



Tips on accounting service upgrading

Key notes delivered by Martin Ng,
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What is the expectation when a company outsources its “finance” function? Quality service of course. It sounds like a simple question but the answers from a set of seasoned CFOs will be wide-ranging. Obviously, the larger the organization, the more grandiose the expectation can be. But for SMEs, which are usually the majority of such service need, it is helpful to think of their need for two different types of service providers, “a *bookkeeper*” and “a *virtual CFO*”.

- A bookkeeper-type service provider: He focuses on the past and a much narrow realm. He handles the most basic financial activity in a company, like tracking transactions in sales and expenses, payables and receivables, and delivering a period-end finance statements to the clients. He handles the “*past*”.
- A virtual CFO-type service provider: He covers a much broader spectrum of tasks, including legal, finance, tax, customs, sales, purchase, etc. He is charged with the function that takes raw accounting entries and transforms them into usable views to assist the clients in making a decision. Requiring far more judgment than the bookkeeper’s role, he is expected to oversee everything from compliance with accounting principles to suggesting a revamp on financial processes, recommending on the selection of accounting systems, assisting in making budget and forecasts, etc. It typically looks to the future, using the past as a starting point but being as nervous as the clients in gauging the prospect of the business as early as possible. He handles the “*future*”.

Cloud-based accounting tools provides a convenient platform for accounting service provider to taking up the role as a “*virtual CFO*”. It allows data entry and retrieval by mobile devices anywhere and anytime. It allows three-party collaboration and dialogue (operation team + finance team + external advisor). Finance is no longer a practice confined to the finance department. Future is taken into consideration rather than looking back at a period end. To achieve the transformation, a system that can facilitate a transparent and efficient communication is a must.



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Martin Ng as keynote speaker



Seminar in progress