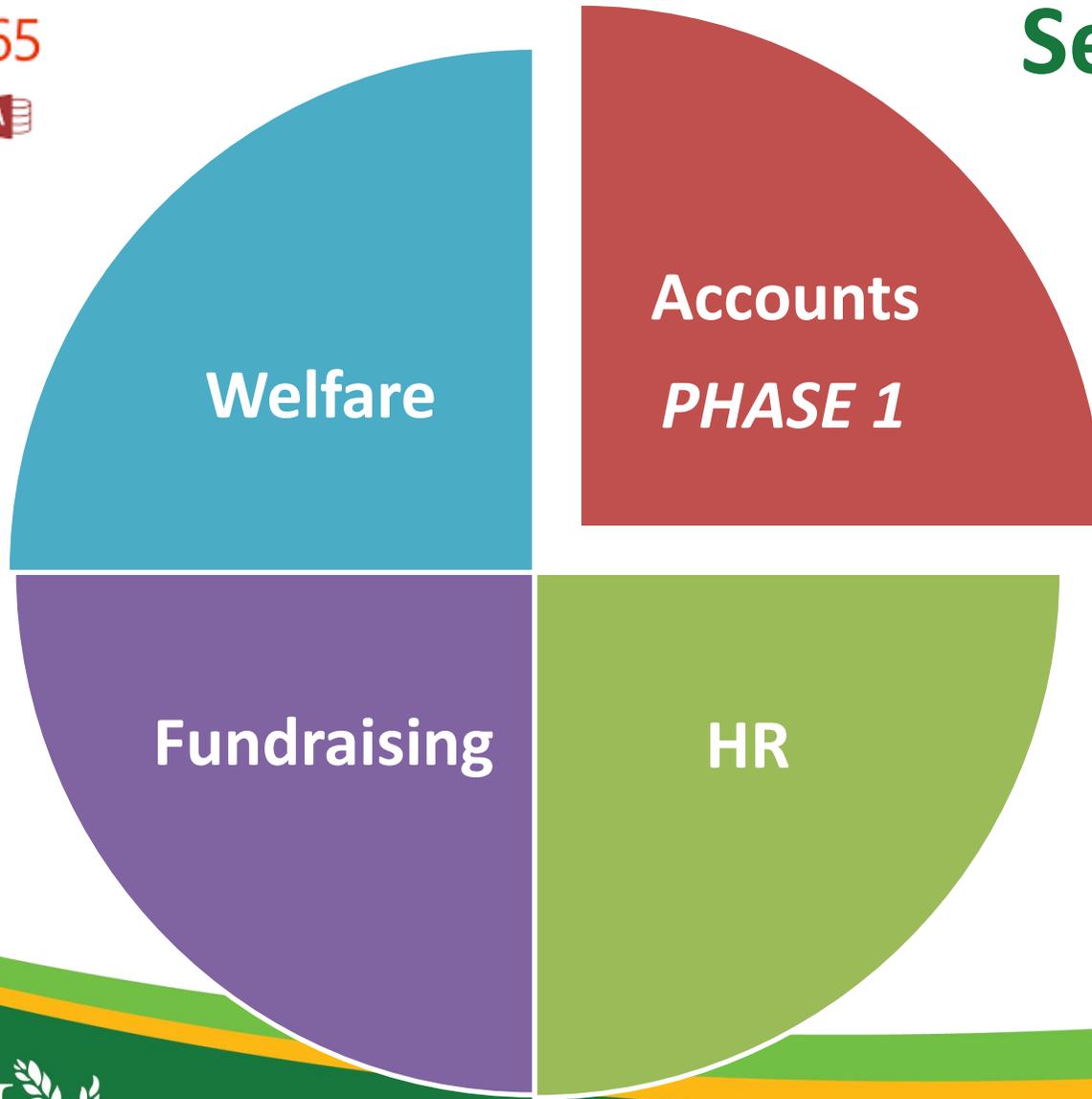
Previous Finance Chief there for 20 years

