



CCH

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Case study

Twinfield

BWMacfarlane

Based in Liverpool's vibrant commercial heart, BWMacfarlane Chartered Accountants LLP is one of the leading, independent chartered accountancy practices in the area and a Top 100 firm, with seven partners and consultants and almost 50 staff. They have enjoyed a long and successful relationship with the city and its surrounding areas, its entrepreneurs and its professionals, and have particular expertise in charity services, litigation and trust accountancy.

Lesley Malkin, Audit Partner, and Vicki Harper, the firm's Business Development Manager, explain what sets BWMacfarlane apart and how their Twinfield software contributes to the firm's overall strategy.

“We're very excited by all the opportunities that Twinfield online accounting opens up for us and our clients.”

What do you think are the main challenges faced by the accountancy profession right now?

LM: Number 1 is obviously the current economic climate, which is a challenge for us just as much as it is for our clients. To meet this challenge, we need to be as competitive as possible with fees, but we also want to differentiate ourselves by adding value, over and above what other accounting firms can offer.

The second big issue is HMRC's increasingly challenging compliance regime, with the requirement to submit more information online – for example iXBRL – and clients facing higher penalties if things aren't done on time.

In fact, clients themselves expect us to do more work online and digitally, and we see this as the third major challenge currently facing accountants. As a new generation of entrepreneurs enters business, there's an increasing expectation that online and digital communication will be the default. It goes much deeper than just having email addresses and a website – practices have to be able to put digital and online at the heart of their business. When you start to work digitally, there's an expectation of faster responses and easier access, both to people and information. Telling a client that the person they want to speak to is out of the office and out of contact... well, that's just no longer an option.



So how have you responded to the pressure to offer online services?

LM: As a progressive practice we picked up on this trend some time ago. About five years ago we discussed the idea of online accounting with existing and potential clients but, although there were a few flickers of interest, there wasn't sufficient demand. Perhaps we were slightly ahead of the curve.

Fast forward to 2012 and things are very different. We've now started using Twinfield online accounting and we're getting a completely different response. All sorts of clients, who we might not have thought would be interested, are expressing an interest so we're really glad that we're launching the service now, ahead of many of our competitors.

I think part of the reason is that people are much more relaxed about storing data on the cloud. They've got used to online banking and e-filing for HMRC and making large purchases online, so it's something they're more comfortable with. It's a very significant shift in opinion compared to even a couple of years ago.

What about your other CCH Software products?

VH: I think it's important to put our IT strategy into context. BWMacfarlane was formed in 2011 through the merger of Bresnan Walsh and Macfarlane & Co, which doubled the size of the practice at a stroke. As a result, efficiency became a key issue for us.

It made no sense to maintain discreet databases for accounting clients, or tax, or marketing, and so we really bought into the concept of CCH Central – a single, centralised database, available across the firm, allowing everyone to display and extract whatever information they needed. Putting CCH Central at the heart of everything neatly resolves the issue of efficiency and allows the firm to earn more fees and grow, while saving admin overheads and costs.

CCH Central has undoubtedly had a significant impact on the way we work. Rather than having to dip into each of the applications in turn to build up a picture of a client, you can see it from the top and drill down. It's a much more client-centric way of working with the data.

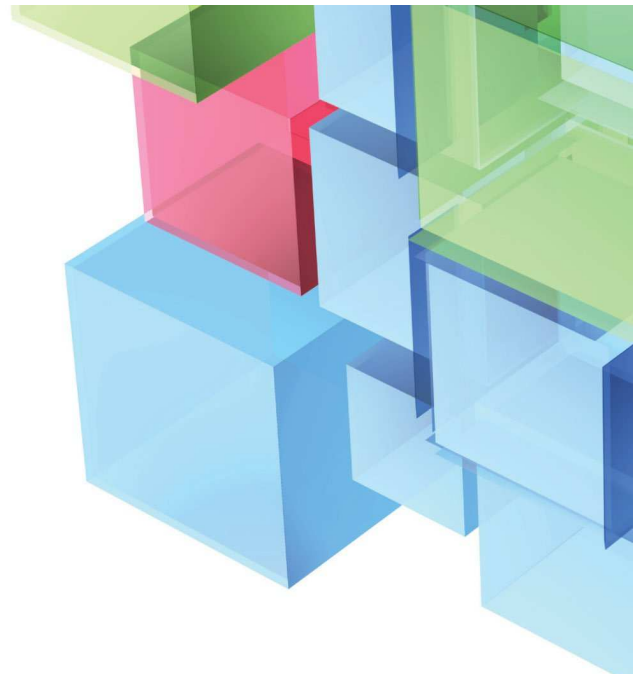
All of our CCH software makes use of CCH Central. For example, CCH Campaign Management enables us to use our client and prospect data to manage and measure all kinds of marketing activity, from emails and newsletters to seminars and events. We're really not interested in sending out generic newsletters with pages of information that our clients can't use; rather than waste our clients' time with irrelevant information, we want to be a lot more targeted and personal.

