



CASESTUDY

# Cleared Up The Accounting Hurdle Like There Was Never A Confusion

## CLIENT PROFILE

Bratcher Enterprises, Inc. is a second-generation owned car care franchise company that consists of twelve Midas shops all over the Chicago area and a parent company they roll up to. Ten shops are currently in operation, two having been recently closed. The parent company, Bratcher Enterprises, LLC, has not been able to file a fiscal year ending July 31, 2019 tax return. Each of the twelve shops are owned by Bratcher Enterprises.

## THE BUSINESS CHALLENGE

PABS had been retained to take over all accounting duties going forward. However, due to the illness of a key management team member, it was discovered that the bookkeeping had not been completed for almost two years. The parent company, Bratcher Enterprises, LLC, has not been able to file a fiscal year ending July 31, 2019 tax return. The twelve Midas stores had also not been able to file 2019 tax returns. Many bank, merchant and other accounts were still in the names of deceased parents. Log in information was lost and could not be recreated due to the account ownership problems. Access to ancillary systems such sales tax reporting, vendor accounts, cloud-based software and online access was all problematic.

## APPROACH TO PROBLEM

PABS had to completely peel back the ownership structure, audit and reconcile all accounts, rework, remap and repair systems and gain access to over 100 vendor and business online accounts in order to service the Bratcher Group. Goal number one was to close the Fiscal Year End 2019 so tax returns could be generated, and a baseline trial balance established. Goal number two was to begin entering and reconciling the current day accounting to not fall even further behind in tandem with project number one.

## WHOLE BUSINESS MAKEOVER

PABS turned over every rock and addressed every issue to clean up the operations of this businesses thirteen entities. PABS reduced the risk of major problems that could arise from wrong names on accounts and insurance policies. PABS cleaned up all operations to ensure smooth accounting management.

## SUCCESS OF THIS MISSION

A group from the PABS car care team was formed to begin the implementation. Two more were added when the sheer volume of transactions to be handled and degree of difficulty with the company was discovered. This team consisted of implementation experts, chartered accountants, clerical support, Quality Control and Client Delivery oversight. Many of this team had years of experience in franchise car care accounting management with difficult implementation issue, a second-generation franchise and multiple locations. This was going to be a difficult implementation, but this team was up to this challenge in every way. They worked seven days a week, all hours to accomplish this task. It was a herculean effort for a client who hired us simply to take over their bookkeeping. It is important to note, that the combined efforts of the PABS team and the Bratcher management team resulted in this success; one by one, shop by shop, vendor by vendor, account by account, we persevered until we had enough to begin entering data, reconciling accounts and producing financials.



## CHALLENGE

Due to an illness, the bookkeeper could no longer keep up with the accounting for thirteen entities. The accounting was nearly two years behind. Client hired PABS to rebuild and then take over and maintain the thirteen businesses.

### FINANCIAL SYSTEMS :

QuickBooks was on one machine in the office. A remote desktop connection had to be established.

### DOCUMENT MANAGEMENT :

Documents were received by email to several email addresses owned by the Clients. Documents were mailed to the offices. Documents were only available through vendor online portals.

Bank Accounts, Merchant Accounts, Vendor Accounts in the names of the deceased. Log in credentials were lost and could not be created due to the account ownership issues.

Financial Reporting had been impossible with two years of financial data not entered into the QuickBooks files.

## SOLUTION

PABS formed a team of franchise car care accounting experts experienced with implementation and management of second and third generation car care franchise owners in need of operational accounting management and support.

Two machines had to be added with new QuickBooks licenses so the additional labor force could all work at the same time.

A universal group email was established. Client was instructed to forward all documents to this email or place right into the Dropbox. Client was instructed to set up scanners so documents could be captured and placed in Dropbox.

PABS instructed Client on how to either change or close and open new accounts. Client was to go to the branches, all over the state, and in person show death certificate and get new online credentials for the team.

PABS added additional computers and personnel to enter over 600 documents gathered, reconciled all accounts and close out the months and then the year.

## RESULT

Nearly two years of data was entered into thirteen Quick Books files. The files were rebuilt and reconciled allowing for tax returns to be filed for each entity. At the same time, the present-day accounting was launched in tandem to ensure that the accounting did not fall further behind.

Faster data entry and reconciliation created a speedier recovery. All documents are centralized and organized by entity/ vendor or business process.

During the COVID 19 emergency shut down, 19 bank accounts were addressed and either repaired or closed. In some cases, new accounts had to be opened. Merchant Accounts were changed into the right names. Vendor accounts were accessed and repaired. Credit Cards were closed and reissued.

Draft Financials were issued for the 2019 fiscal year end clearing the way for tax prep. A beginning trial balanced was established and the current accounting could proceed issuing reliable and accurate monthly financials on time.



## GLOBAL OFFICES



### CALIFORNIA ▾

300 Spectrum Center Drive  
Suite 400,  
Irvine, CA 92618  
☎ +1 888 837 3714



### TEXAS ▾

6800 Weiskopf Avenue,  
McKinney,  
Suite 112, TX 75070,  
☎ (214) 232 0226



### SYDNEY ▾

Level 11, 68 Alfred Street,  
Milsons Point,  
NSW 2061  
☎ +61 488 004 823



### HAWAII ▾

810 Richards Street  
Suite 300,  
Honolulu, HI 96813  
☎ +1 (800) 838 4854



### AHMEDABAD ▾

Megha House, Opp. Vodafone House,  
B/H -Divyabhaskar S.G Highway,  
Ahmedabad - 380015  
☎ +91-79-40029015



### MUMBAI ▾

Office No- 4, 4th Floor,  
K Raheja Prime, Sag Baug Road,  
Andheri East, 400059.  
☎ +91-22-40108510