



# Advanced reporting for professional services clients: A deep dive into using Fathom

Erin Walsh Dyer



# About today's speaker



The Bookkeeper's Friend  
erin@bookkeepersfriend.com

## Erin Walsh Dyer

Intuit Trainer Writer Network – National Training Team

QuickBooks Educator & Personal Coach

Advanced Certified ProAdvisor

10+ years teaching QuickBooks Online & QuickBooks Desktop Internationally

# CPE Process

## In order to receive CPE credit

- Be sure to sign in or scan your badge for this session
- You must stay in the session for the duration of the training
- This session is eligible for **1 hour of CPE**
- CPE certificates are emailed directly to you within 4 weeks of the conference date to the same email address you used to register

# Agenda

Introducing Fathom


The benefits of advanced reporting

Get the right reports to the right people

Getting started

Advisory simplified

Key takeaways

A photograph of two young women with blonde hair in ponytails, smiling and talking to each other outdoors at night. The background is dark with some blurred greenery and lights.

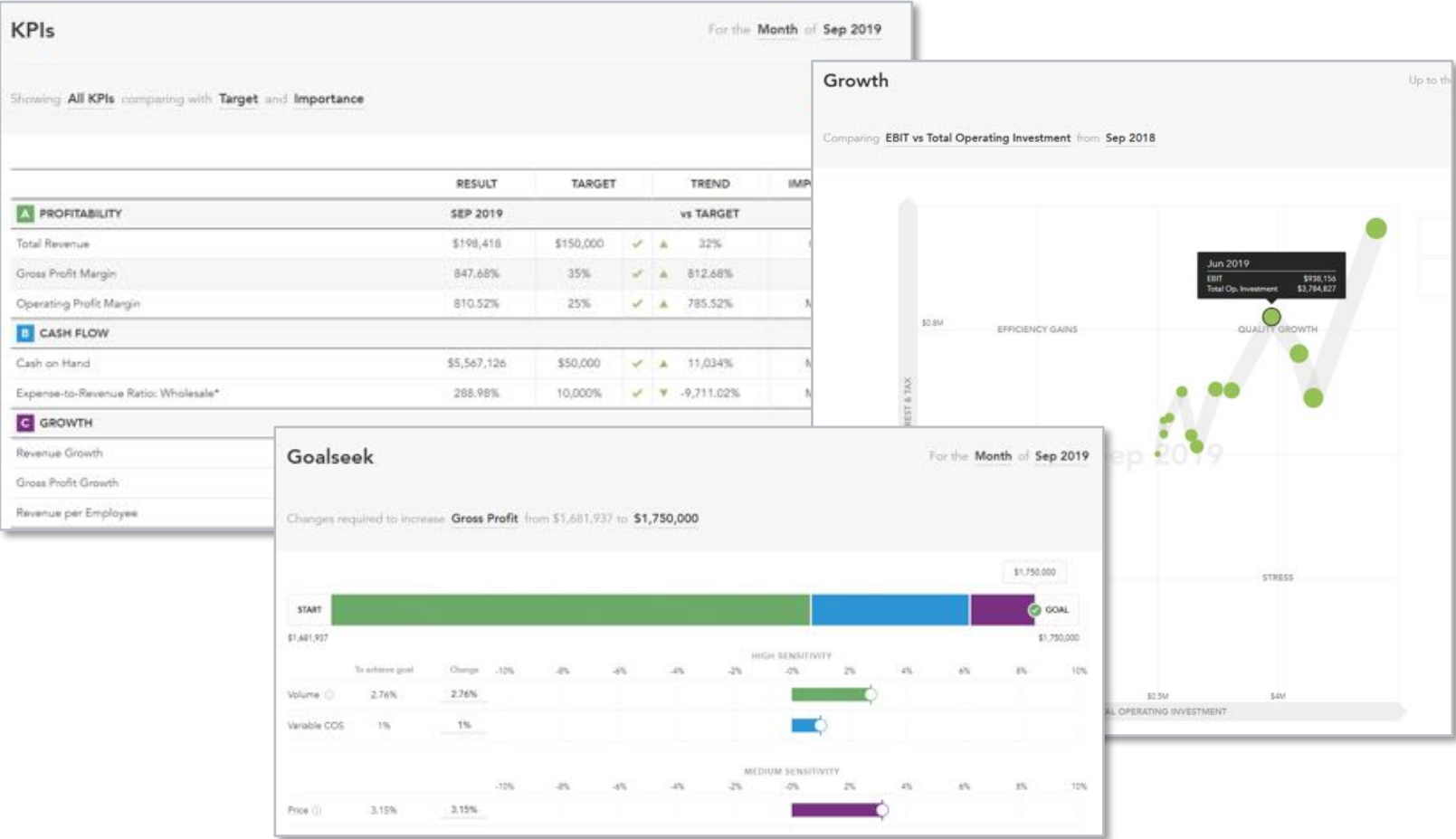
Share with your neighbor:  
***What is the toughest report  
you've ever had to create?***



# Introducing Fathom

# Introducing Fathom

Analysis tools



Customizable dashboard of performance trackers (KPIs)

