



Smart decisions. Lasting value.

FINANCIAL STATEMENT CLOSE PROCESS (FSCP) AND THE ROLE OF C-SUITE EXECUTIVES

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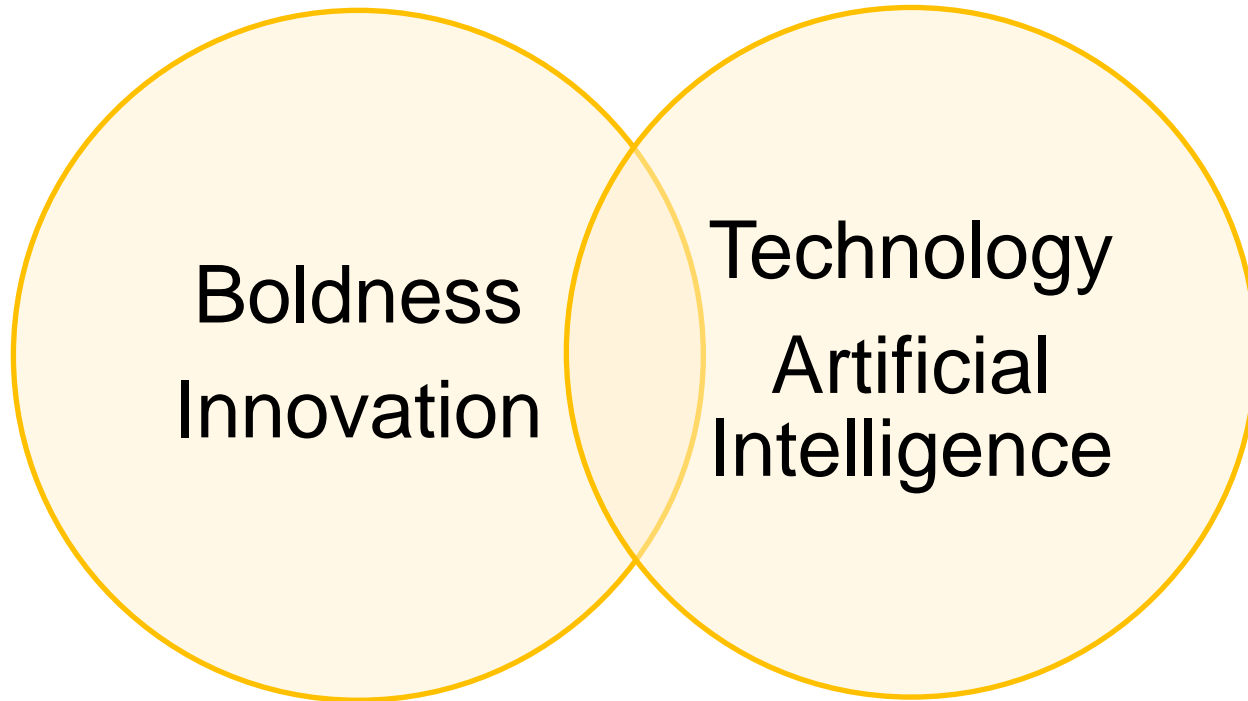
Learning Objective

Overview of the financial statement close process (fscp) and the role of c-suite executives in enhancing presentability, compliance and reliability of financial statements

- Learning from Dubai story
- To refresh some of the basics of FSCP
- Understanding border role C-Suite in the success of the business
- Understanding why timely, relevant and accurate information is important
- Understanding the importance of smart decision making
- Importance of innovation
- Ethics
- C- Suite role in fraud prevention
- Learning via sharing of experience

