

How to take the pain out of managing your business finances

**Outsourcing your
Back office**

**WHILE YOU GROW
YOUR BRAND**





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Why Companies Choose to Outsource

What businesses have learned from the pandemic:

Following the pandemic, businesses are looking for new ways to drive down costs and retain value and standards. They are focusing on risk management as well as business growth.



70%

Of businesses are now looking at **cost reduction** as the primary reason for outsourcing.

Source Deloitte

40%

Want more **flexibility** in their workforce as a major reason for outsourcing.

Source Deloitte



15%

Want **access to a more professional team** with a greater range of skills.

Source Deloitte

Benefits of Outsourcing your Bookkeeping & Accounting

1. ALLOWS YOU TO PRIORITISE YOUR TIME

If you or somebody in your company spend two hours a day five days a week working on payroll, PAYE/PRSI and other taxes and another two hours generating invoices etc. that takes almost 80 hours a month out of your time to spend selling your product or service and growing your company. You are working in the business rather than on the business.

2. COST SAVINGS

Employee costs – like hiring, bonuses and benefits, training and the cost of turnover if the candidate leaves are all substantial on any business. By outsourcing you are handing those costs and headaches over to a trusted partner who has a multi-talented team to take care of all your needs.

3. COMBINED EXPERTISE

With an outsourced financial services team, you get trained accounting professionals in one place that would be hard to afford for most businesses on a standalone basis. That allows your business to leverage expertise and scale whether its bookkeeping, management accounting, compliance or project work from one supplier. All of that allows you to drive growth in your business.



Benefits of Outsourcing your Bookkeeping & Accounting



4. TRANSPERANCY

With outsourced accounting and financial services, you have an upfront monthly cost that you can budget for. Good outsourcing companies will also provide you with a rate per hour for project work and this all helps with cash flow; a major challenge as your business expands.



5. ABILITY TO SCALE

Outsourced accounting services should be customized to meet all your needs, You want to be a growth business and not a static one and outsourcing allows you to do just that and do it at a pace you can afford and budget for.



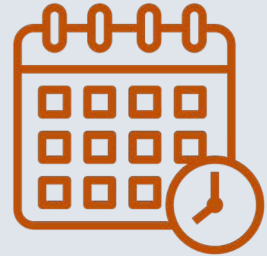
6. FRAUD PREVENTION

Good outsourcing companies will provide you with timely (usually monthly) financial management reports where you can see exactly how your business is doing on a timely basis. That reduces the scope for any fraud that may happen if accounting and finances are kept in-house



Timing your Outsourcing Decision

Once you have gone through the start-up phase, you will begin to add employees. They may be sales staff, marketing staff or technical staff. What you need to decide is whether you should add bookkeeper/accounting staff on to your payroll or if it is more cost effective to outsource these roles.



Making the decision about when you should outsource your finance service will be a combination of where you are at in your business lifecycle at present and where you want to go next in your business life cycle.

Changing skills for your back-office

As your business grows the skills levels and requirements in the back office also become more complex. Staff will be needed to deliver bookkeeping, management accounting and eventually CFO support services. These tasks are very different and can rarely be completed well by the same person.

That could turn out to be three separate hiring processes and salaries for your business rather than one monthly fee for an outsourced service.