Show growth trends by accounting period

Set goals with clients and see what it takes to get there

# Introducing Fathom

## Reports

The screenshot displays the 'Report Center' for 'Fast Track Wholesale & Distributing'. On the left, a sidebar contains navigation options: 'Reports' (selected), 'Published', 'Draft', 'Templates' (with a star icon), 'Custom', 'Predefined', 'Scheduled reports', and 'Excel reports'. The main area shows a table of draft reports:

Draft reports	Period	Shared with	Last edited
Wholesale Division	Jan 2019	6 people	about 20 hours ago
Partner Meeting Report Package	Q1 2019	6 people	about 20 hours ago
CFO Report Package	Jan 2019	6 people	about 20 hours ago
Annual Performance Report	2018	6 people	20 August

Two modal windows are overlaid on the bottom half of the screen:

- Create a schedule:** This window allows users to create a scheduled report. It includes options for 'Published report' (selected) or 'Draft report', a template selection (currently '2018 Cash Flow with P&L'), a frequency dropdown (set to 'Every Month'), a notification checkbox (unchecked), and a warning section with 'YES, CREATE SCHEDULE' and 'NO, CANCEL' buttons.
- Download Excel report:** This window allows users to download a report. It includes a 'Financial results' section with a period selector (set to 'Month of Sep 2019'), a 'Chart of accounts' section with 'Summary' and 'Detailed' buttons, and a 'Choose the level of detail' section with three radio button options. A 'DOWNLOAD' button is at the bottom.

Prepare custom reports or use the predefined templates

Auto publish monthly, quarterly, or annually

Export to excel with options for level of detail



# Reporting use case

Manual report building can be time consuming and expensive. Just ask Alison!



# Exercise

Think of a client with reporting needs. Ask yourself these questions and write your answers down.



Do you provide complex reporting?

What is your time spent on?

- Custom report creation
- Explaining reports
- Monitoring client business health

How much does this cost your firm?

***What could you do with time saved?***



# The Benefits of Advanced Reporting



Knowledge is power.

Francis Bacon, Philosopher



# The power of advanced reporting

Better serve clients by getting to know their unique reporting needs.



Educated decision making

Real time information

Benchmark and compare

Alerts for under performance

Advisory tools

Setting goals



# Get the Right Reports to the Right People

# Report wish lists

Ask the team: Bookkeepers & accounting staff



Cash Position

Cash Flow Graph

Operating Cash Flow

Accounts Payable Alerts

Accounts Receivable Alerts

# Fathom report packages

Bookkeepers & accounting staff



## Payables & Receivables

Aging Analysis	Oct 2019	Target (Oct 2019)	This month vs target	Sep 2019
Accounts Receivable...	100 days	15 days	85 days	190 days
Accounts Payable D...	2 days	30 days	-28 days	0 days

Aging History	May 2019	Jun 2019
Accounts Receivabl...	-43 days	-8 days
Accounts Payable ...	0 days	0 days

## Cash

Cash Analysis	Oct 2019	Target	Variance %
Operating Cash Flow	(\$291,526)	\$10,000	-3,015.26%
Operating Cash Flow to Current Liabilities	-2.10:1	2.00:1	-204.77%
Gross Profit Margin	57.67%	35.00%	64.76%
Operating Profit Margin	48.52%	25.00%	94.08%



[How to build this Fathom report package](#)  
[Click here!](#)



# Report wish lists

Ask the team: CFO, Controller & Finance Committees



Statement of Cash Flows

Operating Cash Flow

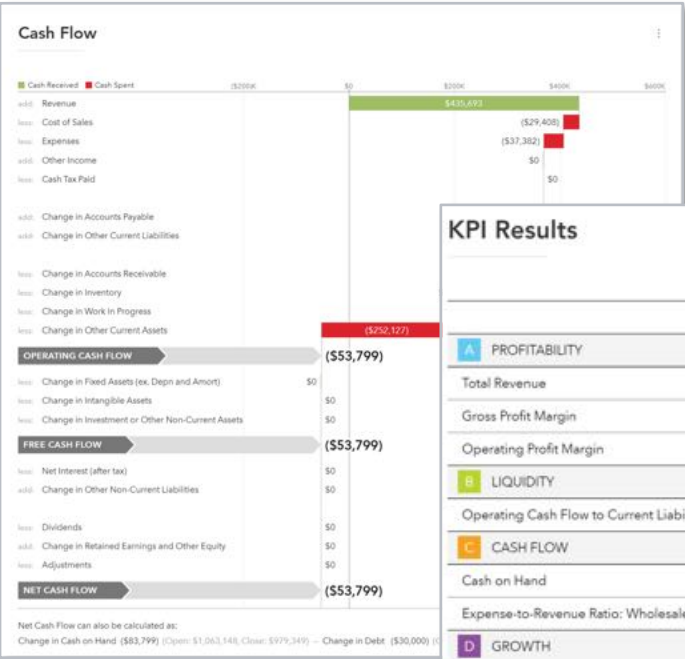
Cost Center Profitability

Overhead Allocation

Capital Expenditures

# Fathom report packages

CFO, Controller & Finance Committees



KPI Results				
	1 ALERT	RESULT	TARGET	TREND
A PROFITABILITY				
JAN 2019				
vs DEC 2018				
Total Revenue		\$435,693	\$150,000	✓ ▲ 123.3%
Gross Profit Margin		93.25%	35%	✓ ▼ -45.93%
Operating Profit Margin		84.67%	25%	
B LIQUIDITY				
Operating Cash Flow to Current Liabilities		-9.26:1	2.00:1	
C CASH FLOW				
Cash on Hand		\$979,349	\$50,000	
Expense-to-Revenue Ratio: Wholesale*		27.31%	10,000%	
D GROWTH				
Revenue Growth		123.29%	0.41%	
Gross Profit Growth		49.6%	0.17%	
Revenue per Employee		\$43,569	\$10,000	
E CLASS TRACKING				
Net Income: Wholesale		\$177,758	\$10,000	