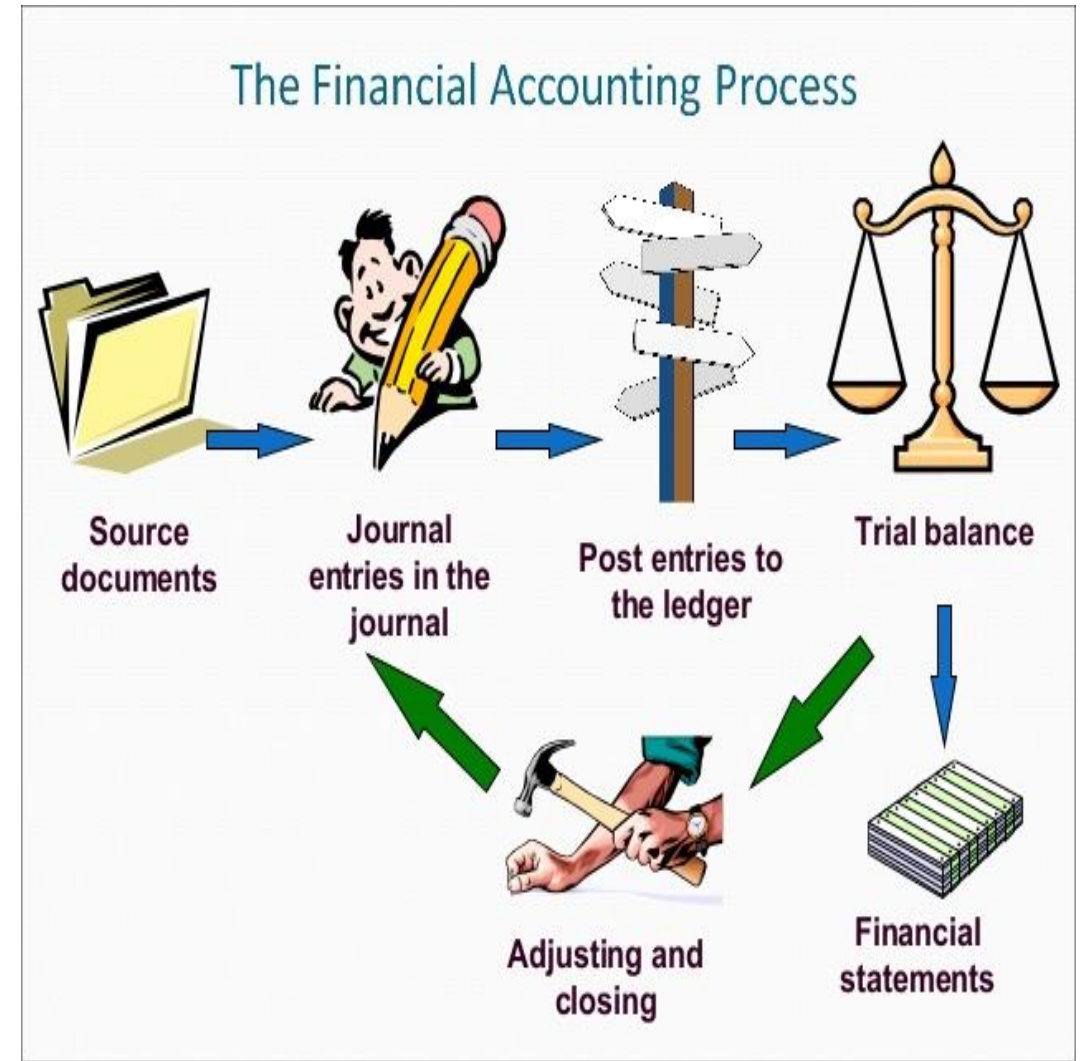
Successful Decision Making

One of the top challenges of corporate leadership is strong and effective decision-making. More than any other factor, decision-making remains the key component to determining successful companies from the flock and predicting future success.



Financial Statement Close Process - Why this process is so important?