Transformation agenda under new CEO

Office 365



Selection

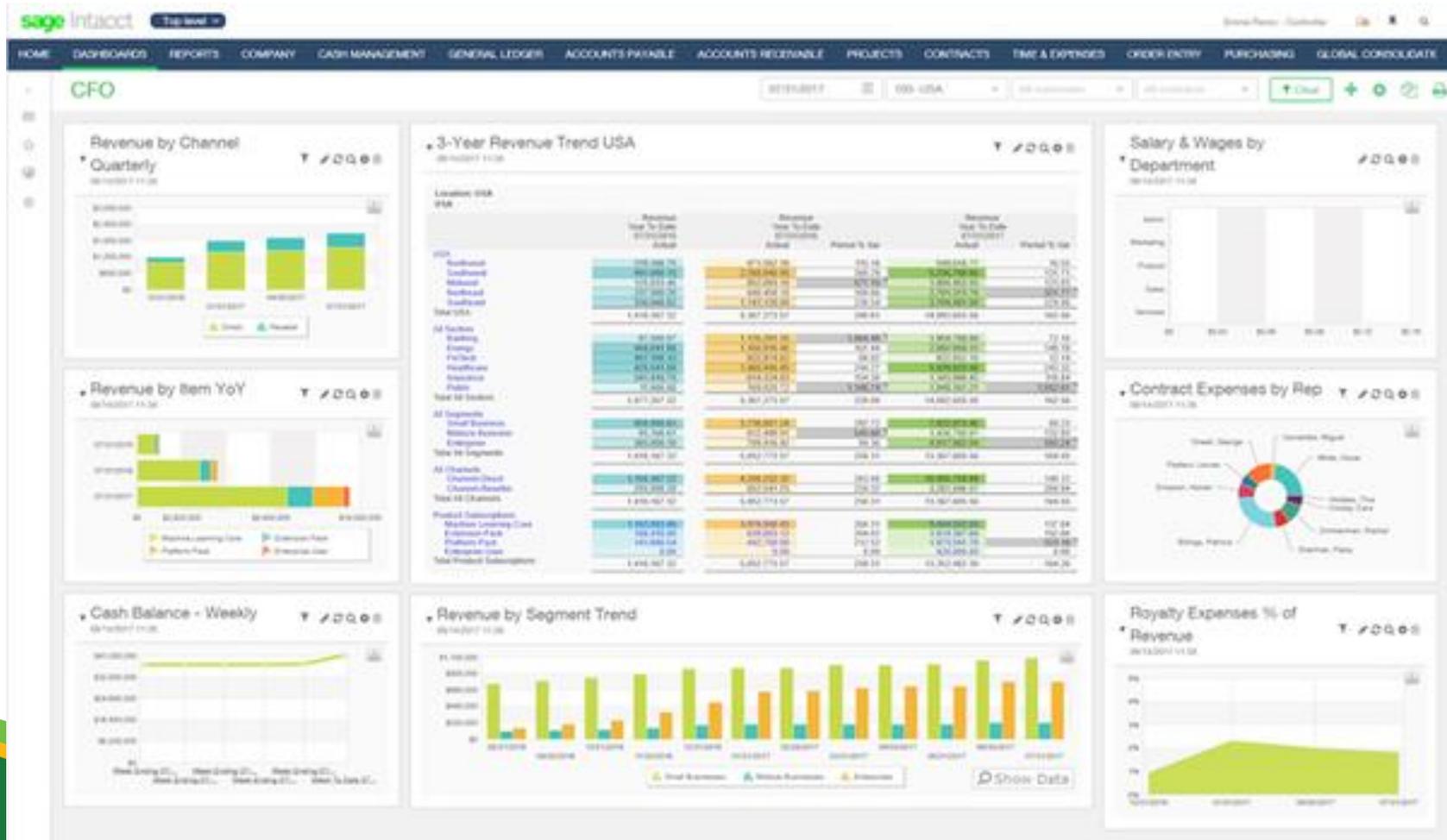


Project Plan

Six months timeline... "Go Live" – This Friday!