## CFO Report Package

Fast Track Wholesale & Distributing • January 2019

### Executive Summary

#### REVENUE

Revenue **\$435,693** (Last month \$195,121)  
Positive trend upwards.

#### PROFITABILITY

Profitability Ratio **84.67%** (Last month 88.88%)  
Negative trend downwards. Strategies to improve profitability include: increasing price, increasing sales volume, reducing cost of sales and reducing operating expenses

#### ACTIVITY

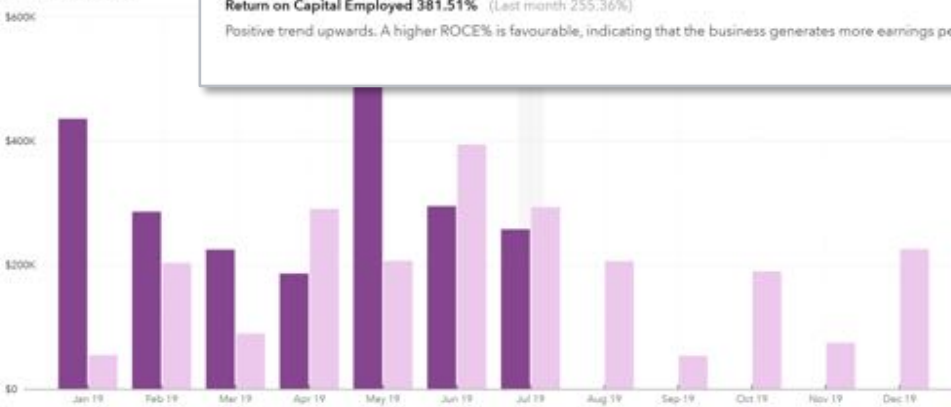
Activity Ratio **4.51 times** (Last month 2.87 times)  
Positive trend upwards. Strategies to improve the activity ratio include seeking ways to optimize the balance sheet, ie, by reducing the investment in working capital, selling-off any unused assets or by increasing sales using the same asset base.

#### EFFICIENCY

Return on Capital Employed **381.51%** (Last month 255.36%)  
Positive trend upwards. A higher ROCE% is favourable, indicating that the business generates more earnings per \$1 of capital employed.

### 2019 Revenue vs

#### Revenue vs Budget



How to build this Fathom report package  
[Click here!](#)