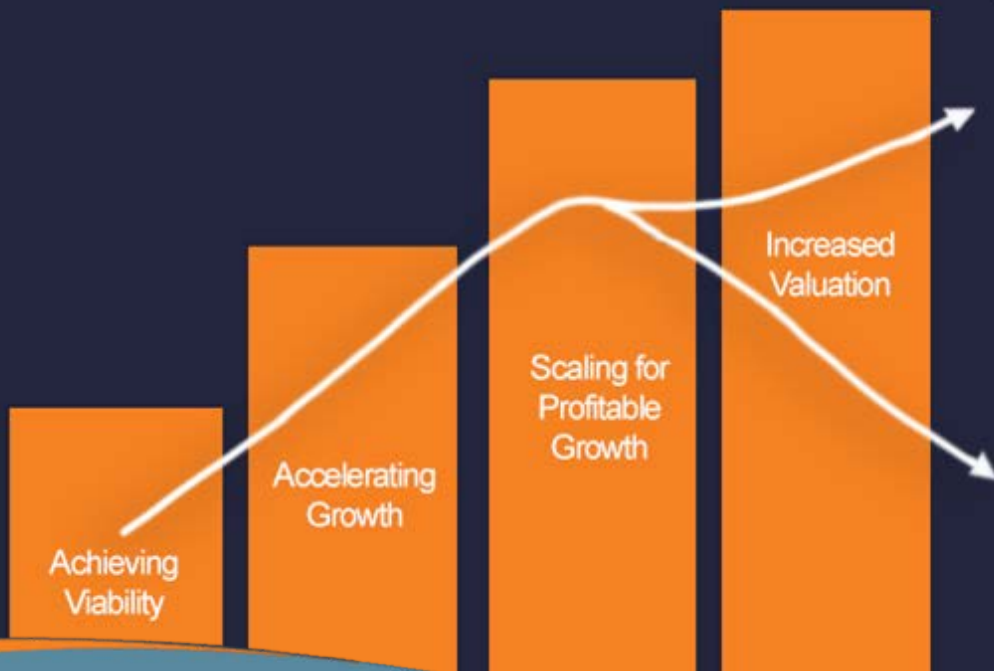
Timing your Outsourcing Decision

Startups will focus more on compliance and keeping overhead costs low to invest as much as possible into the business.

To survive growth stages, strategic decision-making and shrewd cash flow management are critical. Outsourcing empowers business leaders to have efficient cash flow management, and insights for making data-driven decisions

"aperio's managed finance service supports Technically Write IT's rapidly growing business. Delivering a finance department through online technology which cuts costs, reduces administration and provides the key financial insights required to grow the business profitably into the future."

Patrice Fanning,
Founder of
Technically Write It



Comparing your Outsourcing Options

Solution	Benefits	Drawbacks
External Bookkeeper	<ul style="list-style-type: none"> • Rate per hour (if hours vary then costs will vary) • Bookkeeping level expertise 	<ul style="list-style-type: none"> • Limited understanding of detailed accounting concepts • No ability to provide business or tax advice • Doesn't provide any financial performance information • Your business will still need to hire a separate accountant to manage compliance activities
Accounting firm providing accounts service (quarterly / annually)	<ul style="list-style-type: none"> • Access to professional accounting expertise • Financial performance information available on a regular basis • Rate per hour (if hours vary costs will vary) 	<ul style="list-style-type: none"> • Financial information is not real time – always historic information • Cloud accounting tends to be "add on" service rather than their core focus • Firms often focused on tax and compliance and lack skills to support growing businesses

Comparing your Outsourcing Options

Solution	Benefits	Drawbacks
Full-service outsourcing using cloud based accounting	<ul style="list-style-type: none"> • Fixed Fee per month • Real-time finance information for informed decisions • Service designed from the ground up to become part of your team • Access to varied expertise as required (bookkeeping, management accounts, CFO services) • Outsourced firm responsible for providing high quality, trained staff and good practices • Your data stored in a cloud system available to you as required 	<ul style="list-style-type: none"> • Time and trust required to find the right outsourced partner

In establishing a new entity in Ireland, Sound & Sea required expert advice and ongoing support to ensure that the Irish company was established in the correct manner and that the ongoing operations were seamless.

Gabriela and the aperio team took us by the hand from the outset and ensured a completely hassle-free and speedy establishment

Andrew Parish, Managing Director of Sound & Sea Europe

Four Areas that can slow the Growth of your Business

For some businesses the outsourcing of their finance departments can be the final piece of their growth jigsaw because of the technical expertise you get access to for the first time.

It helps businesses identify opportunities for improvement in their accounting and management systems, their profit margins, their cash flow model and their risk management strategies.

**Inefficient
accounting
system**



**Limited or
inconsistent
cashflows**



**Inadequate
risk
management**



**Lack of
Profitability**

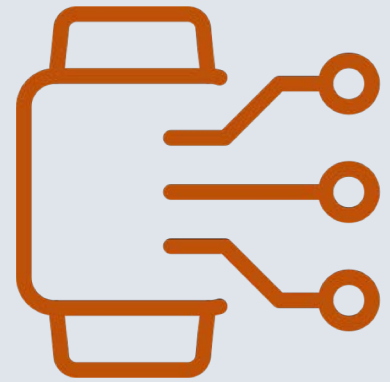


Best Practices in Outsourcing Finances

Understand best practices in business bookkeeping and accounting so you know what's important when choosing the best option for transitioning to an outsourced partner.

1. Integrated Systems

Eliminate errors and time wasting with the use of automation of your business processes. Your accounting system should integrate and sync data that exists in electronic form e.g. timesheets integrated to service software for billing.



