

Account Reconciliation Success Story



“By automating the Account Reconciliation process IC Solutions has helped us increase our productivity by up to 50%.”

Stephen Ostaszewicz, Controller, Mabe Canada Inc.

Highlights

Background

A customized account reconciliation system was developed for and implemented at Mabe Canada Inc. Mabe’s global financial audit team in charge of reviewing the global financial practices deemed the Account Reconciliation system in Canada “best practice”

Key Problem/ Challenges

- Inefficient, error-prone process
- Cumbersome excel spreadsheets
- Inconsistent processes and documentation to support account reconciliations
- Lack of visibility & controllership
- Labor intensive, time consuming process

Vision/ Project Objectives

- Develop a consistent, reliable & efficient process
- Remove non-value added work

Solutions

- Automated upload of account balances
- Control and accountability for reconciling and reviewing key accounts
- Group reconciliations

Benefits Score Card

| SOLUTION / RESULTS | CTQ's | | | |
|----------------------------|--------------|------------------|------------------------|---------------------|
| | REDUCED COST | ELIMINATE ERRORS | IMPROVE CONTROLLERSHIP | SATISFIED EMPLOYEES |
| 50% EFFICIENCY IMPROVEMENT | ✓ | | | |
| MULTIPLE LAYERS OF REVIEW | | ✓ | | |
| AUDITOR FEATURES | | | ✓ | |
| ELIMINATE PAPER FILES | ✓ | | | ✓ |
| ENHANCED WORK FLOW | | | ✓ | ✓ |
| OVERALL RESULTS | ✓ | ✓ | ✓ | ✓ |

Mabe Canada Inc.

Interactive Custom Solutions Ltd. (IC Solutions) was hired to help the Mabe Canada finance team address issues the company was experiencing in completing their ledger account reconciliations.

Company Background

Mabe is a major international factory direct service company for white line leading brands with plants and offices and commercial operations in Mexico, Canada, Venezuela, Colombia, Ecuador, Argentina and Brazil. They export products to more than 70 countries, selling more than 12 million electrical appliances annually.

The Challenge

Mabe Canada’s finance team were looking for help to develop a process to remove non-value added work associated with their ledger account reconciliations. The solution had to allow for a central repository of all account reconciliations for viewing by all financial personnel as well as the internal and external auditors. The existing process was extremely time consuming, prone to errors and difficult to control. Employees reconciled accounts using Microsoft Excel spreadsheets and maintained hard copy supporting documentation. Accessing historical information and generating reports was very difficult.

Primary CTQs (Critical To Quality):

- Work elimination
- Data accuracy
- Controllership
- Easy to use and a central repository for reconciliations

The Vision

To implement a standard, easy to use account reconciliation system that is accessible to the entire Canadian operation. The system must provide electronic file and document interface and it must be able to provide the checks and balances to ensure all accounts are reconciled in a timely manner and be completed with 100% compliance with corporate policy and generally accepted accounting standards.



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The Solution

IC Solutions worked with Mabe Canada to develop a standardized application to improve their entire Account Reconciliation process. Using their existing system account reconciliation module as a foundation, IC Solutions thoroughly reviewed all of Mabe's business requirements and then incorporated additional customizations to ensure that the final application met all of Mabe's functionality requirements. Over the years, IC Solutions has continued to support the system, building in additional features to meet changing business needs (e.g., transitioning from Camco to Mabe systems in 2007).

“Your customized solution met our unique needs and has proven to be adaptable to changing business requirements over the years.”

The Account Reconciliation application helped to ensure several key business criteria were met:

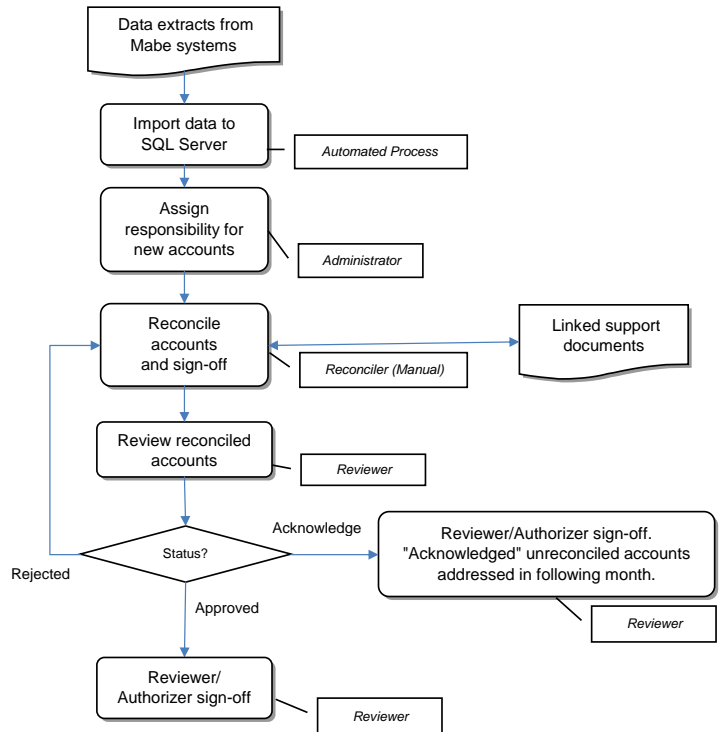
- Each account had a description/purpose
- Total of items listed = ending balance in the GL
- Account reconciliation and supporting documentation are accessible
- Account reconciliation was reviewed by peer/manager

Highlighted User friendly system attributes:

The user interface was designed to be intuitive and easy to use.

- Automatic upload of account balances at end of each period
- When user goes into the system, they see only their own accounts ready to be reconciled/reviewed
- All backup for reconciliations are linked to PDF files stored in a central location
- Ability to filter using the balance/account/date/reconciler, etc.
- Transparency
- Accountability
- Standardization
- Created interface with Baan – included dimensions

“...you have consistently delivered projects on-time and on-budget.”



Key System Features

The major features of the Account Reconciliation System:

- Account management and responsibility mapping
- Upload of GL balances and other data extracts
- General account information maintenance
- Review/authorize account reconciliations
- Individual or group account reconciliations
- Data validation
- Electronic signature/sign-off
- Link to supporting documentation
- User security profiles/transaction restrictions
- Email notifications
- Inquiries and reports
- Search/filter functionality
- Global management tools
- Multi-currency capability
- Editable business criteria



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“The IC Solutions Account Reconciliation system is now considered a “best practice” by our global audit team.”



“Our critical-to-quality (CTQ’s) design requirements including elimination of non-value added work, data accuracy, controllership and a central repository for completed reconciliations were all delivered.”

The Results

IC Solutions’ Account Reconciliation application has helped Mabe Canada significantly improve their data accuracy, controllership, reporting and overall productivity. The system has effectively grown over the years as business needs changed. It has saved time, reduced errors and eliminated non-value added work. Historical data, inquiries and reports are now fully accessible by both finance and audit staff. Supporting documentation is stored in electronic format and linked directly to account reconciliations.

Mabe Canada continues to use this application for their monthly account reconciliations and are extremely happy with the IC Solutions team and its software. They offer this solution as a “best practice” as it has proven to successfully meet all of their needs and ensure the integrity of their financials.

Since implementing the account reconciliation software, Mabe Canada has also worked with IC Solutions to design and develop additional systems to manage Expense Reporting and Fixed Assets.