# Report wish lists

Ask the team: Project, event & department managers



Remaining available funds

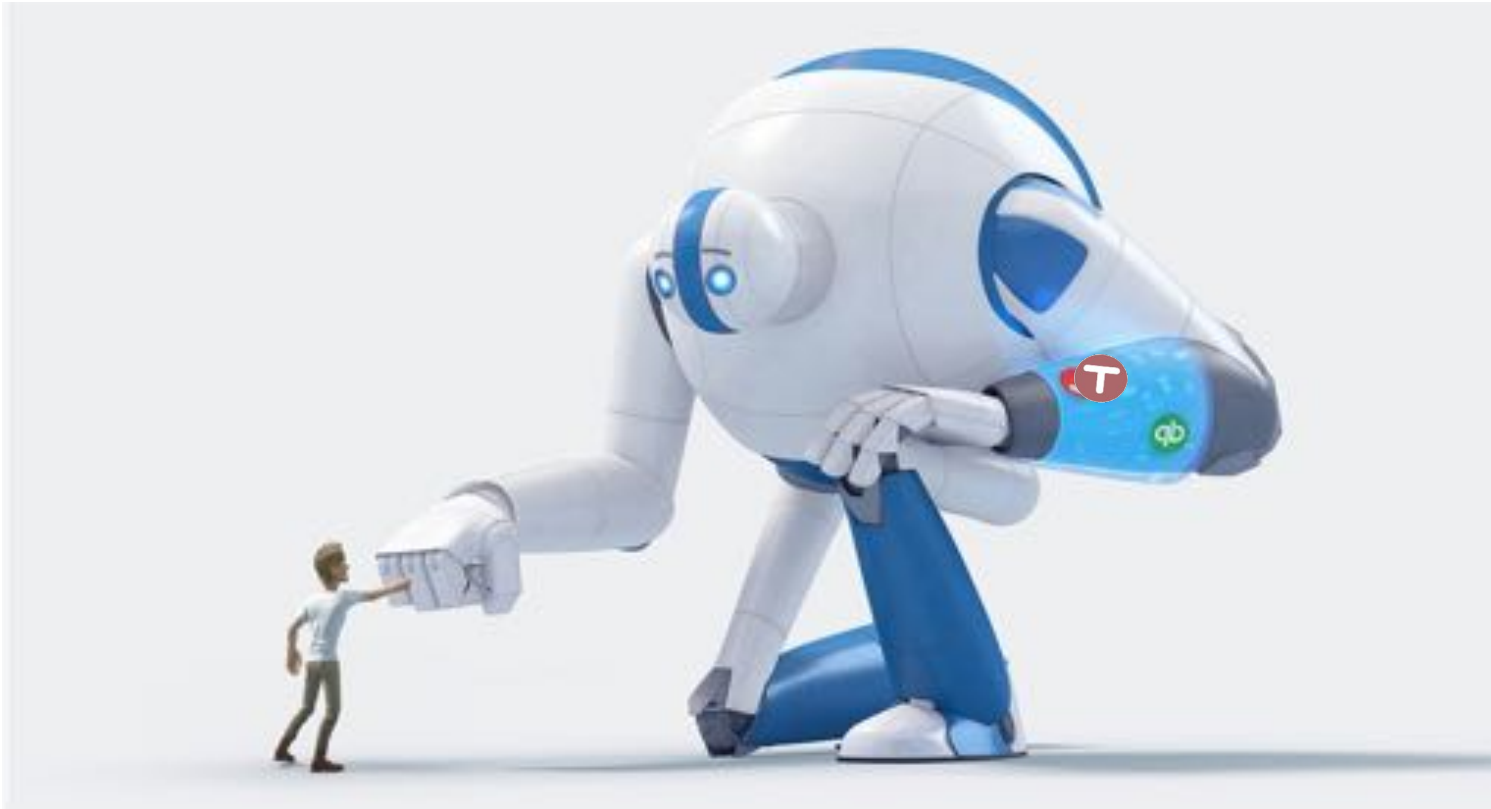
Project & event profitability

Units sold (tickets, memberships, etc.)



# Bump up reporting

Reporting is power! App and QBO combinations can boost your firm's reporting capabilities.



Job/Project Costing:



Advisory & Report Packages:



Granular Custom Reports:





