



FOR IMMEDIATE RELEASE

## New Survey Reveals Current State of the Financial Close Process at Bay Area Companies

September 19, 2011 – (Campbell, San Francisco and Palo Alto, CA) – In a new report released by [Mohler, Nixon & Williams](#), “2011 Northern California Financial Close Survey Report,” key findings show that the financial close is a significant focus area for accounting and finance teams.

“There is a significant gap between most companies’ actual close process, and where they want to be,” said [Leinani Nakamura](#), Advisory Partner at Mohler, Nixon and Williams. “As companies grow over time, they add more entities and financial systems. It’s tough for accounting and finance organizations to keep up, and still close their books quickly. For example, at the largest companies in our survey, many are integrating financial information across more than 11 systems, and most are consolidating more than 11 entities.”

A significant percentage of survey respondents want to report financial results faster. For example, in companies with over \$500 million in revenue, 71% responded that they want to complete the monthly close in one to four days, but only 33% are meeting that goal.

“Our survey finds that as companies grow in revenues, their financial close shortens,” adds Nakamura. “At face value, this is counterintuitive, until you examine the dynamics. As companies grow and are publicly-traded, there’s increasing pressure by company management and the financial community to report financial results quickly and accurately. Larger companies have made investments in people, process, and technology in order to meet these rigorous demands. It’s a fairly complex process to manage each month, especially when it must continually accommodate new revenue streams, M&A activity, and complex accounting rules. The close process is not one that you can lock down and be done with; it must constantly evolve with changes in the business.”

“The biggest challenge in the close process is the manual nature of the close,” notes Nakamura. “Across the spectrum of companies we surveyed, from pre-revenue start ups to the largest companies, the most common tool used to manage the close today is a manual checklist, typically a spreadsheet. And although this has become the de facto tool of choice, it has inherent limitations. For this reason, we see more and more companies evaluating automated solutions.”

### Survey

To download a free copy of the “2011 Northern California Financial Close Survey Report,” visit [www.mohlernixon.com](http://www.mohlernixon.com).



**About Mohler, Nixon & Williams**

Mohler, Nixon & Williams is the premier accounting and tax advisor to the Bay Area's fast-growing companies and investors. Whether a company is just starting, or well-established, Mohler, Nixon & Williams provides tax, employee benefit plan and private company audit, outsourced accounting, and advisory services. Mohler, Nixon & Williams is one of the largest locally-based CPA firms in California, and one of the Top 100 largest accounting firms in the United States. Please visit the firm's website at [www.mohlernixon.com](http://www.mohlernixon.com).

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