

Racing into the Future with Cloud Financial Management

Spendthrift Farm

Challenges

Racing into the Future with Cloud Financial Management

Established in 1937, Spendthrift Farm is an international thoroughbred horse operation with farms in Lexington, Kentucky, in the United States and Kerrie, Victoria, in Australia. The company breeds, trains, and races thoroughbreds on two continents. Throughout the farm's history, Spendthrift Farm has represented an impressive roster of champion stallions, including Kentucky Derby and Triple Crown winners.

Spendthrift Farm's previous accounting system wasn't handling the challenges of being an international organisation well. As an on-premise, server-based software, it was installed on farm servers in the U.S. and Australia. Lexington-based CFO, Christi Conner, explained that, "To access my accountant's information in Australia I had to log into his computer and remote server. That was difficult, given the time differences, and it proved quite cumbersome to pull his data together with ours."

The architecture of the Great Plains chart of accounts was unwieldy, and the farm's finance team had to deal with more than 20,000 account numbers. There were levels of tracking Spendthrift Farms wanted to pursue, but chose to forego, rather than adding to their "disjointed" and "cumbersome" chart of accounts.

Consolidating the financial reporting from both farms entailed a painful and time-consuming process. Conner had to manually pull data from Great Plains into Excel spreadsheets and work with pivot tables in order to create presentable information for management. "It was a ridiculously awful process, and it took more time than I want to think about," said Conner, adding that she spent at least 10 hours each month creating consolidated financial reports.

Great Plains reports looked backward over the prior month and never contained real-time financial data. The farm manager complained that month-old reports were not meaningful for making current decisions. Meanwhile, Conner had little time left over for more strategic aspects of her role as Controller, such as budgeting and forecasting.

Solutions

Flexible, Accessible Solution for Consolidated Financial Reporting

Spendthrift Farm has partnered for many years with Dean Dorton, a premier CPA firm specialising in the equine industry. The firm brought them the idea of switching to Sage Intacct in order to take advantage of the anytime, anywhere accessibility of the cloud. According to Conner, "The team at Dean Dorton has been excellent at helping us improve our business."



Company Overview

Spendthrift Farm is an international thoroughbred horse operation that breeds, trains, and races in the U.S. and Australia. Nine Kentucky Derby winners and two of the last four Triple Crown winners have lived at Spendthrift Farm.

Executive Summary

Results with Sage Intacct:

- Improved accounting and financial coordination between farms in the U.S. and Australia through cloud accessibility and real-time data.
- Reduced the time required to complete consolidated monthly financial reports by 50%.
- Transformed a disjointed chart of accounts containing 20,000+ account numbers into a well-architected, responsive, and table-driven COA.

"We chose Sage Intacct because of our international operations. It helped us consolidate all of our financial information into one concise location and to be able to access it in real-time," recalled Conner. Sage Intacct also features an innovative, table-driven chart of accounts and much easier, more flexible reporting features, including dashboards.

Results

Faster Reporting Leaves More Time for Planning and Budgeting

Spendthrift Farm has been much better served by having a cloud-based financial management solution that enables financial employees and managers to log on and access information whether they are at home or at the farm, in the U.S. or Australia. "One of my favourite things about Sage Intacct is the accessibility of all of my companies. I can log on from anywhere and access any of my companies at any time and that is something I did not have before at all," said Conner.

The chart of accounts forms the framework for how all financial information is stored – affecting everything from data entry to reporting. A traditional, linear-based chart of accounts often results in a huge number of account codes. Instead, Sage Intacct uses a logical, table-driven structure. Natural accounts, such as assets and liabilities are set up with added dimensions (tags or attributes) that set rules for data entry and reporting.

Dimensions allow for real-time reporting of comparative, cross-tabulated data as well as hierarchical, drill-down data. The more flexible chart of accounts in Sage Intacct, combined with its real-time data and better reporting functionality, enabled Conner to complete her reporting much more quickly each month, as well as deliver better information to management.

"Before we were always looking way back, but now, with Sage Intacct, reporting is a very simple process. We pull it all together and present it in a manner that is concise, quick, and time-sensitive. As a finance professional, this allows me to look at our finances in real-time and make decisions in a way that was not possible before," noted Conner.

"Switching to Sage Intacct has also allowed us to provide real-time information to management, so they can make decisions immediately," continued Conner. "For example, I can give information to the farm manager, and he can immediately make decisions about what to purchase and can negotiate better pricing."

Thanks to the extra efficiency delivered by Sage Intacct, Conner uses the time she saves on monthly reporting to focus more energy on higher-level tasks that support management. She explained, "Before Sage Intacct, it was very difficult to do forecasting and budgeting in a timely manner. Now I'll be able to step back and do much more in my strategic role, because I no longer spend my time pulling data."

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Christi Conner
Controller

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