# Report wish lists

Ask the team: Owners, Partners & Boards



## Snapshot reporting

Budget(s) vs. Actual

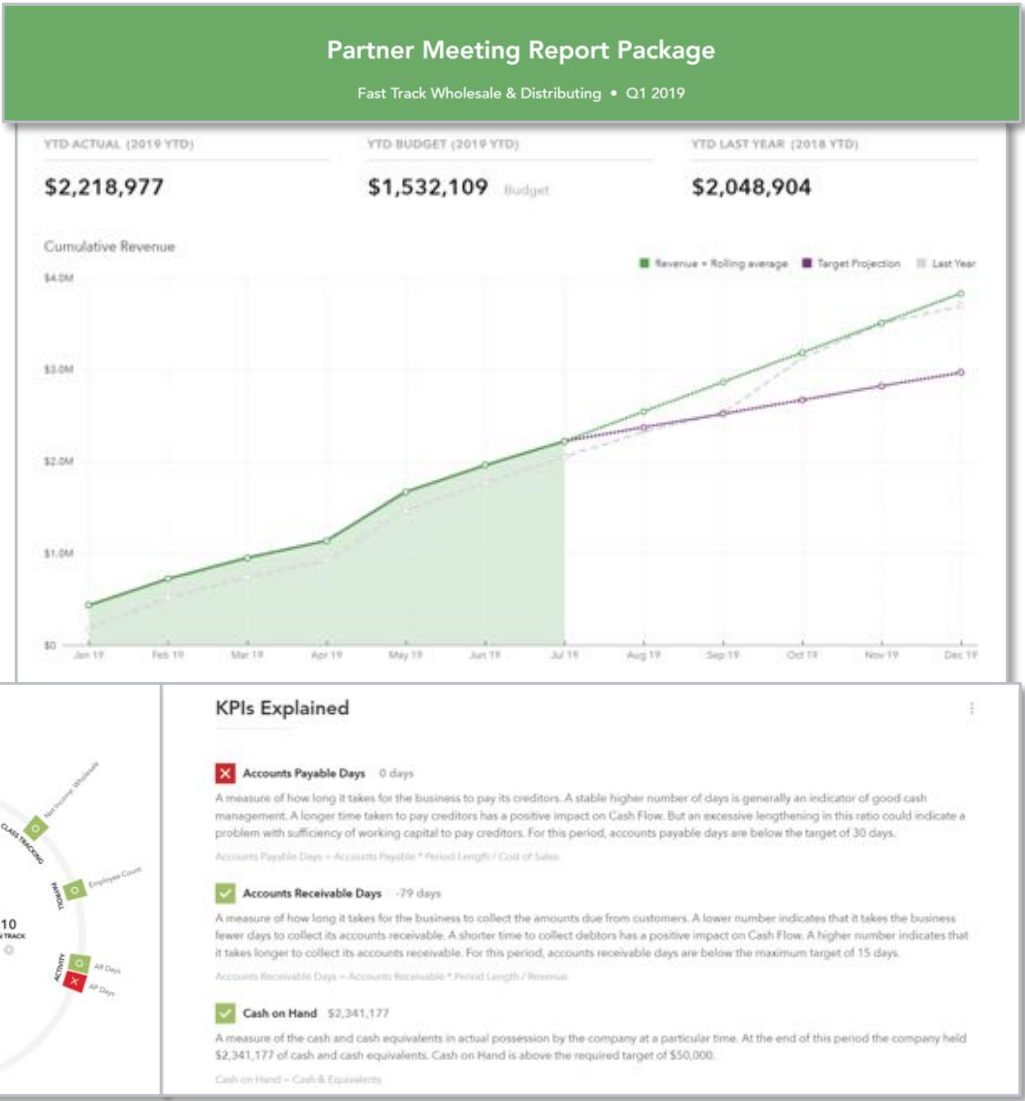
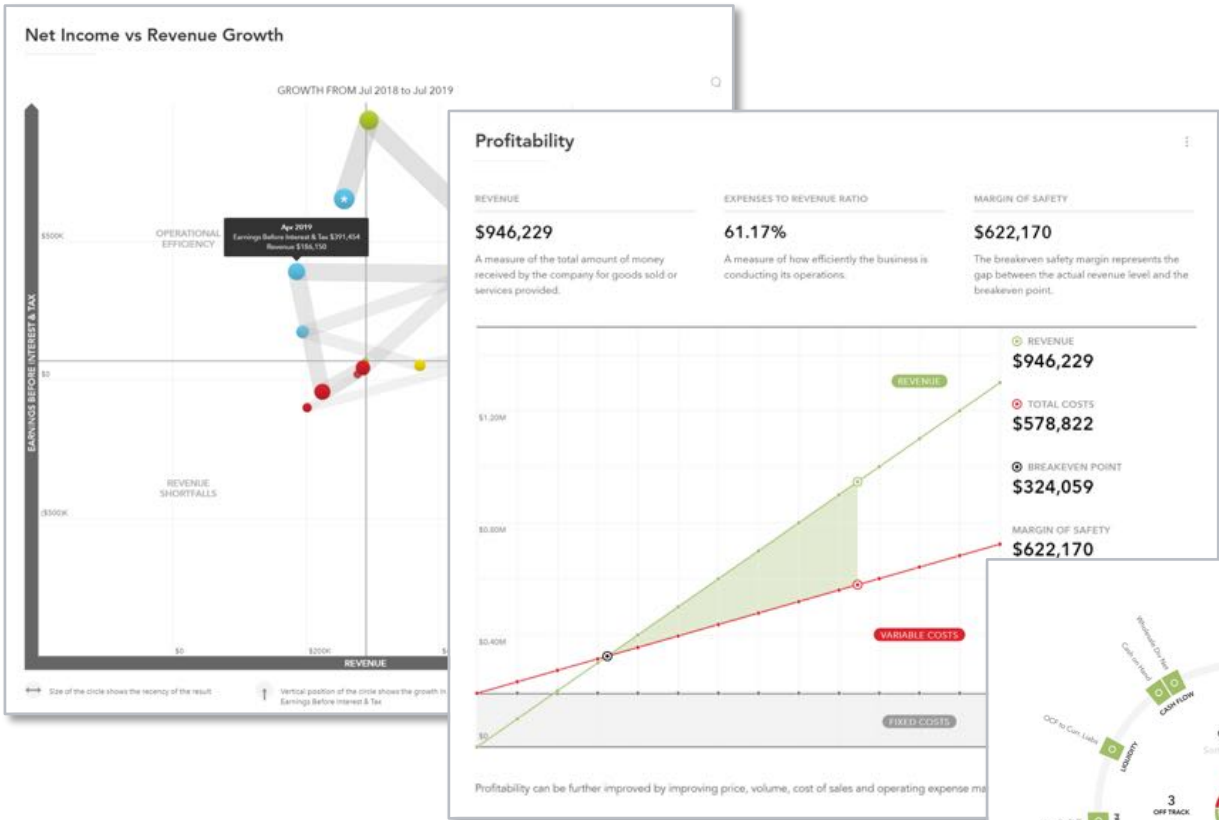
Statement of Cash Flows

Revenue Trends

YTD Financials (graph)

# Fathom report packages

Owners, Partners & Boards



How to build this Fathom report package  
[Click here!](#)

# Report wish lists

Ask the team: Compliance & auditors



## Non Profits:

Mission driven success rates

Statistics

Audit Groupings

# Fathom report packages

Compliance & auditors

Fiscal Year vs Budget				
PROFIT & LOSS	2019	Budget	Budget Variance (\$)	Budget Variance (%)
Revenue				
Wherehousing Income	\$3,265,213	\$2,281,300	\$983,913	43.13%
Cost of Sales				
Cost of Goods Sold	\$1,965,165	\$1,276,903	\$688,262	53.90%
Gross Profit	\$1,300,049	\$1,004,397	\$295,652	29.44%
Expenses				
Accounting	\$2,691	\$379	\$2,312	610.03%
Advertising and Promotion	\$9,524	\$3,974	\$5,550	139.64%
Auto and Truck Expenses				
Auto and Truck Expenses	\$4,506	\$4,011	\$495	12.34%
Gas Chris	(\$113)	\$3,753	(\$3,866)	-103.01%
Parking Meters				

