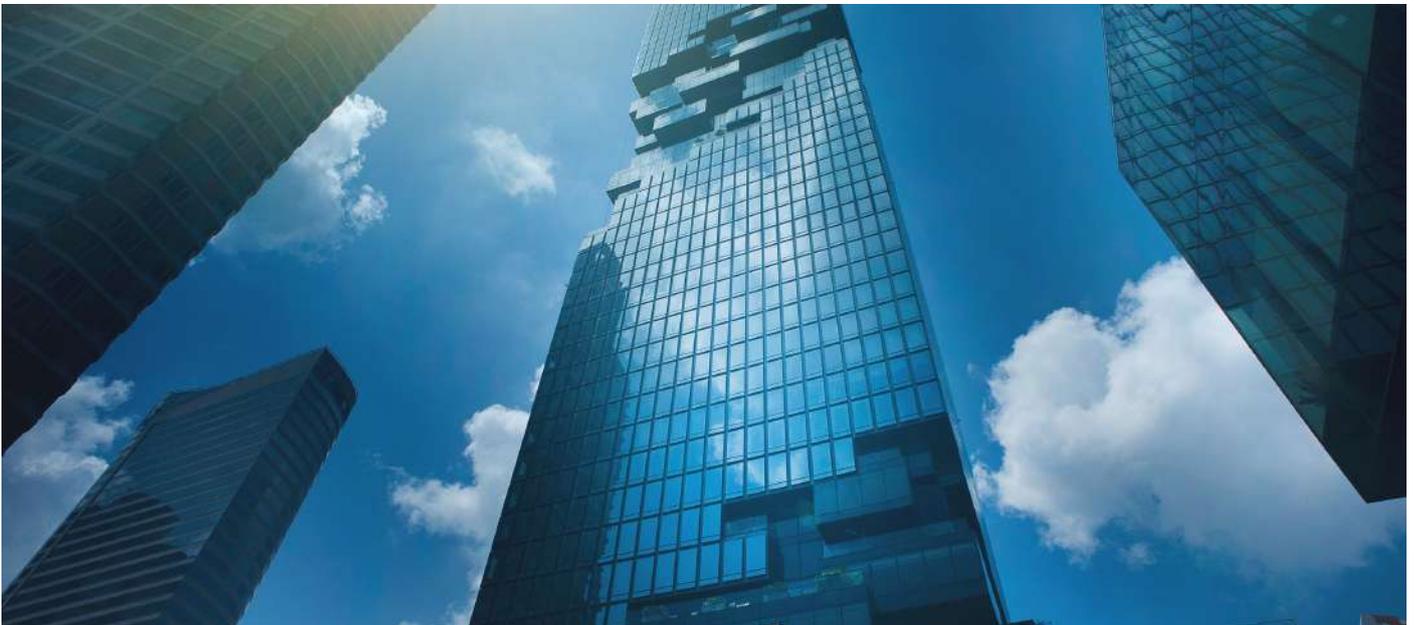


THE FINANCIAL CREST'S GAZETTE

The Financial Crest's Official Blog



HOW INTERNATIONAL COMPANIES BENEFIT FROM OUTSOURCING ACCOUNTING SERVICES?

Report by Arvind Krishnamurthy

While accounting and bookkeeping are non-core business functions, they add tremendous value to businesses by maintaining solid control over the cash flow. Accurate accounting, powered by technology solutions, can keep company management informed about a firm's financial state in real-time, enabling them to take timely decisions.

However, the pandemic has driven firms worldwide to revamp their business processes by adopting new technology and mode of operation – from in-house staff to remote/cloud computing and offshoring solutions.

DID YOU KNOW?

Your business operations to outsourced service providers can reduce your operation cost and optimize your business by over 35%



OUTSOURCING ACCOUNTING, TAX FILING, AND BOOKKEEPING SERVICES TO MANAGE CHANGING ECONOMIC SITUATION

Outsourcing non-core activities to expert service providers, such as accounting and bookkeeping, has proven to be a progressive and cost-effective tactic. It streamlines business operations, empowers employees to carry out work remotely, reduces total process cycle time, and determines the most and the least profitable product and service lines for future planning – all the while reducing overhead costs post the COVID-19 pandemic.

In 2020 – 2021, many international firms are actively transforming their workforce by outsourcing their non-core functionalities, particularly finance and accounting (bookkeeping and taxation), to specialized service providers having ready-made infrastructure and certified resources.

