

Case study

Bridges Outcomes Partnerships



Bridges Outcomes Partnerships (BOP) is a not-for-profit social enterprise. It runs contracts to deliver services in areas such as homelessness, health and education, only getting paid when outcomes are achieved. It has supported more than 1.4m people via 90 contracts, delivering £218m worth of outcomes.

The challenge



Move from multiple logins to a unified finance system

Bridges Outcomes Partnerships only gets paid when its work helps people. “We run and manage outcomes contracts, which are typically contracts to deliver services that local authorities would otherwise deliver for themselves or outsource,” says **Colin Huntington**, Director of Finance and Enablement.

“We only get paid when an outcome is achieved. For example, we have a project in Manchester with a contract to help people at risk of becoming homeless – so on this project we only get paid when an individual is in stable accommodation for a pre-defined period.”

There are currently around 25 projects, each set up as an individual legal entity. “That means I’m by proxy the finance director for the 25 small businesses that run those contracts,” says Colin. In the past, the finances for each of these entities were managed with a separate instance of Xero. “Xero worked pretty well for each individual entity – but each time you switched from one to the next, you had to come out of one instance of Xero and go into another one,” says Colin.

“If something had to be done across all entities, you had to do it 25 times. My colleague and I had a physical list attached to our screens showing all the current entities, so you didn’t overlook an entity or forget it existed.”

Producing management information was a laborious process. “It involved a whole raft of other work, pulling together reports and converting things into various Excel formats to share. It probably added up to around four days,” says Colin.

Handling group VAT and submitting reports via Making Tax Digital involved complex spreadsheets full of macros. Month-end accruals had to be logged in a spreadsheet and applied laboriously. With the number of contracts growing from five to 25 in five years, the arrangement wouldn’t hold.

Previous system: Xero

- Month-end reduced from four days to one
- Sharing management information has gone from a two-day job to instantaneous
- Group VAT collation and submission is done in a few clicks

The solution



Big time savings, with month-end cut from four days to half a day

Colin and a colleague drew up a list of potential systems, along with a fairly short list of essential requirements. “The key thing was that we needed a system that was multi-entity by design,” says Colin. Although it can be useful to have a P&L for the whole portfolio of contracts, the team didn’t need them consolidated into full **group accounts**.

iplicit allows the team to manage work across multiple entities without having to log in and out of different instances. Its project accounting features have provided the ability to flag invoices paid by the parent company that need recharging to other entities – something Xero did relatively well and a capability that the team didn’t want to lose.

With all projects managed in one system, it’s possible to replicate a standard chart of accounts across every entity. Many actions can be taken once and automatically applied across all entities.

Previously time-consuming accounting tasks have become much easier. Accruals are applied **automatically**, based on a sheet Colin imports into the system – and if there’s a query, he can easily see the journal or invoice behind the calculation. VAT submissions have gone from a time-intensive, spreadsheet-based process to “a matter of clicks”.

Expenses are easier to process now that staff submit claims for approval via the mobile app. When it comes to payroll, staff costs are allocated to particular projects. This generates a sales invoice from the parent entity which automatically becomes a purchase invoice in the corresponding project entity.

All this has led to substantial time savings at month-end. “If I were to sit down and do month-end in one go, it would probably have taken me the best part of four days before – whereas now, I could probably get it done in a day,” says Colin.

Sharing management information with the team has become the work of moments. “When I was producing management accounts in the past, it involved 25 iterations of exporting data from Xero and producing reports in Excel. Now, people can see the data for the entities they work on. When I’ve done my postings, the process of sharing the management accounts just involves sending an email to say they’re ready to look at – whereas before, that was the start of a couple of days’ worth of work.”

“ I feel a lot less trepidation now when people tell me there’s a new project coming down the pipeline. We’re tooled up and prepared for growth. ”

Colin Huntington
Director of Finance and Enablement

The outcome

More capacity and confidence about growth

The move to iplicit has improved visibility over figures across the organisation, with managers able to see for themselves how their projects are performing. The investment team, which produces forecasts for each project, can see that same information and import it into Excel. “At month-end, I let them know the accounts are ready and they update their models with an up-to-date picture of the actuals,” Colin adds.

The change in systems has freed up time so that Colin can take a wider view of the business. “My role is broader than solely finance – and with the month-end work cut down, I have more capacity to support

the other functions I look after, whereas before, I was primarily working on finance and squeezing in other bits and pieces where I could,” he says.

For the finance team, growth no longer means extra work to set up different instances of the same software. “I feel a lot less trepidation now when people tell me there’s a new project coming down the pipeline,” says Colin. “We’re tooled up and prepared for growth.”

