

## Fledgling Company Grows Its Wings With Isosceles

Emerging businesses need full, effective accounting and finance just as much as well established corporations. The trick, however, is knowing how to establish the right structure and support systems that will accommodate growth just as the fledgling company grows. It was for this £250m turnover technology PLC and its new networks company, that Isosceles addressed such a challenge.

A leader in real-time internet content security, this company was born out of advanced telecommunications research and development work. Its technology identifies and prevents internet security threats, such as viruses, worms, other forms of malware, phishing scams, spam and inappropriate content, before they reach the user and cause harm.

With the technology PLC a majority shareholder and continuing to invest considerable funds into this fledgling company it forms an important part of their investment strategy.

### The Requirement

From the beginning, this fledgling company needed an individual with the commercial and financial expertise to help complete the all-important business plan. More crucially, however, this individual also had to have the experience of technology companies through every stage of growth.

At the same time, it had to be considered that if the technology PLC were to pursue its investment on the strength of the business plan, then the fledgling company would require an accounting function migrated out of the technology PLC to a stand-alone department, which could then set up its own procedures, controls and reporting.

### The Decision

Isosceles had successfully worked with the technology PLC on a previous project and it was the CFO who suggested that rather than turning to the 'big four' the organisation considered us to deliver on the requirements.



*"We were delighted with the service we had already received from Isosceles" commented the CFO. "They efficiently plugged a six-month need while we recruited permanent staff."*

By examining in detail and using our finance expertise to objectively critique the assumptions made, Isosceles was able to further develop the business plan and confidently present our findings to the technology PLC.

At Isosceles we believe our core strengths lie in tailoring solutions to each client's unique requirements and then delivering against a defined service level agreement. For the technology PLC and the fledgling company, we were able to tick every box against the requirements and deliver as promised.

*"They needed a solution that could scale with the business." said Mike O'Connell, CEO of Isosceles. "In addition, they wanted the known quantity of a dedicated team that came to their offices regularly and which could flex to their requirements."*

## **The Solution**

Thus, flexibility was at the core of the Isosceles solution in which we provided an onsite finance department. Headed up by a Finance Director with the experience and confidence to take up a board position, this finance department also included the resource of a Financial Controller and for an initial six-month period, a bookkeeper.

Then, as volumes grew, our flexible approach enabled us to accommodate the required financial processes to make this an efficient and cost-effective solution.

Overall, the Isosceles solution included the following:

- Provide a board level finance resource with the commercial acumen and business expertise to take on this multifaceted role. This resource needed to be capable of producing budgets and regular forecasts to allow the proactive financial management of the company, which would stand up to the scrutiny of a full Plc board and external shareholders.
- Provide other key staff to complete the Finance and Accounts Department

- Establish processes and procedures that would work for the fledgling company and fit in with those of the technology PLC.
- Restructure the fledgling company's accounts to better reflect their needs, but at the same time will be compatible with the technology company's own system
- Manage the separation of the fledgling company from the technology PLC and the migration of day-to-day accounts processing
- Preparation and completion of normal month-end and year-end accounting and reporting
- Assume the role of Commercial Director, supporting the Managing Director in all contract negotiations

*"The most challenging area was the migration of the accounts function from the technology PLC" said Mike O'Connell. "We needed the flexibility and adaptability of a small company finance team capable of supporting an entrepreneurial environment, but which could also operate within a large Plc control structure."*

*"Isosceles has provided part-time resources where a full-time controller and bookkeeper would have been uneconomic." added the CFO of the technology PLC. "All the staff are experienced, dependable individuals (importantly in the day-to-day practicalities of a broad general finance role) who have immediately fitted into our organisation."*

## **The Results**

For any client, attaining positive results as early as possible is always an objective and for the fledgling company this was no different. As a consequence of Isosceles' expertise and assistance at the planning stages, The technology PLC signed off the business plan and invested in the fledgling company. The workforce has since expanded from the original 15 to the current 43 employees.

Equally important, however, has been the flexible service level from Isosceles, which has grown alongside the fledgling company.

"Isosceles set out our accounting processes, facilitated a seamless separation from our holding company and provided us with practical, commercial-driven advice on the plan," the fledgling company's CEO. "Isosceles continues to provide an excellent finance department for us, they understand the constraints of a start-up yet the information needs of a large investor, this flexible approach enabled us to form an excellent team together."