Divisional Reports				
PROFIT & LOSS	Online Retail	Wholesale	Unclassified	
Revenue				
Wherehousing Income	\$435,547	\$2,804,298	\$25,364	
Cost of Sales				
Cost of Goods Sold	\$389,722	\$5,140,022	(\$3,564,579)	
Gross Profit	\$45,825	(\$2,335,724)	\$3,589,948	\$1,300,049
Expenses				
Accounting	-	-	\$2,691	\$2,691
Advertising and Promotion	\$8,984	-	\$540	\$9,524

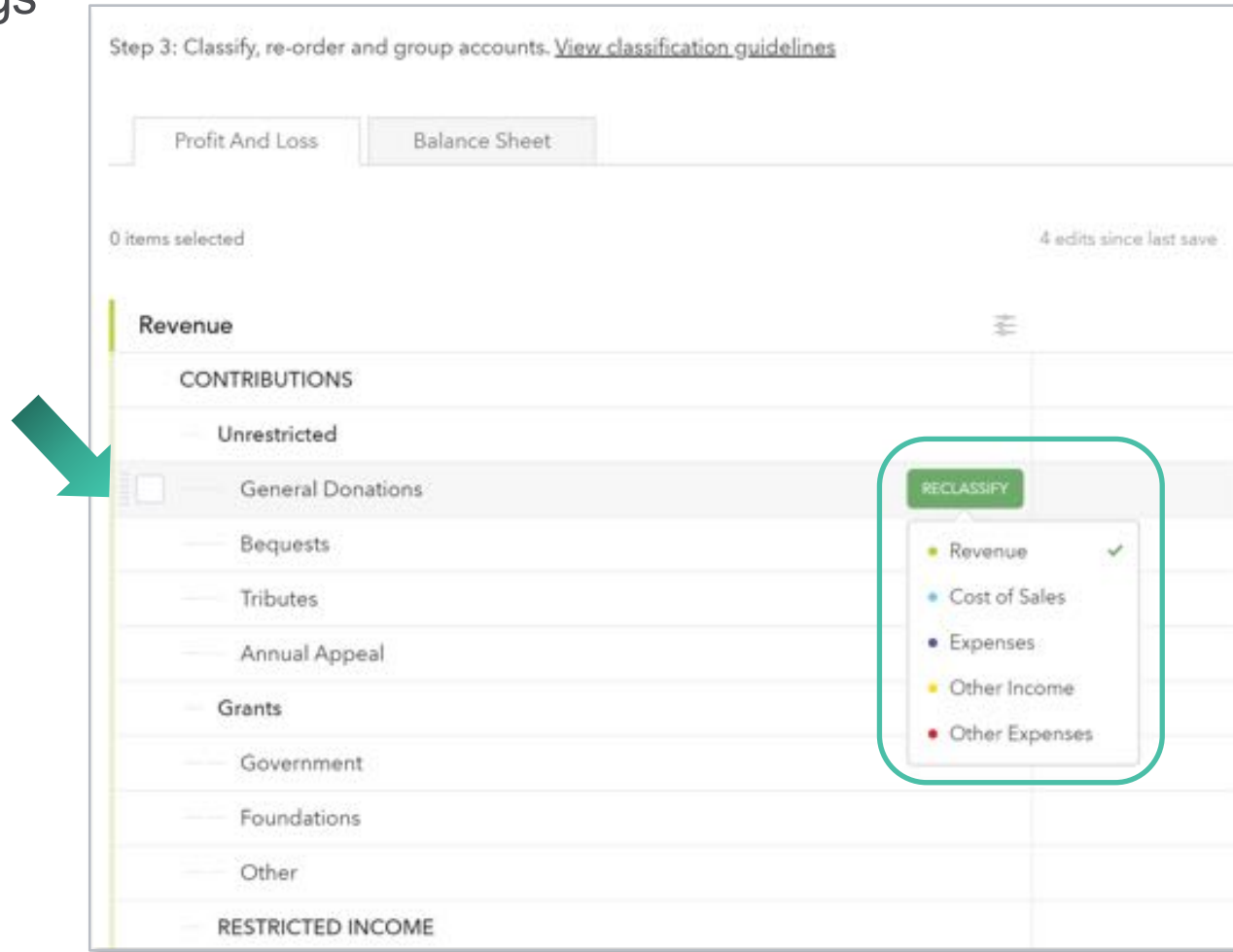
Annual Audit Support Package	
Fast Track Wholesale & Distributing • 2019	
PROFIT & LOSS	Sep 2019
Revenue	
CONTRIBUTIONS	
Unrestricted Income	
General Donations	\$3,119
Restricted Income	
Capital Campaigns	\$40,000
Gala Fund-a-Need	\$46,465
Total Restricted Income	\$86,465
Total CONTRIBUTIONS	\$89,584
DIRECT PUBLIC SUPPORT	
Fundraising Events	
Ticket Sales - Donation	\$6,925
Ticket Sales - M&E	\$16,375
Sponsorships/Underwriting	\$6,500

[How to build this Fathom report package Click here!](#)