With Outsourcing, you pay for what you use. You can hire more s when needs grow or scale down capacity during the off-season

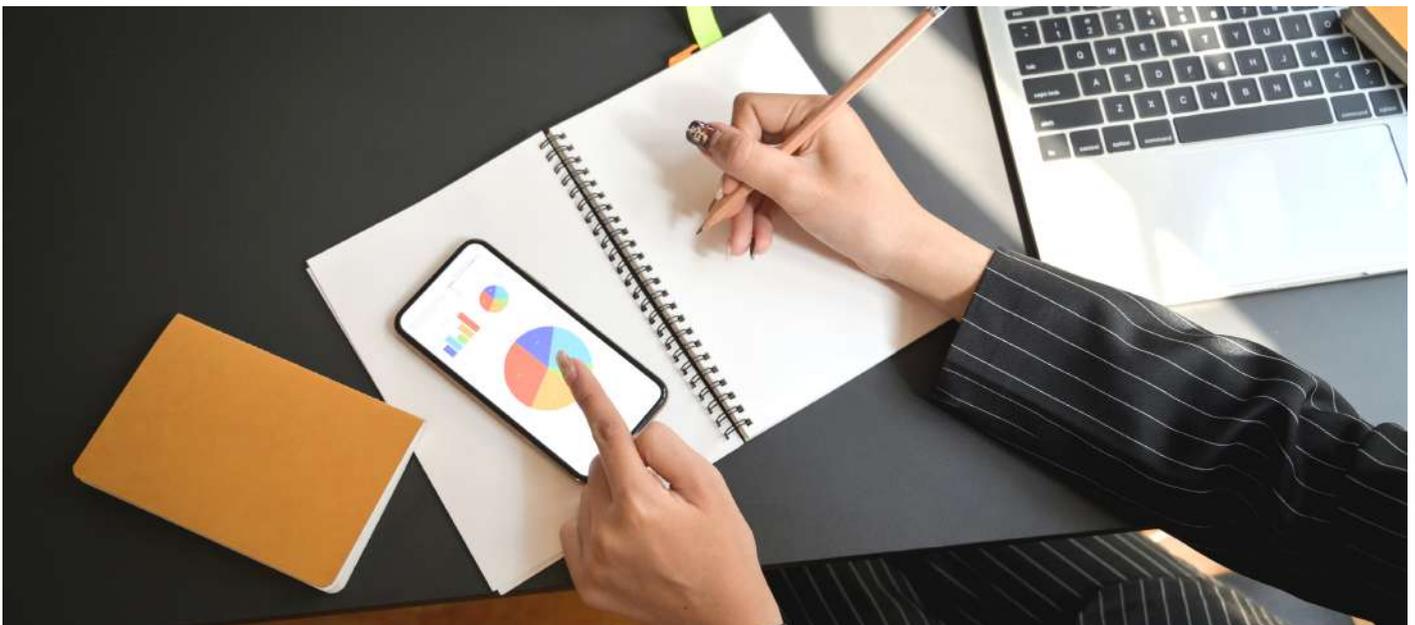
Why Outsourcing has Become even More Crucial Now??

Situations have drastically changed in 2020 – 2021, as the pandemic has forced firms to operate and communicate remotely by leveraging the potentials of digital technology. And we can expect the numbers to increase massively in the next couple of years.

But with modern solutions come modern problems.

New technological adoption can entail a lot of challenges during incorporation, including security breaches and cyber-attacks. This can put businesses at the risk of losing vulnerable data, clients, and ultimately, customer trust.

Outsourced finance and accounting service providers can help you mitigate the challenges without heavy investments. Read on to learn the benefits that international companies can reap by hiring a dedicated outsourcing partner from India.



HOW INTERNATIONAL COMPANIES CAN GROW THEIR BUSINESSES WITH OFFSHORE ACCOUNTING FIRMS IN INDIA?

You Get a Ready-Made, Dynamic Virtual Set-Up

Business Accounting and finance, though non-core, require a solid and secure infrastructure to protect vulnerable financial data. With employees working from home, data security risks are inevitably heightened.

Most organizations implement disaster recovery measures only when they face data issues.

On the other hand, dedicated accounting firms help businesses proactively act on disasters instead of being reactive.

Outsourcing service providers study and mitigate data risks constantly with cutting-edge tools and technical solutions. Additionally, their established modern infrastructure comprises great internet protocols and security measures to safeguard data and optimize remote productivity.

The dedicated companies offer 360-degree data security that encompasses human resources, processes, and technology.

Saves Cost of Operation, Time, and Effort

Companies that outsource their accounting and bookkeeping services get access to a ready-made team of high-quality solutions and proactive guidance from certified experts. Hiring and training an in-house team, establishing a dynamic infrastructure, and installing a secure software system can consume a lot of your time and money.

With outsourcing services, you can utilize your energy and resources to reform your core business operations, explore growth options, and improve customer relationships without having to worry about your cash flow and taxes.

TRADITIONAL ON-PREMISE ACCOUNTING VS. CLOUD ACCOUNTING

Traditional system: Includes hardware costs, annual maintenance contracts, staff recruitment and training cost, licensing cost, storage cost, and infra set-up cost.

