

# Case study: Commercial Finance and Lending business (“LES”).

“Wilson Partners’ work to streamline and improve the transaction process has reduced the amount of time we need to spend on this part of the business. This gives us confidence that the reports we are using each week to see how the business is performing, allows me to make informed decisions and help to grow the business further.”

## **In brief:**

Wilson Partners help an entrepreneurial business leader remove the headache of running the finance function and frees up time to concentrate on growing a successful business.

## **Who:**

A business that provides finance to individuals secured over their properties and offers fixed returns to investors as an alternative investment fund manager.

## **What:**

Introduction and roll out of Xero.



## Improving business performance

### The background:

Wilson Partners started to work with LES in 2020. The business provides finance to individuals secured over their properties and offers fixed returns to investors as an alternative investment fund manager.

The group has recently gone through a restructuring with a view to growing the business.

### The problem:

A pain we often see with growing owner-managed businesses is that the very growth they are looking for can often start to mean the MD, or leadership team, spends less time doing the things they are good at and more time on things like running the finance function invariably devoting time to things they really don't want to do. This has two implications:

1. It's not an area of their expertise and therefore may not get the attention it deserves, often storing up issues for the future.
2. It's not what they enjoy and therefore can diminish the pleasure they get from running their business.

The bookkeeping and finance function was carried out in-house at LES, however there was a frustration that too much time was being taken up. In addition, the MD was not able to maintain enough focus on the business and ensure that as the business scaled, its accounting was accurate with quality reporting to enable good decision making. The MD was also focussed on automating both their main operational processes and finance processes.

### The solution:

The focus on automating operational and finance processes as a forward-looking approach is something that aligns with Wilson Partners philosophy, so we were delighted to assist with implementing an accounting system that could integrate with the internal systems and bring some efficiencies to the book-keeping process.

A review of the current systems quickly identified that a cloud based, multi-currency accounting system would work well. The Xero platform was chosen, and Wilson Partners implemented the system.

The key in the set-up process was to ensure that reports could be generated for investments in the originating currency. This meant that Wilson Partners had to consider which of the add-on partners was appropriate for the transfer of the data to Xero.

There were a number of efficiencies in the processes that Xero could fulfil:

- Bank feeds – pulling in the transactional data on a live basis so that the reconciliations could be kept up to date.
- Bank Rules – a number of the transactions are repeat transactions, particularly the interest payments to investors, so rules were set up to code these transactions automatically.
- Repeat sales invoicing – the process of recording the interest income, enabling the invoices to be raised automatically, approved within Xero and sent where appropriate without any human intervention.

- Xero network links – there are standard cross charges between some of the entities. Repeat invoices were set up for these. Not only are they raised and approved automatically, but via the Xero network link, they are also automatically recorded in the receiving entity.
- Each entity was set up to provide automation for the processing of processing supplier invoices.
- The client was keen to see weekly reports so that they could keep track of the company performance. Wilson Partners set up reports in Syft to report not only the P&L and Balance sheet, but also report the profit on a deal-by-deal basis by using tracking categories within Xero.

**“It's been great getting my teeth into this business. It's a bit different to most of our other clients and we are regularly faced with a different transaction to talk through and account for. I'm looking forward to seeing how it can become even more automated and working with them to make that happen!”**

Zoe Hellmuth, Associate Director,  
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