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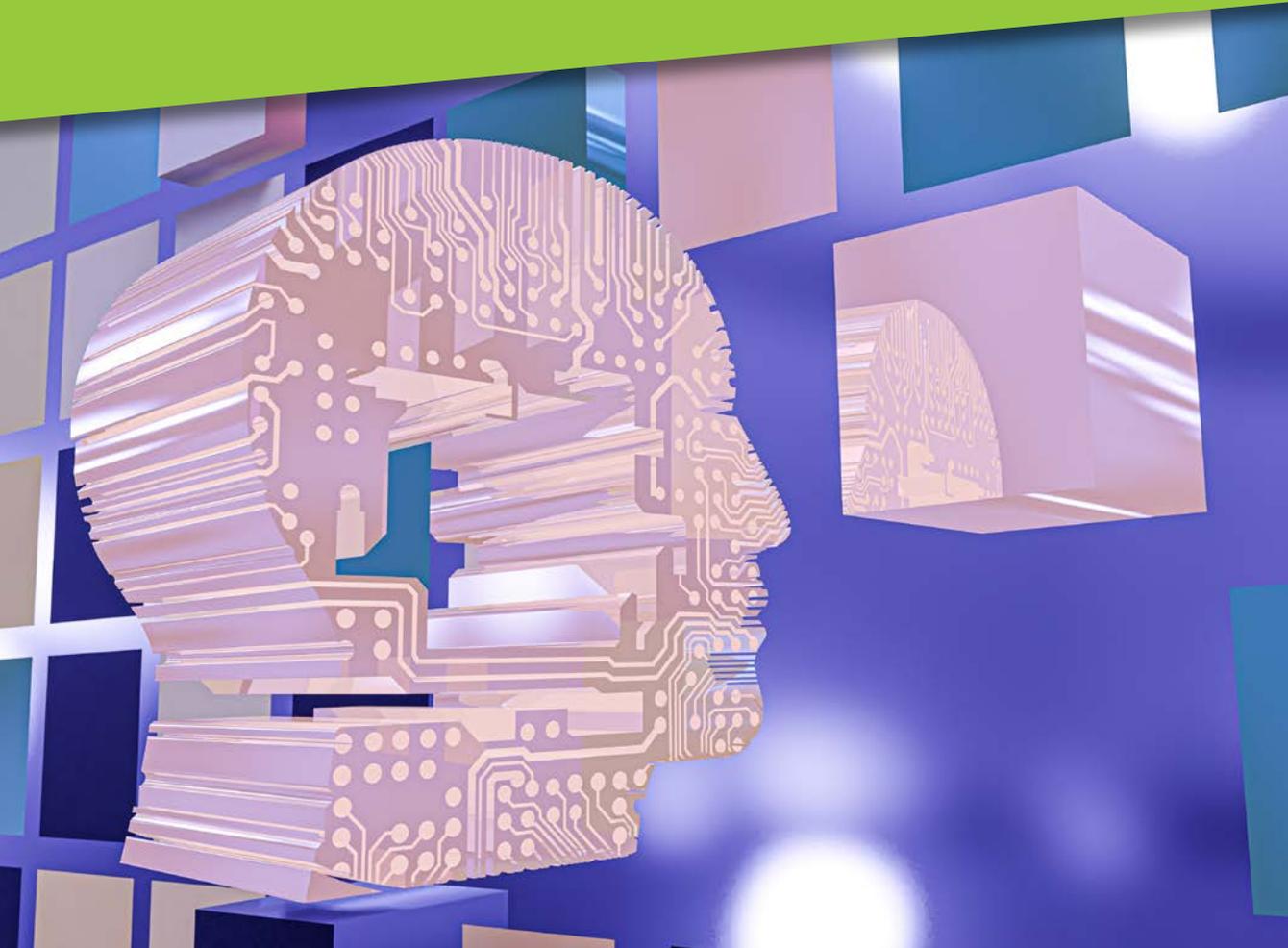
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AI and outsourcing: the perfect mix?

AI, or outsourcing? Or both? We take a big picture view on how things might develop for your practice – and for us.



Will artificial intelligence (AI) be so clever, intuitive and powerful that you won't need outsourcers to support your firm? And, by that definition, does that mean you'll be able to reduce your own headcount?

These are the kind of questions that we're hearing (or, quite frankly, we're being asked) at the moment. Let's not beat around the bush: there are a number of people in the outsourcing space that see AI as a huge competitor to their entire business models.

What about us at AdvanceTrack? Well, we're not complacent enough to think that it definitely won't impact us. In fact, the opposite. Those of you that have worked with AdvanceTrack will know that we're big investors in technology. Our IT has to work with your practice's systems, and securely. It needs to be 'on' as much as physically possible, and also enable fast and effective communication (of both knowledge and data) between us and our practice partners.

We've seen various technological leaps and iterations over the past 20 years, and we view AI as another leap. Broadly speaking, we will use AI.



AdvanceTrack is, by definition, an extension of practices' own business. And if you're thinking of using AI, or having it placed upon you through developments and updates across practice and accounting platform tech, then it makes sense that it will impact our systems, our operations – our way of doing things – too.

Big data, big questions

Certainly, we can envisage the likes of Xero and QuickBooks looking to add intelligence

“Whatever the pace of change, we hope to still be very much in the mix of helping practices grow – perhaps with AI in there too, helping us all grow faster and higher”

Vipul Sheth, AdvanceTrack

into their offerings. After all, with masses of data at hand they will be able to turn that into knowledge to be actioned upon. This evolution will drive hundreds and thousands of micro-decisions made on your behalf, which will save practitioners seconds, that turn into minutes and then hours.

