Post M&A Compliance | Legal Entity Separation & Sub-Consolidation Reporting

Situation

A North American retailer of energy and energy services had grown substantially through a series of acquisitions and was focused heavily on management reporting by line of business. However, the company was having trouble maintaining the integrity of the individual legal entities' accounting financial statements.

In order to restructure the organization, it was necessary that the legal entities were separated into stand alone financial statements. System constraints and lack of SAP Subject Matter Experts to operationalize the journal entries left the company stagnant.

In addition, the company did not have a consolidation tool which necessitated inefficient workarounds to accomplish their tasks in SAP without system configuration.

Solution

SolomonEdwards assembled a team with Project Management, Purchase Accounting and SAP Systems expertise, providing backfill resources as needed to rescue the project and complete (stakeholder analysis, project timeline, project plan).

Results

The legal entity separation was accomplished and all go live target dates were met without disruption to the business. SolomonEdwards was able to:

- Develop a technical solution to segregate purchase accounting entries from statutory with the use of SAP master data.
- Create and execute testing strategies within a controlled test environment (test scripts, facilitated testing, issue resolution).
- Develop and execute SAP upload automation for 1,035 journal entries across 94 legal entities.
- Establish an alternate SAP hierarchy to automate legal entity and sub-consolidation reporting.

INDUSTRY:
Energy

DEPLOYMENT:
Team of 3

SERVICES:

Business Transformation

Project Management

Transaction & Regulatory Advisory Services

Post-M&A Compliance

Consolidated Reporting

Post-M&A Integration

System Integration & Optimization

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Exceptional People for Complex Situations