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Sage Intacct Client Story: Correlation Risk

A private equity investment firm based in London

London-based equity investment firm Correlation Risk Partners embarked on the UK's very first Sage Intacct implementation, upgrading from Sage 300. Find out more about the project and why Correlation took on the 'risk' of investing in Sage Intacct and decided to partner with Acuity.

THE COMPANY

Founded in 2004, Correlation Risk Partners (CRP) is a private equity investment firm based in London, which works within different niche markets in the insurance sector and provides a number of support functions to their partners.

Correlation Risk Partners has been an Acuity client for over 10 years and was more recently using Sage 300 within their business.

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THE PROBLEM

Out with the old...

Previously, CRP used Sage 300 to support their business, however they felt they were not using to its full capacity, making use of only some of its functionality.

Whilst they made good use of the Journals and trial balance, they still needed to export their data to configure and manipulate for reporting within Excel. As a result, month-end close process took much longer than it should and felt very disjointed.

CRP also faced a particular challenge in their recharging process. As part of their month's accounts process, CRP recharges out a number of costs to their partner companies, and invoices were manually created in Microsoft Word which was extremely time-consuming.

In addition to their internal challenges, the Government had also announced the Making Tax Digital initiative which required automation of VAT submissions.

As Sage 300 was not equipped to manage this, CRP considered bridging software, however this would not have been sufficient as a long-term solution. Therefore, they needed to consider alternatives to help properly digitise their Finance department's processes in line with HMRC's plans.

Unfortunately, due to Sage 300's functionality limitations in comparison to CRP's requirements and the changes to MTD, continuing to use it was not an option.

Additionally, CRP were also aware that Sage would potentially be withdrawing support for Sage 300 in the coming few years. This cemented their decision to find a new solution.

Correlation Risk therefore required a more intuitive, cloud-based solution, which could:

- Move them away from multiple spreadsheets and manual processes
- Reduce their reporting time
- Provide room for growth
- Future-proof their finance processes by using automation to bring them into the modern age.

In order for it to be a success, their chosen solution would have to offer:

- Making Tax Digital compliancy
- Invoicing functionality including electronic distribution capabilities
- Core finance functions with a modern look and feel
- Reporting options and access to real-time information and cloud-based accessibility
- Flexibility to add new entities as and when required
- Workflows and authorisations
- Inter-company transacting

The search for a new financial management software solution also presented Correlation's finance team with the opportunity to integrate with the Finance team of their underwriting partner, Red Sands, an independent insurance group based in Gibraltar and operating in the UK.

While Red Sands didn't have the same requirement to leave Sage 300, they too were not using the system to its full functionality and had extremely lengthy and convoluted processes, so it made sense for them to move as a group.

> " **Month-end close process took much longer than it should and felt very disjointed.** "
>
> *- Catherine Wells, Finance Department*

THE SEARCH

Debbie Allery and Catherine Wells from the CRP Finance team coordinated the project to find a solution to implement to meet their business needs.

Acuity proactively consulted with the team at CRP to discuss their Sage options in light of the potential discontinuation to Sage 300; whilst they also reviewed other solutions such as Xero and QuickBooks that were in use by their partners. However, through their research, they found that these solutions did not provide the functionality and capacity that was required.

Initially, we discussed Sage 200 and Sage X3 as options but quickly discounted them both; Sage 200 lacked the functionality required, and Sage X3 was deemed too big and costly for their needs.

THE SOLUTION:

sage Intacct

...In with the new!

At the time of CRP's discussions with Acuity, Sage Intacct had not yet been launched in the UK. However, Intacct (which had recently been acquired by Sage and rebranded as Sage Intacct) was widely used in the United States and has been recognised as a leading financial management solution for many years.

Acuity were one of the first UK Sage Partners to add Sage Intacct to their portfolio and presented it to CRP at an Acuity-hosted Partner Day in London. From this introduction Debbie and Catherine felt that Sage Intacct would be the best solution for their migration project, would solve their recharging issues and was also a true cloud solution and therefore paperless.