R.A.B.I. Finance System																																														
PROJECT START DATE		4-Nov-2019 (Monday)		1		Feb-14				Feb-21				Feb-28				Mar-6				Mar-13				Mar-20				Mar-27				Apr-3												
Task	Estimated Days	Actual days	Remaining days	Days Used %	% Complete	7	10	11	12	13	14	17	18	19	20	21	24	25	26	27	28	2	3	4	5	6	9	10	11	12	13	16	17	18	19	20	23	24	25	26	27	30	31	1	2	3
Finance System Project						F	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F	M	T	W	T	F
Requirements definition																																														
HQ Finance Department	5	5	5	100%	100%																																									
Beaufort Finance Department	3	3	0	100%	100%																																									
Manson Finance Department	3	3	0	100%	100%																																									
Draft requirements	5	5	0	100%	100%																																									
Solution gathering																																														
Knowledge gathering	5	5	0	100%	100%																																									
Review of potential solutions	5	5	0	100%	100%																																									
Incumbent discussions	3	3	0	100%	100%																																									
RSABI Benchmarking	3	3	0	100%	100%																																									
Initial Demonstrations	5	5	0	100%	100%																																									
Technical Evaluation																																														
Creation of evaluation criteria	3	1	2	33%	33%																																									

Sage Intacct.. This is not Sage 50...



Old vs New

- ✓ Cloud based
- ✓ Dashboard & KPI reporting
- ✓ Market Place Solutions (e.g. Expenses, Salesforce)
- ✓ Fixed Assets
- ✓ Financial Reports including SOFA
- ✓ Purchase Ledger and Purchase Ordering
- ✓ Welfare payments via work flow
- ✓ Dimensions – including department, region, project

Chart of Accounts

- Logical
- Sustainable
- Understandable
- Enabling
- Mapping “Old to New”
- Opening balances

**OLD
ACCOUNTS
Code**

**New
Accounts
Code
Structure**

Cost Centres and Dimensions

**Management Accts
& Budgeting**

SORP accounts

Project reporting

The logo for percipient, featuring the word "percipient" in white lowercase letters on a teal square background.

percipient

Lessons learnt

- ❖ **The IT Journey Plan**
- ❖ **Selection process**
- ❖ **Partner choice**
- ❖ **Project Planning Detail**
- ❖ **Cross Departmental buy in**
- ❖ **Director level sponsorship**
- ❖ **Project Manager**
- ❖ **Who steps up...**
- ❖ **Hard work**

Implementation of a new accounting system

David Locke
Director of Finance
Royal Agricultural Benevolent Institution



Adapta Consulting: Accounting Packages & Cake

Neil Goulder
Artichoke Trust

A tale of Triumph, disaster and ...





Artichoke Trust

- Produces extraordinary festivals ...
- ... that disrupt public space in wonderful ways ...
- ... and are free to the public



The Sultan's Elephant (2006)





London's Burning (2016)





Lumiere London, Processions (2018)





My Background

- FCA DChA
- Original interest from Graphic Design, DTP
- Many years' IT Strategy. In 20s, sat on De La Rue's group IT Strategy Group
- Often first line technical support for applications
- Designed and implemented parts of Buckingham Palace's new OpenAccounts accounting system
- CFG Awards Runner Up:
Innovation In The Finance Team





Evolution of Artichoke's IT

Replaced

- Cables & switches
- Desktop Hardware
- Server
- Office software
- Accounting system
- Redeveloped Salesforce implementation