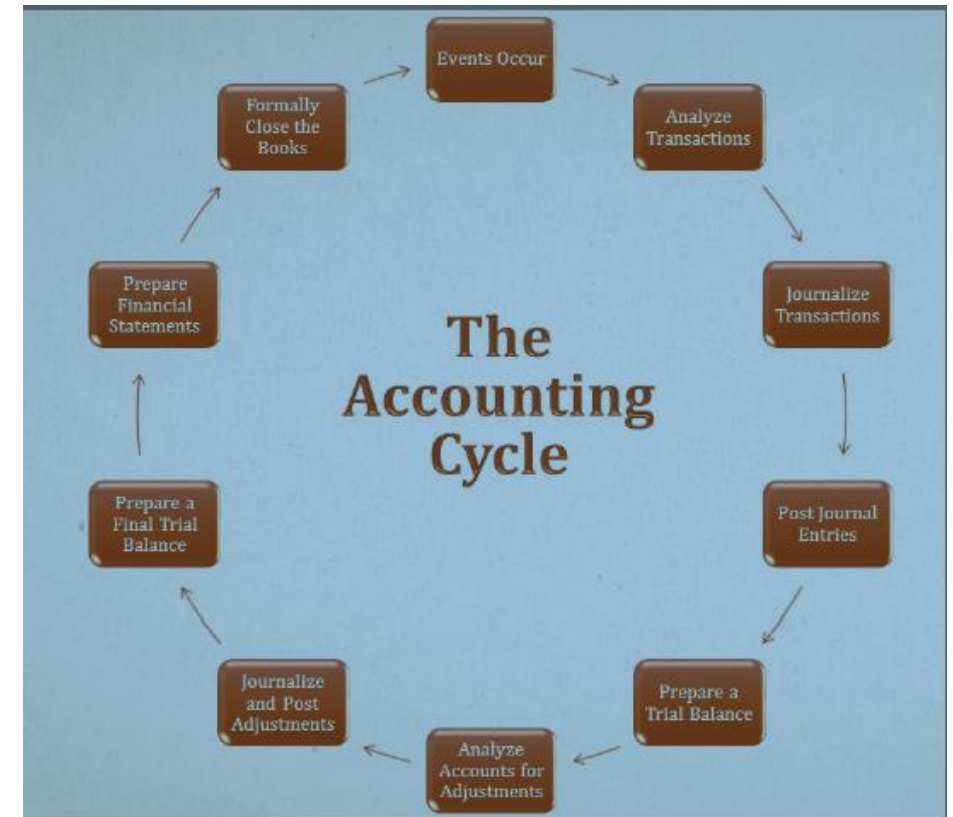
- Accurate and relevant information for decision making
- Poor or irrelevant information presented would mean a big financial loss
- Decisions made and actions taken will not be based on a faithful representation of the organization's financial position and activities



What are the financial closing process?

The activities performed at the end of the period that ensure all transactions and events have been recorded, all transactions and account balances have been measured appropriately, and that the financial statements are prepared properly in compliance with the reporting standards.

Preparing a trial balance
Identifying, collecting, and analyzing information for accounts that require adjustments
Preparing the adjusting journal entries and posting them to the ledgers
Preparing an adjusted, or final, trial balance
Use the final trial balance to prepare the required financial statements
Formally closing the accounting records for the period and ensuring compliance with the reporting standards