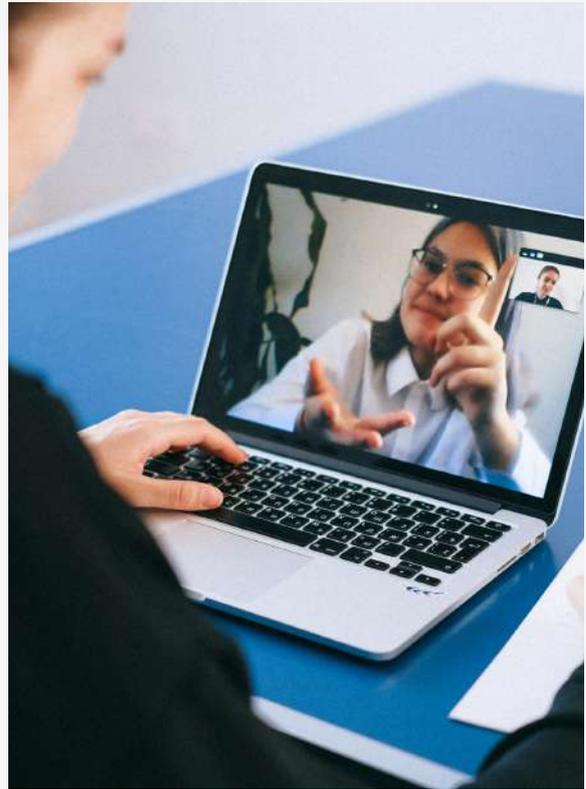
Cloud Accounting: Reduces administration, system maintenance, and resource cost with a nominal subscription fee, which you renew, scale up and scale down decrease based on your requirement.

With Outsourcing, you pay for what you use. You can hire more accountants when needs grow or scale down capacity during the off-season.

Access to Experts 24/7

Partnering with an outsourced accounting and bookkeeping firm, you will get access to professional accountants, tax consultants, finance managers, and efficient bookkeepers, besides access to new technology 24/7 all through the year. All of this, at a much lower cost than what you would invest in an in-house accounting department

What's more? You will also save costs on employee payroll, employment taxes, and recruiting and training, as the resources will be on the outsourcing company's payroll system.



Manages Multiple Accounting Functions Effectively

An outsourced accounting firm has provided services to hundreds of clients like you. While a certain accounting and tax aspect might be new to you, it will be a tried and tested process for an external service provider. With dedicated resources, outsourced firms have the capability to manage multiple accounting projects simultaneously without breaking down, including:

- Payroll processing
- Tax analysis, reporting and filing
- Financial statements
- Bookkeeping
- Account payable and account receivables
- Cost accounting
- Financial planning

Offers Data Security and Reliability and Complete Financial Analysis

A dedicated team of accounting experts knows how to generate accurate financial reports in real-time for you to define the future course of action, such as your most profitable customers, business growth opportunities and threats, amount you can invest for projects, and ways to minimize expenses.

- With meticulous cash flow projections, you can predict changes for next month, next year, and even next week.
- You can also foresee periods of slow growth and prepare yourself with contingencies
- Get thorough and precise cash flow analysis which can help you determine your financial health
- You can take the help of your outsourced team of accountants to analyze your internal processes and apply strategies to improve cash flow management

Security is paramount for accountants as they work with a huge amount of confidential client data. Leading outsourced accounting and tax preparation companies use Cloud technology, which adds data protection and reliability layers even when working remotely.

- Outsourced companies work behind a secure-firewalls and multiple-layered encryption
- Data is hosted in a highly secure data center with multiple disaster backups and recovery solutions
- With robust infrastructure, the service providers will help you mitigate potential risks, like internal fraud, compromised programs, financial computation errors, and cyberattacks
- Your data will be available on the cloud, allowing you to access it from any secured network at any time
- Reputed accounting and bookkeeping service providers have tried and tested strategies to upload and download files and send them to you in protected emails
- They also provide audit support and act as your financial consultant for you to thrive through the years

With solid accounting strategies, your business can tap into new growth opportunities without worrying about finances

Cost of Hiring Outsourcing Accounting Services vs. Working with an In-House Department

Needless to say, the cost of working with an offshore partner located in India is much lesser than hiring and training staff and building an infrastructure locally.

You can save at least 35% based on your location and business operations.

Rest assured about work quality because dedicated resources always upgrade their knowledge and efficiency to stay abreast of the competition. They do not have a laid-back attitude as they focus on only business aspects at a time. This means business owners can invest the money and resources on what is important at present - product and service development and customer satisfaction.



Bottom Line

The right outsourcing accounting provider can help you with a range of cash management functions and treasury tasks and even customized solutions to ensure tax preparation and bookkeeping efficiency.

It is imperative to hire trustworthy, able leaders who keep watch on security programs and stay upgraded about the latest accounting technology and methods. Industry leaders will ensure the right system and people are in place to help your business going despite unforeseen calamities, such as pandemics, market changes, and accidents.



OUR VISION

To reach the Crest among audit and accounting firms by delivering unique and excellent services to global clients.

OUR MISSION

To leverage our expert team's knowledge and competence to help clients' businesses achieve their financial sustenance

QUALITY POLICY

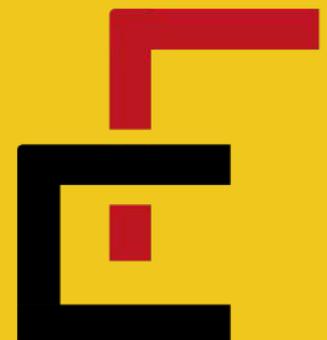
As a member of various international associations of Auditors, Tax consultants, and accountants, we strongly abide by all the international rules and regulations in all aspects of the quality of audit practices performed

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