Sage Financials

Virtualised new COA on old accounting system

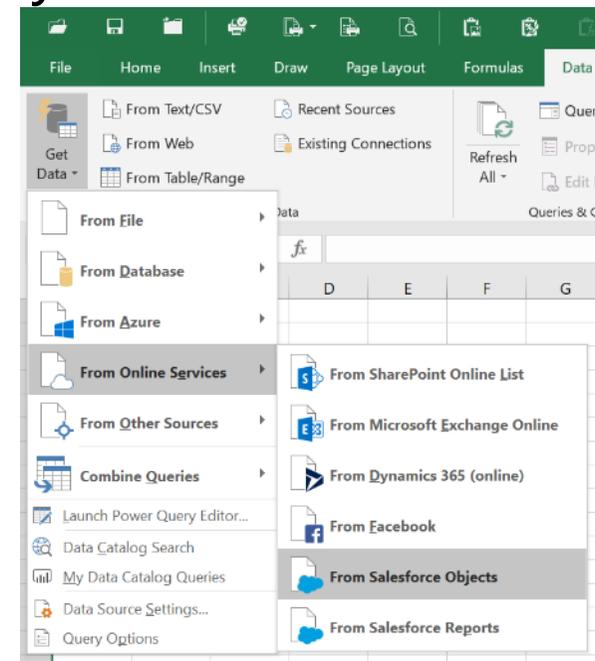
Designed all Dimensions / Analysis Codes

Imported 15 months' data into new system

- **Do not do this** (I will show why, shortly)
- **Did** prove concept and provide platform for super-complicated MGETR Claim

Live links into Excel for

- Transaction Data
- COA
- Analysis Codes





Implementation: Data Import

Static

- COA
- Dimensions
- Dimension Tags

Transactional

- A nightmare
- Purchase Invoices:
 - Header
 - Header Analyses
 - Line Items
 - Line Items Analysis
 - Payment matching



End result

Super-powerful multi-dimensional accounting system backed by Sage

Usual estimate for new accounting system: £40k - £60k

Sage donated 20 hours of low level consultancy and two free licences

Cost:

- £700 for a single day's consultancy
- Many disrupted nights
- 4am breakthroughs



An unqualified success?

Misconfigured areas

VAT Cash Accounting

Bank Rec – proprietary approach

After three years' development (a year after I implemented the system), Sage stopped development

In Feb 2020, Sage pulled the plug from renewal date





Next Steps

Shortlist included

- Entry level systems: quick, lack of power
- Sage 50: only two dimensions (Cost Centre, Project) and cannot post journals to projects
- Sage 200
- Sage Intacct
- Salesforce-based systems
- AccountsIQ



AccountsIQ

Cloud-based

- Web front end, reporting
- Excel Add-in

Dimensions

- Up to 6 (we use 4)
- Create "BI Codes" (renamed to "Analysis Codes") for only valid combinations



Dimensions

Project

- Core
- Combustion 2020
- Lumiere 2021

Project Phase

- Pre-production
- Live
- L&P

Cost Centre

- Comms
- Development
- Finance
- Production

Installation



Analysis Codes (BIs)

LD21 - Com - Live

LD21 - Dev - Live

LD21 - Fin - Live

LD21 - Fin - Merc

LD21 - Pro - Pre

LD21 - Pro - L&P

LD21 - Pro - Live

LD21 - Pro - Conf

LD21 - Pro - Post

Core - Com

Core - Dev

Core - Fin

Core - Pro

Project	Cost Centre	Phase	Installation
Analysis Code	Description		
CC21 - Fin - PrF	Combustion 2021 - Finance & Admin		
Core - Fin	Core - Finance & Admin		
Ga20 - Fin - Live	Galway 2020 - Finance & Admin		
LD21 - Fin - Live	Lumiere Durham 2021 - Finance & Admin - Live		
LD21 - Fin - Merc	Lumiere Durham 2021 - Finance & Admin - Merchandising		
LD21 - Fin - Post	Lumiere Durham 2021 - Finance & Admin - Post-Production		
LD21 - Fin - Pre	Lumiere Durham 2021 - Finance & Admin - Pre-Production		
Ma20 - Fin - Live	Macnas - Finance & Admin		



