

Professional Sports and Cloud Accounting... Using Custom Fields to Slam Dunk the Financials



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A continued fictional account of very real circumstances...

Elsa Markos, CEO and co-owner of the Arendelle Ice, just finished reviewing a series of financial statements in preparation for a meeting with a potential new arena investor. She was able to quickly review income statements based on the types of events (sports vs. concerts vs. family) as well as breakdowns by event specific information (hockey division, music genre, sport type, etc.).

But, how did she do it? Especially since we stated earlier than her chart of accounts was only one segment in length with four digits. How did she get all those financials?

We can explain it with two concepts and in four words... “dimensions” and “custom fields.”

While the Ice only has a one-segment chart of accounts, they utilize Intacct for their accounting software, which allows them to use a multitude of “dimensions.” What is a dimension? This of a dimension as a “transaction tag.” How does that help the Ice? Let’s explain...

Intacct provides users with greater than ten dimensions – or transaction tags – in the standard product. Dimensions are available on every transaction in Intacct.

As for the custom fields, Intacct allows – in the standard product without ANY add-ons or additional fees – the ability to add custom fields to ANY window in the system. “That’s nice”, you say. “But, how does that do anything for financial statements?” Well, dimensions can be used in financial statement layouts. Custom fields can be placed on windows where dimensions are maintained.

But how did dimensions and custom fields help us in this case? You want details, right?

For starters, we renamed a dimension to “Events”. Intacct encourages companies to rename the dimensions in order to make them more familiar. This helps foster adoption of the system since users see familiar terms. Renaming a dimension is easy. Simply choose the setup menu item labeled terminology, select the dimension to rename and save. Once you refresh the browser, all usage of the dimension becomes your new term.

Next, we opened the Custom Fields window in Intacct and created a few fields and tabs. The tabs were created to segregate the fields into groups by type of event. The fields were created to give differing details about each event type.

To satisfy the requirements of the Ice organization, we created one tab each for “Sports”, “Concerts” and “Family” as those are the different types of events that are tracked – and reported on – by the arena accountants for the Ice. As you can see in the image below, each type has a tab. We also created a picklist field for “Event Type” with the values of “Sports”, “Concerts”, “Family” and “Other”. Other is always an option to allow for future expansion without immediate panic! Finally, we created an “Event Date” field on the main tab of the card so that event based reporting can also be created by dates the events took place.

One of the reporting requirements for the Ice was to get income statements by event and by event type – comparing and contrasting the profitability of their different events. To accomplish this, we needed to create custom fields at the event type level to allow us to distinguish sub-types of events.

Next, we continued working in the custom fields screen to create fields for the event tabs. The Sports tab is first as more sporting events occur than any other. Not only is the IcePlex Arena home to the Arendelle Ice franchise, but the local university plays their basketball games there too. And they have, from time to time, some additional special sporting events there.

With that in mind, we created a “Sports” tab that houses information for both hockey and basketball. As you can see in the screen shot, fields were created to track the hockey opponent, whether it was a playoff game, and the hockey season that game took place in. The opponent tracking lets us break out reporting by division since the opponents are then grouped into divisions. We could also get year-over-year analysis by opponent as well. Questions like “Do we make more money when any particular team comes to town?” can finally be answered. Since the hockey season is different from the fiscal year of the Ice Holdings organization, we added the hockey season field to give the Ice the option of running reports based on hockey season.

Basketball fields were next, and we created a few fields similar to the hockey ones, but we added one new special field – “Basketball Type”. This field tracks if the opponent team is in their conference or out of their conference. A major request of the arena accountants was to know if their in-conference opponents were more profitable than the out-of-conference opponents.

What else did we do for the other event types? And, how in the world does all this help?

Stay tuned and find out...