# Customize the Chart of Accounts

## Settings



Customize the chart of accounts for reports

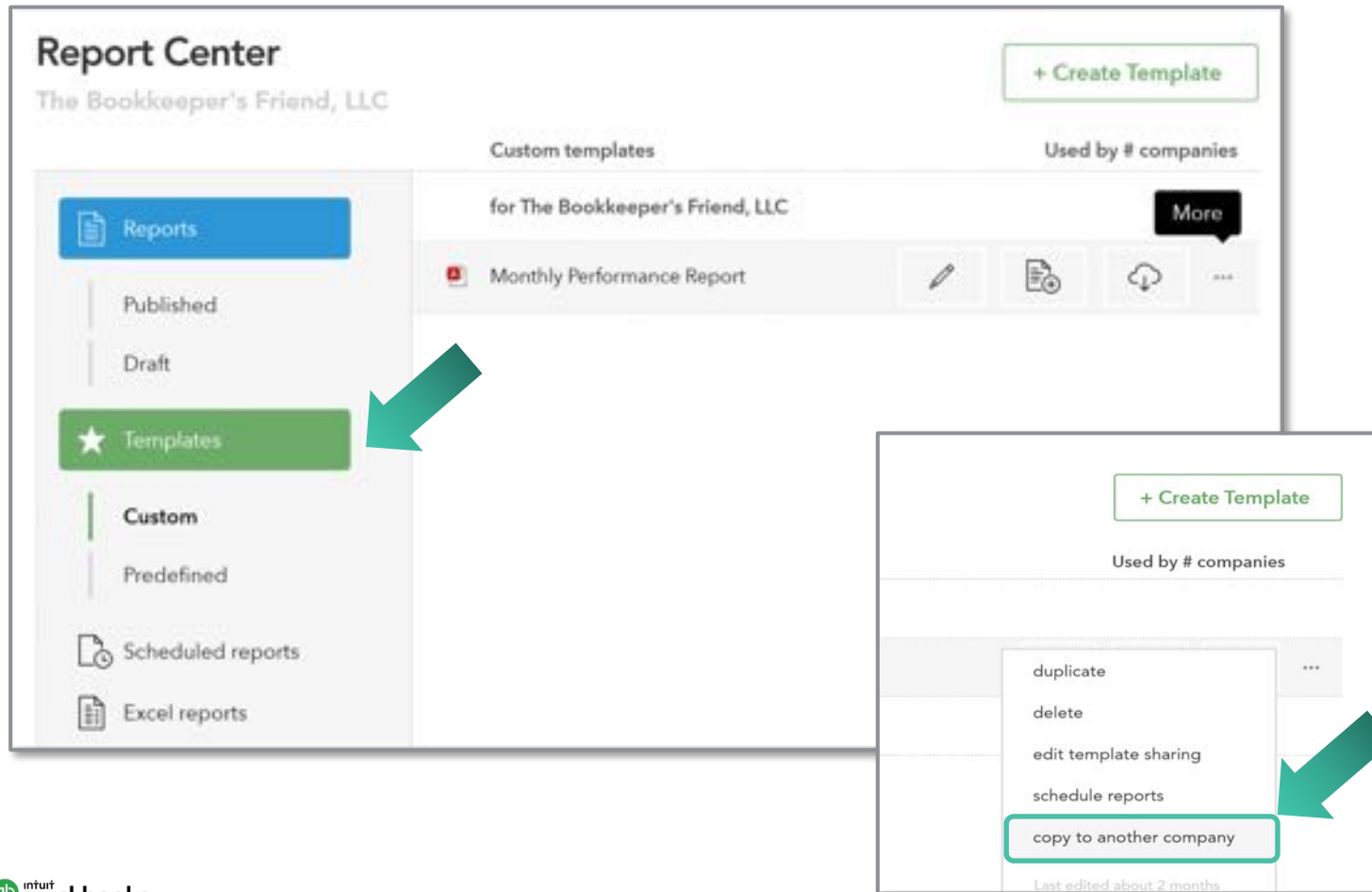
Reclassify and group sections

Click and drag to change list order

Does not effect the structure in QuickBooks

# Sharing report templates

The Benefits of the Accountant Organization dashboard



Set up standard report packages

Save report packages as  
Templates

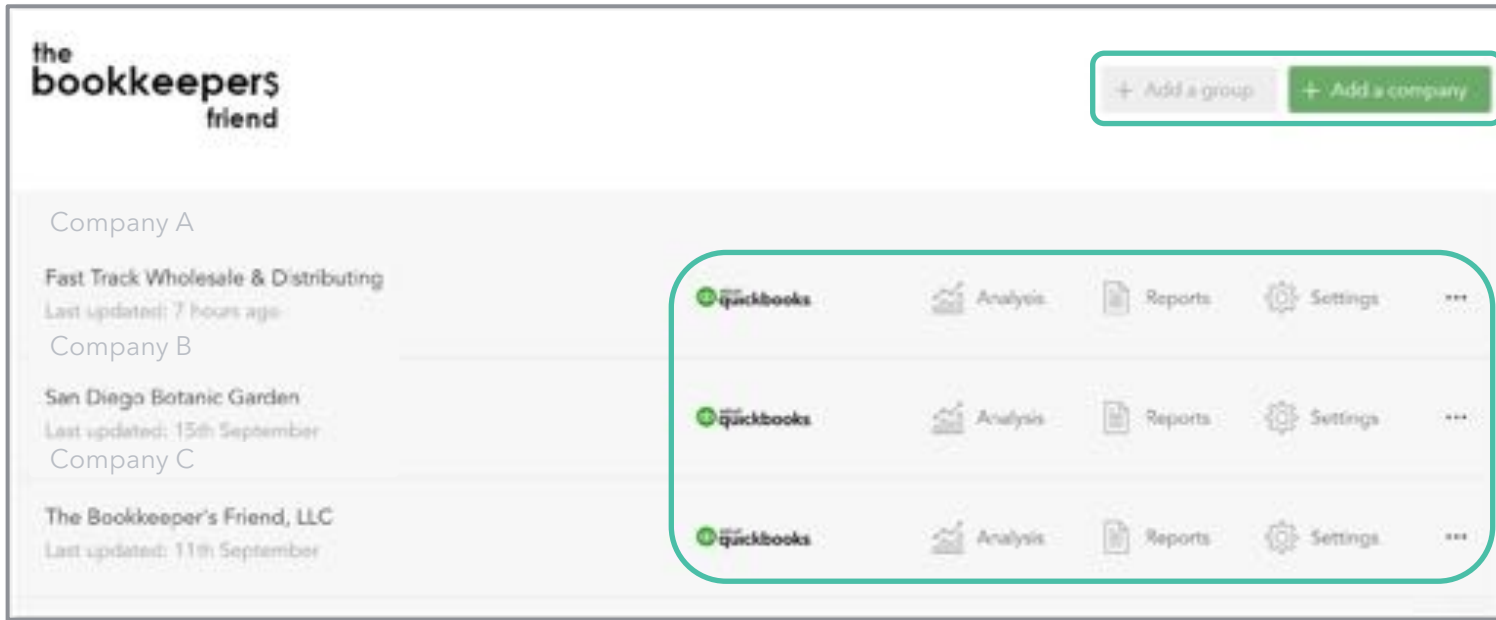
Copy Report Templates to  
multiple clients



# Getting Started

# The Fathom dashboard

The benefits of the Accountant Organization dashboard



Sign up as a Fathom Organization

Access your client dashboard

Connect QBO or QBDT


Access Analysis Tools

Click to report templates & customization

Set up Consolidated and Benchmark Groups

# Connect


## Connecting QuickBooks to Fathom

 **Update Source Data**

Step 1: Import or update your financial and non-financial data.

**Financials**

Date Range: August 2014 - August 2019 [remove periods](#)

Source:  quickbooks [disconnect](#)  
Note: Complimentary access to Fathom is included with your QuickBooks Advanced subscription

Tracking: Locations (20 imported) [edit](#)


Last Updated: 2 minutes ago (14th September 2019 11:23am)

[UPDATE FROM QUICKBOOKS ONLINE](#)

☒ Automatically update every day  
An update will occur before 8am (Pacific Standard Time).  
Financial results will be updated to the end of the most recently completed calendar month. [edit](#)

**Budgets**

Date Range: July 2019 - June 2020

Source:  quickbooks

Last Updated: 1 minute ago (14th September 2019 11:24am)

[UPDATE FROM QUICKBOOKS ONLINE](#) [remove budget](#)



20 Locations or Classes  
FREE with QBO Advanced  
Auto updates daily  
Click for manual updates  
Updates one way, QBO to Fathom only



