



CASE STUDY

**Streamlining Accounting
Practices for a Home
Storage Franchisor and
Their Franchisees**

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CLIENT BACKGROUND

The client, founded in 2000, is the market leader in custom-designed and custom-crafted home storage solutions. The client, named to the Entrepreneur Franchisee 500 list, has more than 160 independently owned and operated franchisees in 27 states and Canada.

THE CHALLENGES

The client felt there were several challenges in their F&A operations landscape that were hampering growth and scalability not only for them as the franchisor, but also for their franchisees.

Some of those identified challenges included:

- Franchisees are often the salesperson, designer, and the installers so they do not have time to complete the accounting work which often resulted in late and inaccurate financials being produced and provided to the corporate office.
- Varied forms of revenue recognition were being used by franchisees, and not always implemented correctly, which resulted in inconsistencies.
- Franchisees were having a hard time understanding when use tax filing is required versus sales tax filing for a job.
- Franchisees were not always recognizing that cash in the bank does not equate to revenue for the business.

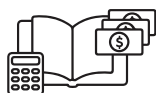
These challenges combined to create an environment where the franchisor felt there were just too many day-to-day transaction hurdles leading to the data not telling them the full story of each franchisee's financial health status. As a result they were not able to leverage that data to really help support their franchisees where each needed it most. They wanted to find a service provider that could provide a cost-efficient accounting service for all franchisees that gave them the confidence to know the financial health of their business while also giving them a partner that could help them understand their financial statements each month. The client was introduced to Quattro, who outlined a service package that addressed the fundamental problems the client was experiencing.

THE SOLUTION

Leveraging their extensive knowledge of the retail industry, the Quattro team was able to implement the following as part of our complete solution which resulted in significant benefits for the client and their franchisees:

- Outlined processes and a schedule to enable timely, accurate financial reports delivered within 10 business days after each period end
- Implemented appropriate revenue recognition methods and controls across all franchisees
- Leveraged QBSS' internal sales tax team for correct identification by state of sales tax versus use tax calculation for each franchisee and each job
- Implemented monthly trusted advisor conversations with each franchisee to review their financial statements and discuss the health of their business

KEY SERVICES PROVIDED BY QUATTRRO



General Ledger Accounting
and Reconciliations



Month-end
Financial Reporting



Accounts Payable



Sales & Use
Tax Preparation and Filing

BENEFITS

- Each franchisee can focus on running and growing their core business rather than worrying about all the transactional accounting work each month.
- The franchisor now knows that there is consistency across the franchisee base with regards to revenue recognition which means they can rely on the revenue data across the franchise.
- The franchisor is also more confident in the accuracy of the financial statements of each franchisee so they can identify challenge areas by region or by franchisee to provide the right support when it is needed.
- There has been a significant reduction in penalties and interest paid by the franchisees from incorrect sales/use tax collection/filing.
- Each franchisee now feels more knowledgeable in the financial position of their business and better understands the health of their business through the conversations they have with their assigned Quattro trusted advisor who knows their business and their goals.

ABOUT US

Quattro is a tech-enabled outsourcing firm, with over 25+ years of specialized experience, that's changing the way companies think about finance, accounting, and technology services. You get world-class teams combined with highly personalized services, and a portal that lets you see and manage everything online – all of which is rooted in our Get more to go on strategy. It's how our clients around the world are able to see further, scale smarter, and stand stronger.

Our service spectrum includes:



Finance & Accounting



Human Resource Services



Technology Services

How we can give your organization more to go on:



Our People:

Smart Sourcing & Trusted Advisor Approach



Our Process:

We follow a 3-fold Approach of Lift & Shift, Standardization & Optimization, and Transformation



Our Technology:

We are platform agnostic – We can work on your platform or bring you onto ours

We'd love to help you **gear up for your tomorrow.**

Reach out to us: connect@quattrobs.com | Call: 866-622-7011

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