Gathering more information and further support from Acuity, CRP took the decision to invest in Sage Intacct and become the first UK business to implement the solution.

The implementation process for Correlation was an all-at-once approach, with all their data moved in one go. Due to this being the first UK implementation, it was a very hands-on process for all involved.

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WORKING WITH ACUITY

Debbie and Catherine felt that the implementation process and working with Acuity was straightforward with "no real challenges".

"Support from Acuity was first class. Our Account Manager was great, particularly, and was always on hand to help and explain. [He gave us] clear quotes and information. That was key for us. Even though we were able to go and choose the system, we still had to get sign off on the cost. So, he was able to tell us, it's going to cost you more than [Sage 300] cost you, but here's what you're going to get for that."

CRP's Acuity Account Manager provided them with a presentation outlining the one off and recurring costs for implementing Sage Intacct, which they were then able to share with their directors for approval.

Once the project was underway, the Acuity team provided training sessions to CRP's Finance team and was incredibly supportive in helping to resolve any challenges and issues that arose later in the process. Acuity quickly put together and generated reports that were able to satisfy the business' needs, as well as provide comprehensive training to enable the team to fulfil any ongoing and longer-term reporting requirements.

As this was the first UK implementation, CRP also benefitted from one-to-one support and video calls directly with Sage Intacct.

For Acuity, the main focus of the project was "managing teething problems". CRP's Account Manager said:

"In terms of the implementation, we were quite open and honest [with CRP], and [they] were with us in that they were the first in the UK to implement Sage Intacct. Ultimately, we knew there were going to be some challenges and some issues. And so, I think from our side it was more about how we managed those with [CRP] and ensured they were kept up to speed throughout".

" Support from Acuity was first class. Our Account Manager was great, particularly, and was always on "

- Deborah Allery, Finance Department

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THE BENEFITS

The implementation of Sage Intacct within the Correlation Risk Partners business has provided several benefits.

Of course, first and foremost, it has replaced Sage 300 which would have been risky for the businesses to keep in place once the Sage support was withdrawn.

For CRP, everything now goes through Sage Intacct. When using Sage 300, their month end accounts took two weeks to process. Since implementing Sage Intacct, they now process invoices daily, journals can be input and edited throughout the month, and month-end can be done in days – more than a 50% saving in time and the associated resource.

As a result of these improvements, the team is now more efficient and there is significant scope for growth.

With increased capacity and functionality within Sage Intacct in comparison to what Correlation was accustomed to with Sage 300, the implementation also presented them with an opportunity to review their processes and mould new, more efficient ways of doing things to save time that suited how they wanted to work, rather than being restricted by the limitations within Sage 300.

In that vein, Sage Intacct has highlighted any complications within their processes and also how they can be improved. This gives CRP the opportunity to review their processes regularly and continue to evolve their department.

THE OUTCOME

Debbie, Catherine, and the wider team at CRP feel that the Sage Intacct implementation project within their business was a huge success.

Whilst they acknowledge that there were some minor teething problems, these were due to their own ways of working and internal challenges rather than the solution or implementation.

Reflecting on the project, Debbie said:
"[CRP and Red Sands] weren't one team - we were separate teams across different businesses. So that made it very difficult to all be on the same page. But since we've implemented Sage Intacct, we've become one team, which makes a massive difference. We regularly update [each other], sit down and discuss things."

Debbie and Catherine also reflected on how having Sage Intacct up and running within the business impacted them through COVID.

"Now [we're] using a system that is [useable] anywhere in the world, for example, you can authorize payments and payment runs which we couldn't have done as well as we're doing now."

Catherine added:
"It's more or less been seamless. The way we were working before, we had Sage 300 on a server, which meant that if you're trying to log in remotely, you'd have to sign in through a VPN and I couldn't always get it to work depending on where I was.

With Intacct, you don't even have to think about it. It's literally just accessed through a browser. When we did move to homeworking at the start of the pandemic, there weren't any issues with logging in, or not having any of this information. It was just there."