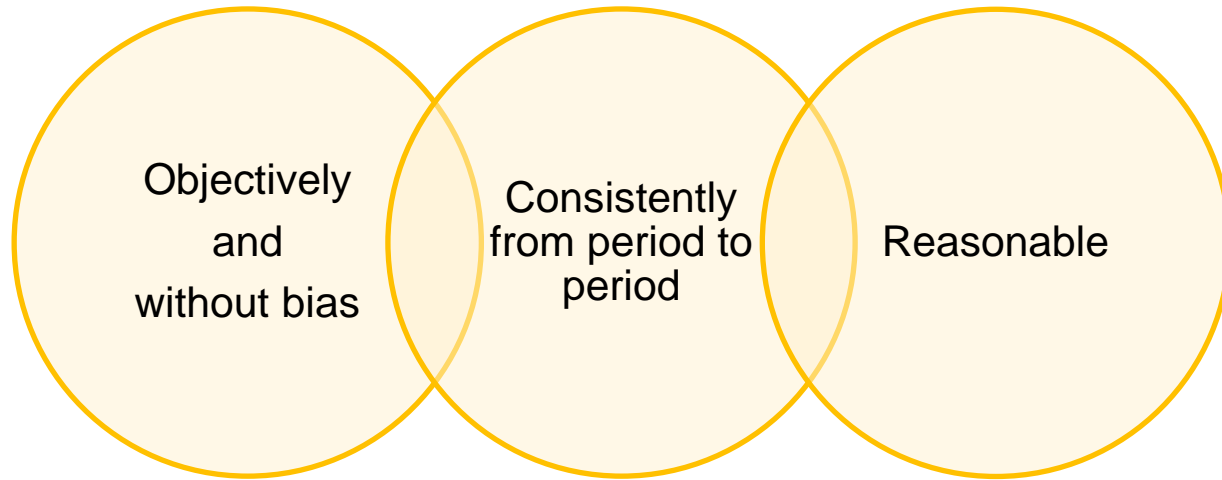
Identifying, Collecting and Analyzing Information for necessary adjustments

The next important step is to identify, collect, and analyze information about transactions and events or regarding account balances that need to be recorded.

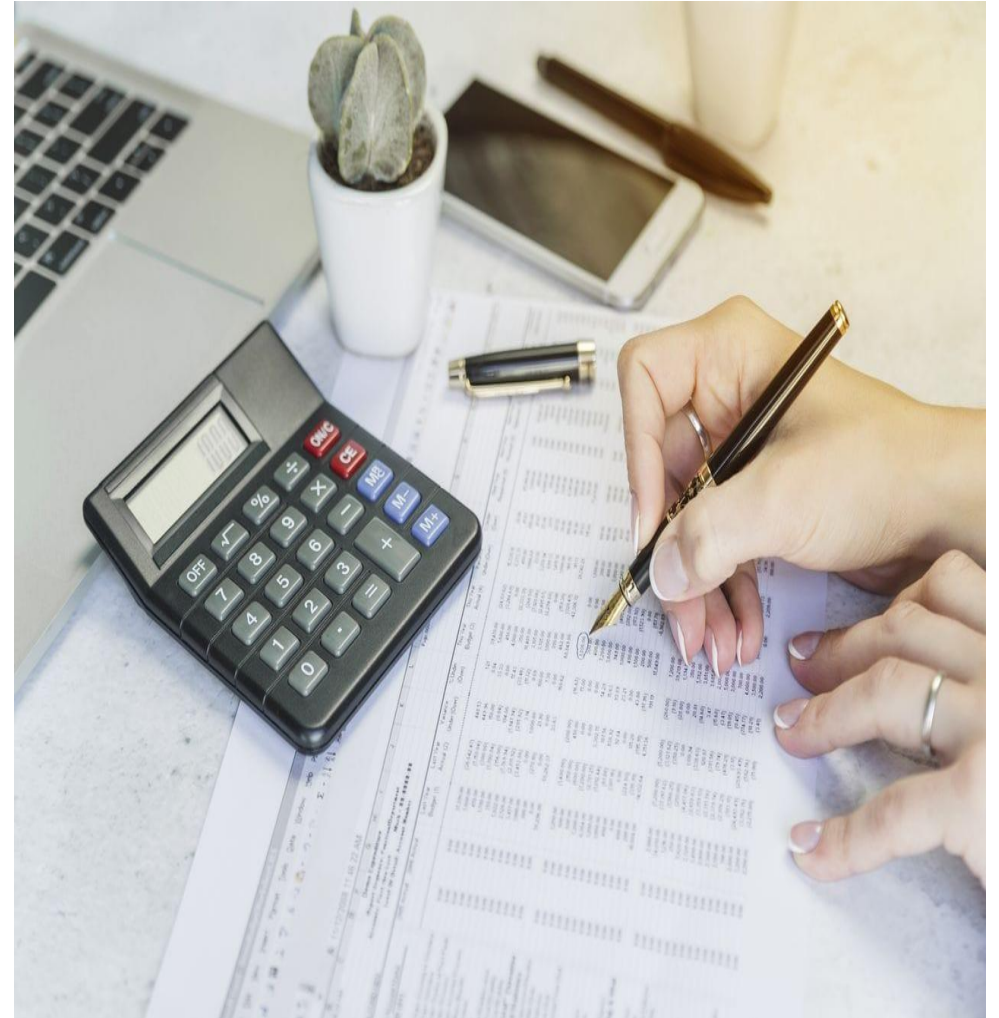
Ask yourself:

- Does this account balance actually exist i.e. inventories?
- Is the account valued appropriately i.e. investments/inventories?
- Is expected credit loss assessed properly and accounted for receivables?
- Have revenues and expenses, asset and liabilities classified and recorded properly?
- Are accrual and prepayment accounted properly? i.e. rent, insurance premium
- Is depreciation a true reflection of the useful life of assets?

Estimates and Judgments



Having this understanding will allow C-Suite to ascertain the reasonableness and accuracy of the estimates and judgments and will help them detect any indications of **management bias or fraud** in financial reporting process.



Securing the C-Suite: Cybersecurity Perspectives from the Boardroom

- Why should the C-suite care about cybersecurity?

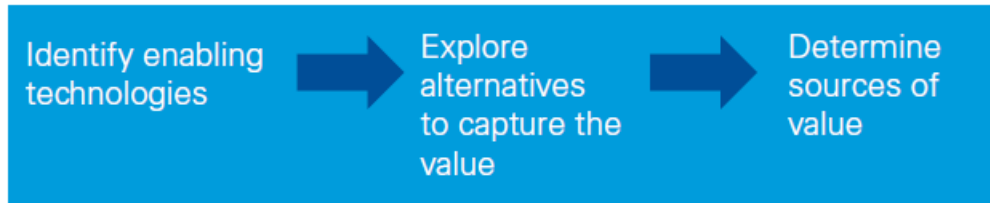
Survey say C-Suite executives are the most likely to be targeted by a malicious cyberattack.

It's all focused on getting CEOs to take action immediately.

- **Improve awareness:** drive a more risk-aware culture across the entire organization.
- **Prevention:** a strategy, plan, training and technology to mitigate potential threats. A surprising 68% of C-Suite executives claim IT security compromises their privacy.
- **Detection:** real-time systems and processes to monitor and detect breaches, coupled with forensic analysis capabilities to perform root cause analysis
- **Response:** forensic analysis, communications, who is in charge, pre-written statements, actions coming out of analysis
- **Remediation:** plans in place to rapidly address and close gaps in security (technical, process, training, etc.

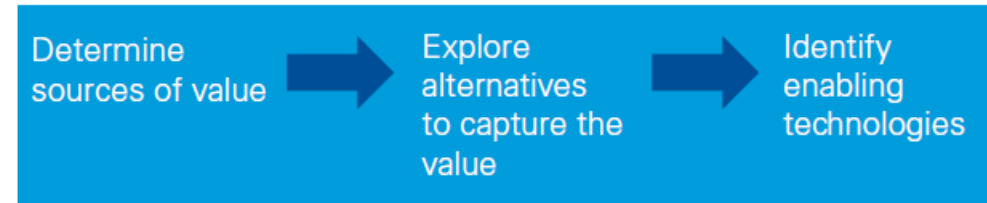
Focus Value and Performance by C-Suite

Most common approach we see...



...resulting in a **technology** based approach

The leading companies reversed the sequence...



...resulting in a **value** based approach

- It is time evaluate the results from your efforts to date and engage the C-suite to pursue a more strategic vision that includes performance and value creation.
- **To evaluate the financial and non-financial results; this can be achieved through automation and technological advancements**
- C-suite leaders and their companies to ask themselves:

How to increase effectiveness and efficiency?