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The more we use CCH Campaign Management, the more data we collect, the better we can understand our clients and the better we can target our marketing efforts. It stores a complete history of what we've sent to every contact and if we want to import extra information from spreadsheets, we can. We're also planning to record the time we spend on these activities versus the fees that are attributable, so we can get a measure of ROI.

What about the other CCH applications?

VH: CCH Practice Management is obviously an important one to highlight and, once again, the integration with CCH Central improves access to the information. The CCH Central home pages make everything more visible, whether it is partners checking their client portfolios or a manager reviewing WIP or debtor information across a team. CCH Central makes it easy to see these things at a glance and take the appropriate action.

LM: That's also true for CCH Accounts Production. For example, the connectivity between Central and Accounts Production makes it very easy to access details for multiple directors or trustees. CCH Accounts Production also makes it easy to access and edit individual pages within the accounts, which saves us a good deal of time.

We have considerable expertise in the charity sector and we've been very impressed by the standard CCH accounts formats for charities. We're also looking forward to a number of enhancements that are being made to CCH Accounts Production in respect of charities.

Of course, CCH Accounts Production brings us right back to Twinfield?

LM: Yes. As more and more of our clients take up Twinfield, the links between this online accounting system and the on-premise CCH Accounts Production software will become increasingly important to us.

From our clients' point of view, I think the major benefit of online accounting is accessibility. So long as they maintain their bookkeeping data properly, then their management accounting information will be far more up to date than anything they could get any other way. The potential impact of that is enormous and it's exactly the kind of change that a dynamic practice like BWMacfarlane is ready to exploit. It means an entirely new approach to the timeliness and accuracy of data and an entirely new approach to the way we work with our clients. For example, instead of having to wait until post year end to start tax planning, we can get the information early and start the planning process right away. The overall aim is to help our clients run their businesses even better.

Shared access to the accounting information also means that, if clients do get themselves into a tangle, we can log on and view their data, seeing exactly what they're seeing and helping them with it. We're very excited by all the opportunities that Twinfield online accounting opens up for us and our clients.



Because it offers a number of different levels of access, Twinfield allows us to precisely balance what clients want to do versus what they want us to do for them. It's no longer an all or nothing approach – "Here's some accounting software for you to do your books with. We'll pop in once a quarter to see how you're getting on." It's now far more flexible and much more collaborative. So clients might start off doing small amounts of the bookkeeping themselves, then decide they could do a bit more, taking it on in increments.

For some clients, this might mean that our involvement in bookkeeping and basic compliance accounting will diminish over time. We then have the option of providing other services to them, perhaps tax planning or business consultancy, helping them to get a wider perspective on where they're going. We think that, in the long run, the Twinfield online accounting system will give us more options. If a client only wants a compliance service, that's fine, but the new, collaborative model of working opens up more opportunities. What's most important in all of this is what works for the client.

"Collaborative working... is about changing the relationship with our clients, being part of their team rather than just the person they bring their financial records to once a year."

What are your plans for the future?

LM: We're a very forward-thinking practice, so this is something that we are constantly reviewing. Collaborative working is very much on the agenda (though not for audits, obviously!). It's about changing the relationship with our clients, being part of their team rather than just the person they bring their financial records to once a year. Collaboration means helping our clients understand the options that are available to them, plan for the future and achieve their goals.

VH: Although there are economic pressures and it is tough out there for businesses at the moment, Liverpool and the surrounding areas are definitely resurgent. From our own offices here in the financial district we can see some of the refurbishment projects and new buildings that are underway right across the city.

LM: There's a lot of investment in infrastructure, a lot of opportunities for commercial businesses, a lot happening with charities, with schools and academies, with professional partnerships... We're very excited by the opportunities that are opening up to us and our clients, and our CCH software is an important part of our future plans.

For more information

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