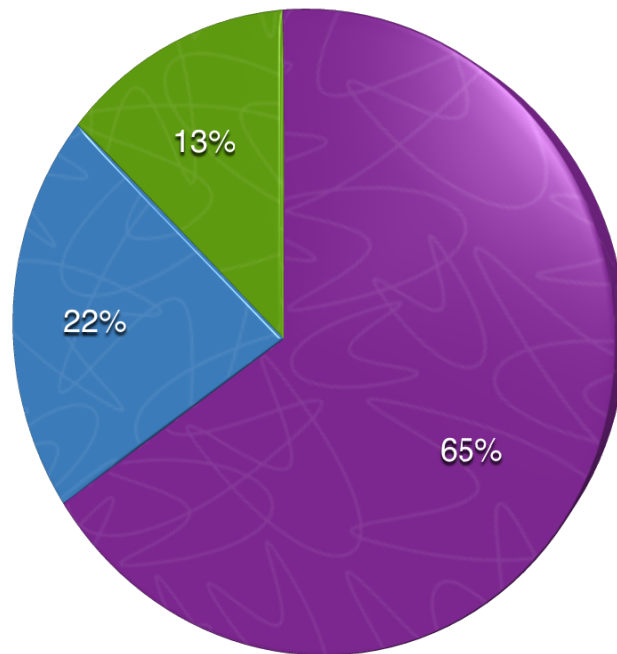


Fontenot News

My Accounting World

February 2016



● Manual ● Internal tools ● Third party software

Key challenges in account reconciliations

- Missing or lost reconciliations
- Un-reconciled accounts
- Improper use of roll-forwards
- Insufficient justification or documentation



Account Reconciliations

Account Reconciliations can be defined as the "key process used to determine whether the money leaving an account matches the amount spent, ensuring the two values are balanced at the end of the recording period."

An article written by accounting software company Oracle in December 2012, references a survey by Robert Half and the Financial Executives Research Foundation (FERF) revealed that more than 25% of companies have more than 1,000 accounts that are reconciled per quarter.

The Robert Half/FERF study also highlighted the types of tools used to handle account reconciliations. As noted in the pie chart, only 13% of those surveyed used third party software solutions to manage account reconciliations.

This survey remains a current fact, majority of our corporations and small businesses are performing account reconciliations as a manual process. If this process is not performed properly it can result in the accumulation of significant errors as time goes on.

Outsourcing this process can be the solution to avoiding audit significant deficiencies or material weaknesses with internal control.

Fontenot & Associates Solutions can support your organization as well as develop procedural guides to satisfy audit needs.