

Building a Finance Department

A Small Business CFO Case Study

COMPANY

Jubilant Technologies is a privately owned firm specializing in enterprise-wide digital multimedia communications.

BACKGROUND

Since inception, the firm only kept track of cash balances in the checkbook. In its third year, the owner observed an increase in activity and sought to advance the financial function.

SBCFO'S ROLE

☑ Chose software.

SBCFO researched accounting software and selected Peachtree Advanced Accounting as the accounting database to use for the firm. The choice was based on:

- Custom reporting with the inclusion of Crystal Reports bundled in the software package, and
- Upgrade facility, given that Peachtree's parent company also sells BusinessWorks and MAS 90 and provides utilities to facilitate the upgrade process.

☑ Set up the software.

Working with the client, SBCFO determined what financial reports were required. SBCFO configured the software and set up accounts that would summarize finances in those reports.

☑ Entered historical transactions.

All transactions were entered from the business's inception, by month, according to the accounts set up in Peachtree.

☑ Developed a cash forecasting system.

SBCFO created a cash forecasting spreadsheet that included:

- Current balances of cash, accounts payables, and accounts receivables,
- Anticipated business deals with expected revenue inflows by week, and
- Expected outflows including deal-related outflows (cost of goods) and overhead expenses.

JUBILANT

Jubilant Technologies

www.jubilant.biz

Business Need

The client needed Small Business CFO to develop a financial function from scratch.

Solution

Small Business CFO selected, installed, and configured the financial database, entered data to catch up on transaction backlog, documented processes, and trained an incoming bookkeeper.

Results

A fully functional, customized financial department appropriate to the company's immediate needs, with the framework provided for future growth.



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Building a Finance Department *(Continued)*

☑ **Established operational procedures.**

SBCFO developed a systematic way of handling paperwork, ensuring that transactions were entered based on paperwork received.

☑ **Training bookkeeper.**

After setting up the department, SBCFO trained a bookkeeper to perform the daily tasks at the client site.

BENEFITS

☑ **Focus on sales and product development.**

With SBCFO watching over financial operations and management, the client was able to shift his focus to areas key to growth: developing, selling, and delivering products that add value in the marketplace.

☑ **Financial reports are current.**

Financial reports are based on up-to-date information since the bookkeeper is regularly entering receipts.

☑ **Financial department will grow with company.**

With the company poised for growth, the owner has a financial function that is in place and ready to accept the greater demands of a higher transaction volume.

☑ **Taxes and compliance up to date.**

The client is comfortable knowing that the firm's taxes, regulatory, and financial compliance issues have been addressed and are current.



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