- Billing systems
- Payroll for job costing
- Profitability reporting with respect to any aspect of your business

2. Standardisation

Standardised weekly and monthly processes and reporting to ensure accuracy, timeliness and good practices. Your outsource partner can set up a system that includes things like checklists and exception reports.



- Checklists
- Documentation of all best practices for billing, collections and cash flow management
- Training of standard processes

Best Practices in Outsourcing Finances

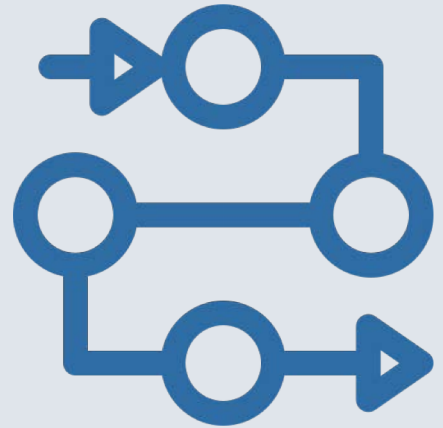
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3. Processes & Reports

It is important to have a defined process for month-end close to successfully complete compliant, audit-ready reports each month.

Throughout the month be mindful of:

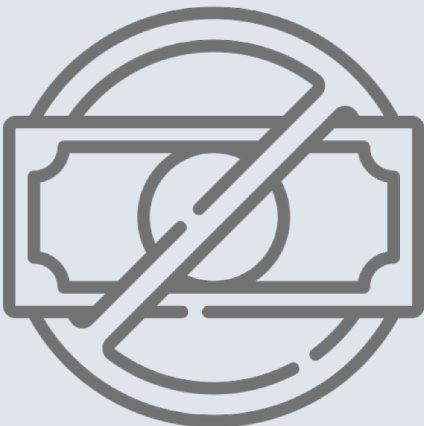
- The reports you need to help you make decisions e.g. cashflow monitoring
- Who uses those reports and with what frequency they should be distributed
- The types of decisions that will be made by looking at the reports



4. Reduce Fraud

Separation of duties and internal controls with checks and balances is necessary for your processes, policies and procedures. Specific steps in your bookkeeping and accounting processes should be completed by different people to ensure a second set of eyes and various duties divided such as:

- One person to authorise, another to record and a different person to reconcile an account

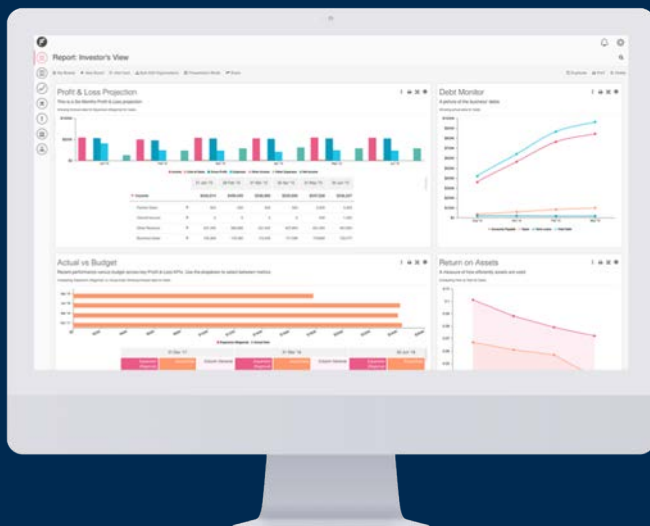


The Importance of Management Accounting

What Is Management Accounting and why is it important for Growing Businesses?

Management accounting is the practice of identifying, measuring, analysing, interpreting, and communicating financial information to managers for the pursuit of an organisation's goals.

It varies from financial accounting because the intended purpose of managerial accounting is **to assist you in making well-informed business decisions as opposed to demonstrating that your tax and compliance are in order.**



Management Reports help you answer the business questions that decide your long-term success

- Which products or services generate the most profit?
- How should I price for new work?
- How does my hiring plan impact my business cashflow?
- What's my projected profit for the next 12 months?
- How much investment do I need to reach my goals?

Choosing the Right Partner

Considerations when choosing an outsourced finance firm

1. Experience

How long has the firm provided outsourced client services?

2. Specialisation

Do they have clients in your industry already?
Do they specialise in your accounting software?

3. Technology

Are they able to build or optimize your accounting systems to automate and integrate all your financial data?

4. Team

What are the team's special skills?
Will you have a dedicated team?

5. Expertise

What expertise and level of training do the team have?

6. Communication

How do they communicate with your team?
Can you get in touch when you need them?

