



Quality Close

Business Performance Services

ADVISORY

KPMG can help your organisation evaluate and refocus its resources, and establish sustainable and repeatable preparation and reporting processes, so you are better positioned to generate the data required within a transparent reporting environment.

Increasing requirements

Organisations are often required to report their financial results according to various sets of rules (requirements of Hungarian legislation, International Financial Reporting Standards, US GAAP, etc.) and to provide management with the necessary reliable information to manage the business.

Existing accounting systems may not be able to meet new standards or fulfil business requirements. The results are inefficient processes which can be prone to error. The organisation may also have problems keeping deadlines set by the management, owners or regulatory bodies.

As a result, organisations are re-evaluating their financial close processes in order to simplify them and make them faster. These also require significant changes to be made to the financial reporting systems of an organisation and affect both the structure and processes of the finance function

Benefits of Quality Close



The Quality Close service

Our Quality Close aims to drive an efficient, repeatable closing process through effective use of resources, streamlined processes, and integrated technology, providing the proper balance of *speed, reliability, and financial transparency*. Value is often realised through a reduction in the number of days needed to close, along with greater confidence in the data integrity and the overall closing process, while at the same time controlling your costs.

KPMG has developed its Quality Close service to help companies manage their finance function by providing tools and methodologies that facilitate development of a seamless closing process, a more value-added finance function and the effective use of integrated IT systems to deliver a *high quality and speedy close*.

How it works

KPMG Quality Close service is provided by Quality Close professionals who have broad experience of financial close processes and systems and the finance function as a whole. We can work with you to assess the current state of your financial closing using propriety benchmarking data, to help you design your desired future closing process and to help you implement and measure the effect of the improvements.

Specifically our methodology comprises three steps:

1. Assess – we can help review, analyse and document the current closing process to identify improvement opportunities.

During the assessment process we utilise our international experience in identifying the main obstacles to a quality close:

- Many different legacy systems with complex interfaces;
- An impractical chart of accounts or a large number of departments or accounts;
- Off-line corporate consolidations performed manually in a non-integrated environment;
- Missing or outdated policies and procedures;
- Numerous spreadsheets capturing important data requirements;
- Lack of confidence in the numbers; concerns over source data integrity;
- Financial skill-set gaps among the responsible employees;
- A complex inter- and intra-company structure and complicated reconciliation processes;
- Significant manual intervention and the need to enter data more than once when carrying out the month-end close.

To highlight improvement opportunities that can help to create the desired future position we can help through:

- Conducting a high-level workshop with key-members of the organisation;
- Interviewing key people within the business units, functional and technical areas;
- Reviewing the organisational structure and the roles and responsibilities of the finance and accounting group;
- Identifying organisational improvement opportunities;
- Developing high-level maps of processes and data flows;
- Preparing a high-level assessment of the current monthly closing, consolidation and reporting processes;
- Performing a high-level assessment of the effectiveness of current technology;

- Identifying process and system improvement opportunities;
- Documenting the current accounting and business systems;
- Identifying technological improvement opportunities to generate quality close key benefits.

2. Design – we can work with companies to develop their desired future closing process, incorporating the identified improvement opportunities.

3. Implement – we can help develop an action plan to reduce the number of days to close by clearly laying out critical milestones, continuous improvement metrics, deliverables, and designated process owners.

Contacts

It would be our pleasure to introduce you to our Quality Close services in more detail, either in the form a presentation or face-to-face discussion. If you would like more information on how Quality Close can help, please contact our professional accounting advisory services team:

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