

Building robust finance and accounting processes for a pet-service industry rollup.

Topics

Outsourced Finance & Accounting
Private Equity Services Transaction
Services Finance & Accounting
Transformation Planning & Analytics

Industry

Consumer & Retail

Team Size

1 Partner, 2 Principals, 2 Senior
Directors, 2 Directors

Duration

15 Months (Active)

Situation

When a large private equity firm identified an opportunity to aggressively grow a services business in an extremely fragmented industry, going slow was never part of the plan. They initially acquired two businesses and combined them into a single platform. One was a carveout from a larger company on which the acquired business previously relied for all finance and accounting needs. The other was previously owned by its original founder and the finance team did not have the capabilities to support an aggressive buy-and build strategy.

The new platform company had to build a finance team with robust capabilities. And they needed to do it quickly.

Execution

The company engaged Growth Operators to provided outsourced finance & accounting services and build a scalable finance function. It also needed to support its aggressive add-on acquisition strategy and tapped Growth Operators M&A integration advisory capabilities. Growth Operators mobilized an entire team of experienced operators, and:

- Conducted detailed interviews with key senior and line management to get up to speed on account, existing processes and systems
- Led the monthly financial close process
- Prepared a standard chart of accounts for all of the company's numerous business units and for future acquisitions
- Created and developed a full monthly reporting package including balance sheet, income statement, cash flow, loan compliance and other supplemental information.
- Oversaw the weekly rolling cash flow forecast
- Managed the first financial statement audit which covered two calendar years, including opening balance sheet work
- Transitioned all finance and accounting processes in-house upon the termination of a Transition Services Agreement for a large acquisition
- Provided financial team input and implementation support for a new multi-location operating software system
- Provided financial team input and implementation support for a new ERP system
- Served as the company's interim CFO
- Attended all board meetings and present summary financial results
- Prepared all required monthly sales and use tax information for proper filing by outside tax accountants
- Assisted accounting firm with preparing income tax estimates
- Provide M&A integration services for acquisition of multiple businesses
- Oversaw the purchase accounting for add-on acquisitions
- Prepared detailed overview of systems, accounting policies, and audit results to transition the financial stewardship of the business to full time CFO and Controller

Result

When opportunity knocks, it's a shame not to answer. This PE sponsor put faith in Growth Operators to create a finance & accounting infrastructure and team that enabled its new platform to confidently pursue dozens of promising add-on acquisition opportunities. They knew that with enough time, they could build these capabilities on their own. But choosing Growth Operators gave them immediate access to a dependable, world-class finance and accounting team that could get the work done, and build them a robust in-house finance & accounting function at the same time. Remember, going slow was never part of the plan.