7. Scope

Are they able to deliver the scope of work that matches your need? Are they flexible? Can they provide real-time service or is it just all batch processing?

"When I started, I saw aperiio as a way of setting up all the right financial infrastructure, but it has turned out to be a far more encompassing service. We really chose the right partner." Sean McCarthy, CEO Naturespharm Ltd



8. Your Responsibility

What are the responsibilities, deadlines and expectations of your staff during the transitioning and after the transition?

9. Scalability

Are they able to grow in tandem with your company's requirements or reduce their service if your company slows down?

10. Reporting

Do they provide a reporting package that includes management reports customised to your organisations drivers of success?

11. Security

How will my businesses data be protected?
The best firms understand the importance of security. They invest and become expert in both physical and digital security.

12. Access to Xero or software platform

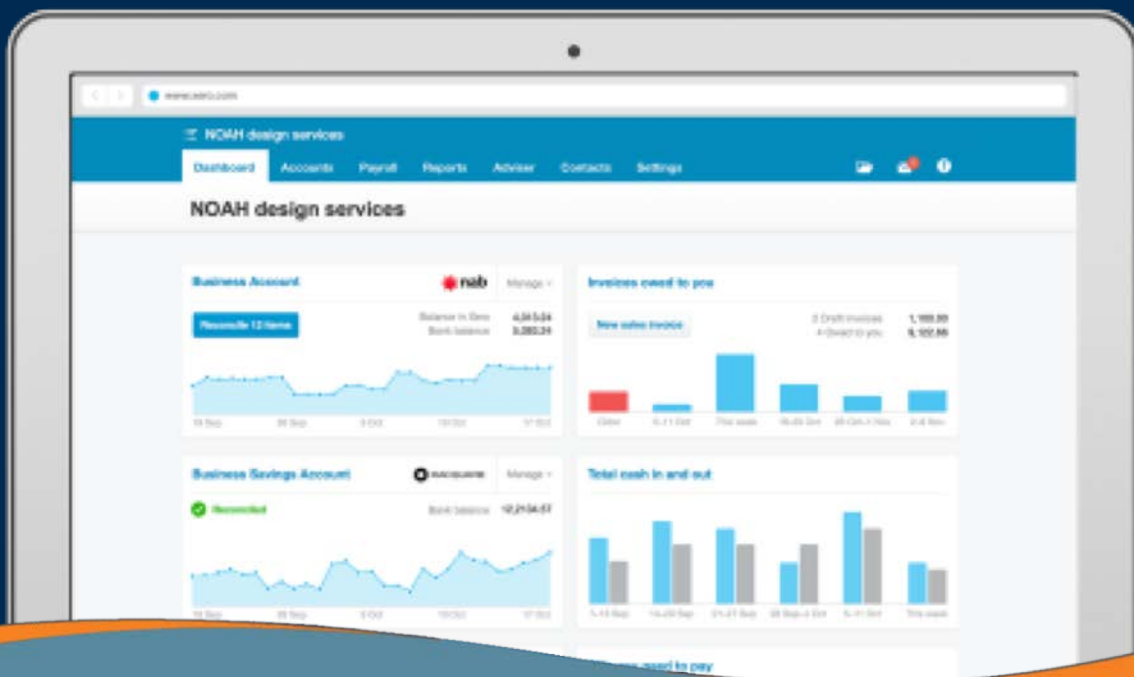
Do they limit your access to your own accounting software? Believe it or not some companies do. Are they willing to work with you and train your staff on any new software system?

Why aperio?

aperio has an exceptional financial and technology team that sets us apart in the industry. In addition to our core bookkeeping and accounting services, we're experts in helping you integrate your accounting systems with the rest of your business. This gives you a clear understanding of business performance and helps you to increase your profits.

We have assembled a team with both Irish and international experienced headed by Gabriela and Brian O'Mahony who bring their accounting, outsourcing and technology expertise to your business. They are a leadership team with real world experience from start ups through to multi-nationals.

The aperio team will help with the on-boarding process as well as update accounts and compliance that may not have been updated during the last few years. Their team of accountants and systems analysts will deal with the day-to-day part of your business. The team can also offer a range of other vital supports for business owners such as grant applications, capital loan applications and European funding applications.



aperio

Start a Conversation

We are an innovative Irish company bringing with 10 years experience in all facets of business whether that is in start-up, growth or sustained growth phase.

We would like to talk to you if you are a business that is ready to transition to a more professional and timely finance back-office partnership.



Learn more about us - Visit us online:
www.aperio.ie