Perhaps, at AdvanceTrack, our masses of information at hand will be similarly leveraged by AI tools? It's still conjecture – and we would be rightly cautious about what that would mean for your clients' data security.

AI may well free up your people's time even further than current levels of automation can do. That's true – but that will be the case for AdvanceTrack's people, too. We've no doubt that our offering will evolve, in tandem with the way practices operate.

We're still not at the stage where just a review is needed of client files. There is still plenty of up-front work and checking before the validation stage. Things will change, and it's possible at a faster rate than we can envisage. But, whatever the pace of change, we hope to still be very much in the mix of helping practices grow – perhaps with AI in there too, helping us all grow faster and higher.

■ Vipul Sheth is MD of AdvanceTrack Outsourcing. If you'd like to talk to us about helping your practice grow and develop, please get in touch by clicking [here](#).

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AML climbs the priority list

AML compliance may not be a headline grabber, but it's certainly a big discussion point in the profession. AdvanceTrack MD Vipul Sheth explains why, and what you need to consider managing your own AML compliance.

While business and the general public seem enthused (or concerned) about artificial intelligence and its seemingly endless array of potential applications, at 'accountancy ground level' the topic of anti-money laundering (AML) – in respect of compliance – is a big deal.

Why is it a hot topic? Well, there's no particular 'thing', but a series of developments.

Firstly, the bar for AML compliance has got increasingly higher across various legislative/regulatory iterations – for businesses, practitioners, and licensing bodies alike. Quality assurance reviews by the accounting institutes look at AML very stringently indeed (as they too are monitored). AdvanceTrack's own assurance review by the ICAEW certainly had AML as a high priority.

Secondly, AML is closely linked with the onboarding process – certainly in terms of running those initial checks on prospective clients. The onboarding process has been a long-running area for technology providers to offer solutions, and so it makes sense that the increasing compliance requirements of AML would see developments on both sides of that coin. As an example, the launch



of Firmcheck in the UK, which offers both AML and onboarding solutions.

Finally, MTD – or rather, MTD being pushed down the timeline. There is always a big compliance or regulatory area that pushes accountants into looking at how they work, and considering what changes may be required. And, if tech can 'solve' that 'problem', then the solutions providers like to let us know about their offering.

An ongoing process

There are a lot of old-school AML tech tools in the market – many of which still require a lot of manual intervention. So, it seems ripe for a new wave of AML tech to step up.

But, as with all technology, there are a number of important considerations to be made around how those offerings interlink and interact with other

tech you use, and the data in which it accesses. And the 'manual' part of all of this mustn't be overlooked (despite my earlier comment). Do you have processes in place that will flag up issues, and then will you act upon those issues accordingly?

We must never forget that digitalisation, automation, and workflow can support how we run our business, but this is all to support you as an accounting professional, to make informed judgement calls and take appropriate actions.

Finally – AML tech isn't really about a 'point solution', because AML requires ongoing supervision of clients (and an understanding of your firm's AML policies, procedures and internal management). It's not a 'fun topic'; you may not even want to refer to it as a 'hot' one... but it is very, very important.



CASE STUDY

Practice reengineering – with outsourcing at its heart

A mid-tier practice in London had previously used outsourcing and offshoring but turned to AdvanceTrack when it looked to take things to the next level.



Tell us about your practice

We're an accountancy firm with more than 250 team members – providing a full service, from tax to large audits. We're on a growth path, with private equity investment in place. We're on course to make ourselves bigger and better in the next few years, as a client service provider and as an employer.

What problem did you need solving?

With the work we do – as many accountants will know – there is a restriction on resources. So, we've previously looked for a partner to alleviate that with their own pool of people.

A small number of our partners worked with outsourcers in India for particular types of work and particular types of client – and did it successfully for a number of years. One of the partners, in particular, had a strong relationship with the outsourcer – but when that partner left, we saw the quality of work start to diminish (and clearly that's a two-way thing). And then you use that resource less and less.

We'd begun to review our strategy. Then, in lockdown, it gave us a chance to really understand what we wanted to do, for whom, and how. Our financial accounts and outsourcing production teams were brought together; within that wider team, people were placed into smaller specialist teams called pods. That made it easier to understand our resourcing, and where remote working fitted into that.

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- Process Driven Mass Customisation



“We now have had AdvanceTrack people working across all of our business services pods, with some serving as offshore support – meaning they’re focused purely on our firm”

At this point we revisited the idea of working with an outsourcing partner.

How did you begin working with AdvanceTrack?

AdvanceTrack MD Vipul Sheth had been speaking to our CEO – the seed of a relationship was there. Once we started considering revisiting outsourcing then Vipul was the obvious person to speak to.

And once we’d spoken to him, we didn’t really feel the need to speak to anybody else.

It’s clear that AdvanceTrack is technology-driven, and that suits our direction. We also opened up outsourcing as a firmwide strategy rather than, as previously, funnelled through a few of our teams.

How has the relationship between your firm and AdvanceTrack progressed?

I would say that the biggest challenge for us was developing our processes internally and getting our people on board. But the benefits became

obvious when teams were short-staffed and began utilising the outsourcing resource available – realising it was fantastic.

We now have had AdvanceTrack people working across all of our business services pods, with some serving as offshore support – meaning they’re focused purely on our firm. We think that having a mix is great, because your offshore people become ‘representatives’ for how we do things, and so they add support and knowledge to AdvanceTrack on our behalf. This helps maintain a connection and relationship.

How has your firm developed... and what does the future hold?

All firms reacted to the 2020 lockdowns by thinking more deeply about their systems and processes – and how technology is going to impact the accountancy world.

Now, rather than just producing figures, we’re looking at the best tech and processes to enable us to provide better and broader advice to our clients. With our plans to expand, we need to work very efficiently, and AdvanceTrack is important to helping us achieve our goals.

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