How can they grow and give better return to the shareholders?

One answer is **AUTOMATION**

Automation

- Automate board packs and compliance
- Analytical tools like Power BI
- AI in Finance, chatbots etc

AI and automation: helping finance teams

- AI can provide an in-depth data analysis to support finance teams with difficult decisions.
- Benford law analysis can help identify fraud
- It reduces the strain that repetitive, low-value tasks put on human employees
- It tackles the routine and repetitive task, freeing human finance teams up to finish their high-value work.



How the C-Suite can redefine the Culture within their organisation

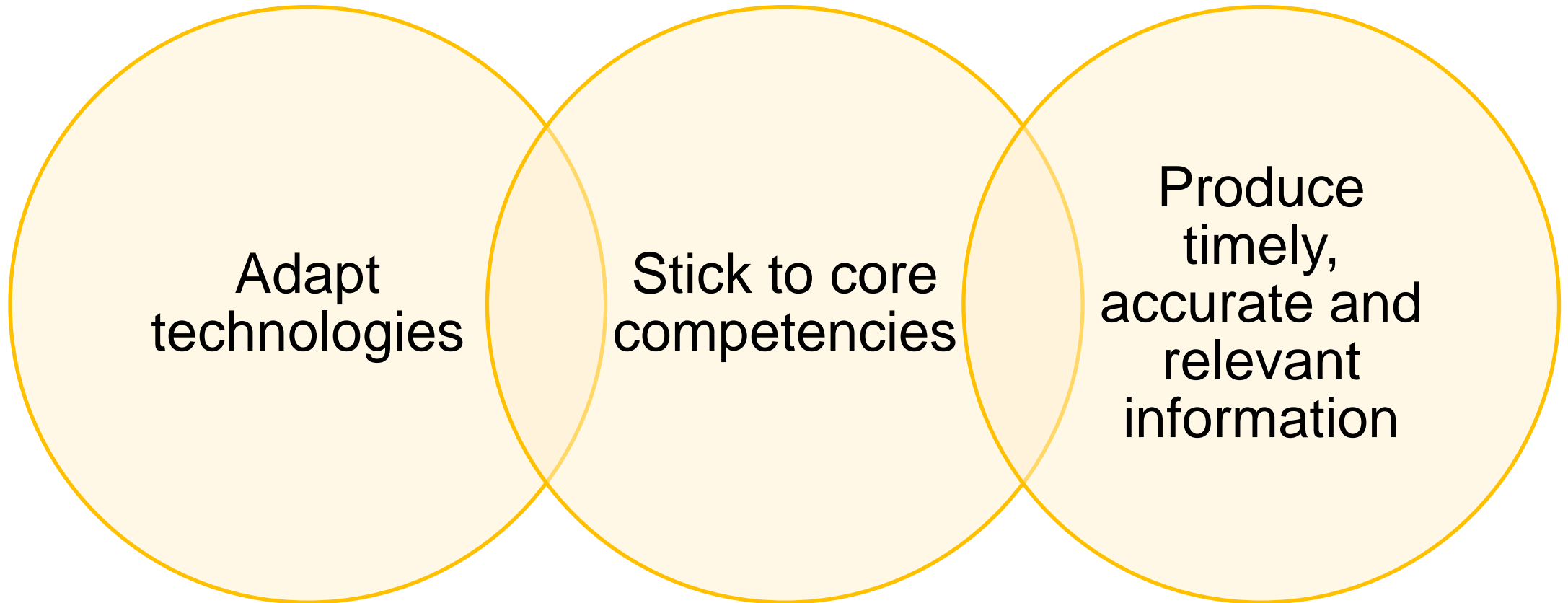
Tone at the top

High ethical standards

Gender diversity

Competency mix

Conclusion



Q&As





Thank You



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