Implementation

Reviewed demo system

Downloaded all static data from Sage into Excel

Cleaned data (splitting addresses)

Combined data (bank accounts)

Quoted 4 – 12 weeks for implementation

Set a target of 2 weeks

Signed contract on Wed 8 April

Started data upload on Th 9 April

Went live at 4:30 pm



Data Block



From ledger

- Date
- A/C code with Desc
- Amount
- N/L Code
- Analysis Code

Lookup

- Period, A/C Year
- N/L Hierarchy
 - Asset/Liab/Inc/Exp
 - COS/Direct Costs
 - Payroll / Other Labour Costs
 - Addl Staffing/ Other staffing costs

- Dimension Codes (4)
- Actual/Budget
- Desc without A/C Code



Reporting

Live refreshable data in Excel

Camera-ready Pivot Tables for Man A/Cs, Stat A/Cs

- Embed in Word document

Use Slicers

- Allow multiple Pivot Tables to be updated to same month(s)

Automate Lead Schedules

- Smart use of Descriptions allows non-zero items to pull through into Sundry Debtors / Sundry Creditors lead schedules

The screenshot shows an Excel spreadsheet with columns A, B, and C containing names. Below the list is a PivotTable for Neil Goulder. The PivotTable has a 'Total' column and rows for 'Brought Forward', 'Basic Entitlement', 'Long Service Days', and 'Carry Forward'. There are also rows for dates: 08/04/2019, 29/04/2019, and 20/05/2019.

Neil Goulder			Total
B/F	Brought Forward		8.5
	Basic Entitlement		60.0
	Long Service Days		5.0
	Carry Forward		(3.5)
		08/04/2019	(1.0)
		29/04/2019	(1.0)
		20/05/2019	(1.0)

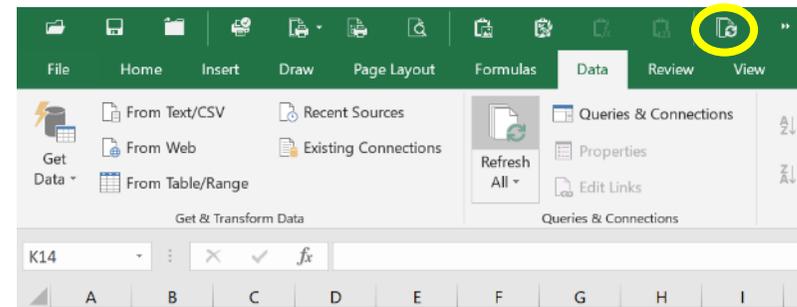
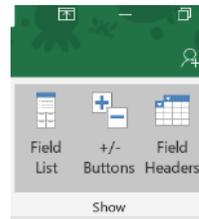


Advantages

Real Time Management Information

No Formulae

Camera-ready and
drilldown versions
of report



Combine data from multiple sources
(e.g. Sage and Salesforce) for reconciliations

License-free Dashboards

Can be displayed in SharePoint (by embedding
named range of Excel sheet



Advice

Clean static data in Excel

Upload opening Trade Debtors & Creditors as invoices
in prior year

- Ensures VAT treated correctly (Cash Accounting)

Design dimensions to ensure simple reporting

- Capture all data once, to avoid running parallel spreadsheets

Build out data in Data Block, to feed pivot tables

- Can automate periods: Past, Current, Future



Questions



GRAB A COFFEE before Breakouts



Breakout Room Discussions



1. Has lockdown/working from home changed your perception of what a finance system should deliver?
2. Does your organisation see the finance system as purely the responsibility of the finance team and if so how can you change this?
3. What do you think are the three most important criteria for a new finance system?

Re-convene for (quick!) feedback from each group.



Review and close

Upcoming events...

18 Nov – Project Management & Cake

25 Nov – Digital Strategies and Cake

www.adaptaconsulting.co.uk/adapta-events