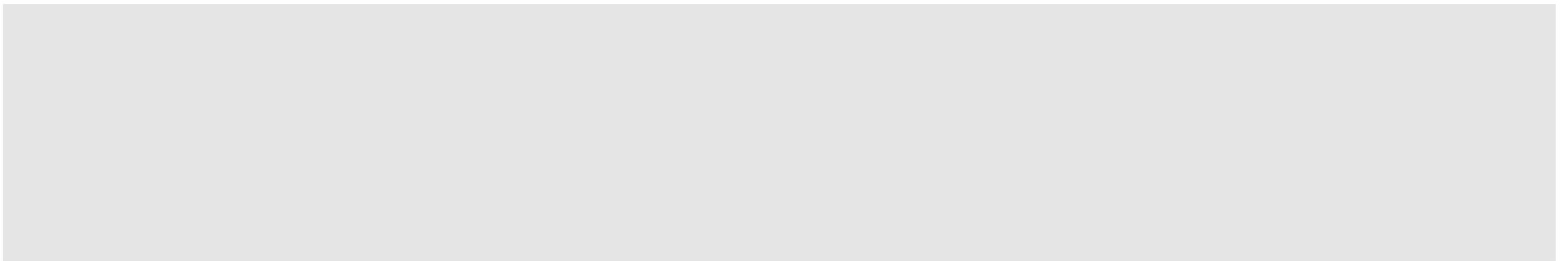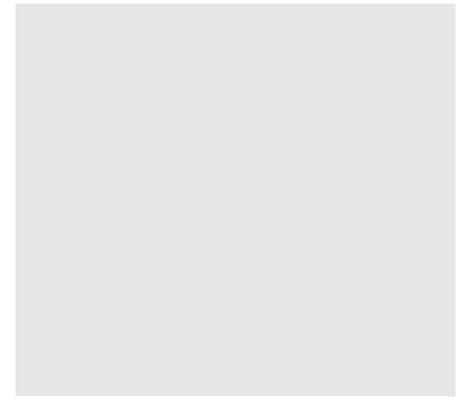# Consultancy services

About the company

A UAE based company providing consultancy services in the airline sector. The company employs experts in civil aviation who help airline companies launch new routes, acquire/lease aero planes.

Needs of the business

$ The company was newly set up and did not have any books of accounts. The company had run all its accounting on excel sheets for the first year. They wanted to migrate to an accounting software.

The company wanted an accounting software which was cloud based and would handle multi currency operations.

Handle the VAT returns of the company

Our company act as the outsourced accountants.

Challenges we faced

Challenges

Data collection : In the absence of books of accounts in the first year, excel sheets became the primary source of data.

Entry backlog: There was backlog of entries which had to completed within short time.

VAT Law: Our team had to learn the VAT law of UAE. This law had been newly introduced in the UAE and our team had to learn all the relevant sections and the return filing process.

Solutions we came up with

Cloud based accounting software

We used Zoho Books as accounting software.

Zoho Books was the best choice since it was cloud based and supported multi-currency operations

Creating a voucher system

Our team had to have supporting documents for the entries to be passed in the books. This was required for the audit as well.

A voucher **system** **was** created for recording the vendor invoice and was used as a cross reference at the time of the payment.

This helped our team to record vendor payments against the correct vendor invoices

Cross currency accounting

- The firm invoiced in:
- ❖ Dirhams
- ❖ EUROS
- ❖ USD.

The sales invoiced in EUROS were received in USD. This created a problem in accounting the receipts since Zoho Books did not allow currency switching at the time of recording the customer payment.

- Our team had to devise a scheme of entries to get around this limitation and it proved to be successful.

Results we achieved!

Results

- The voucher system was used for employee reimbursements thus making sure that the company never missed recording an expense and reimbursement.

- The company was able to migrate from excel sheet to an accounting software.

- Our team handled the finance/accounting functions sitting in India.

- Our team handled all the compliances related to VAT. All the returns were filed on time with zero exceptions