# Advisory Simplified

# Planning

Use tools in Fathom to plan your client's growth



Use the Goalseek tool to plan how certain targets can be reached

Set up results as custom KPIs and monitor them

# KPI set up

Choose your firm's overall KPIs, KPI Importance, and Set Targets

1 Update Data

2 Company Profile

3 Chart of Accounts

4 KPIs

5 Targets

6 Alerts

Step 4: Select from a range of standard financial KPIs or create your own KPI.

You have selected (✓) 28 KPIs. Show all KPIs Show selected KPIs CREATE A KPI

Profitability	Type	Importance
✓ Total Revenue ⓘ	Default	★★★★★ Critical
✓ Gross Profit Margin (%) ⓘ	Default	★★★★☆
✓ Operating Profit Margin (%) ⓘ	Default	★★★★☆
✓ Profitability Ratio ⓘ	Default	★★★★☆
✓ Expense-to-Revenue Ratio ⓘ	Default	★★★★☆

1 Growth

✓ Revenue Growth ⓘ

✓ Gross Profit Growth ⓘ

✓ EBIT Growth ⓘ

Copy settings from another company

1 Update Data

2 Company Profile

3 Chart of Accounts

4 KPIs

5 Targets

6 Alerts

Step 5: Set a monthly performance target for each KPI

Method: Use the same targets each month

Profitability	Use Budgets ⓘ	Targets
Total Revenue	✓	25000
Profitability Ratio	✓	budget
Expense-to-Revenue Ratio	✓	budget
Net Profit After Tax Margin	✓	budget
Commission Income	✓	budget

Set KPIs and importance

Set Alerts

Copy KPI and Alert settings to multiple clients



# Alert set up

Choose the KPI Alerts you want to monitor

Alerts	Threshold	On/Off
Total Revenue is less than	100000	OFF
Gross Profit Margin % is less than	15 %	ON
Operating Profit Margin % is less than	10 %	ON
Profitability % is less than	5 %	ON
Net Profit After Tax % is less than	0 %	OFF
Breakeven Safety Margin is less than	0 %	OFF
Accounts Receivable Days exceed	60 days	ON

ADD A GROUP

Create a consolidated group

Create a benchmark group

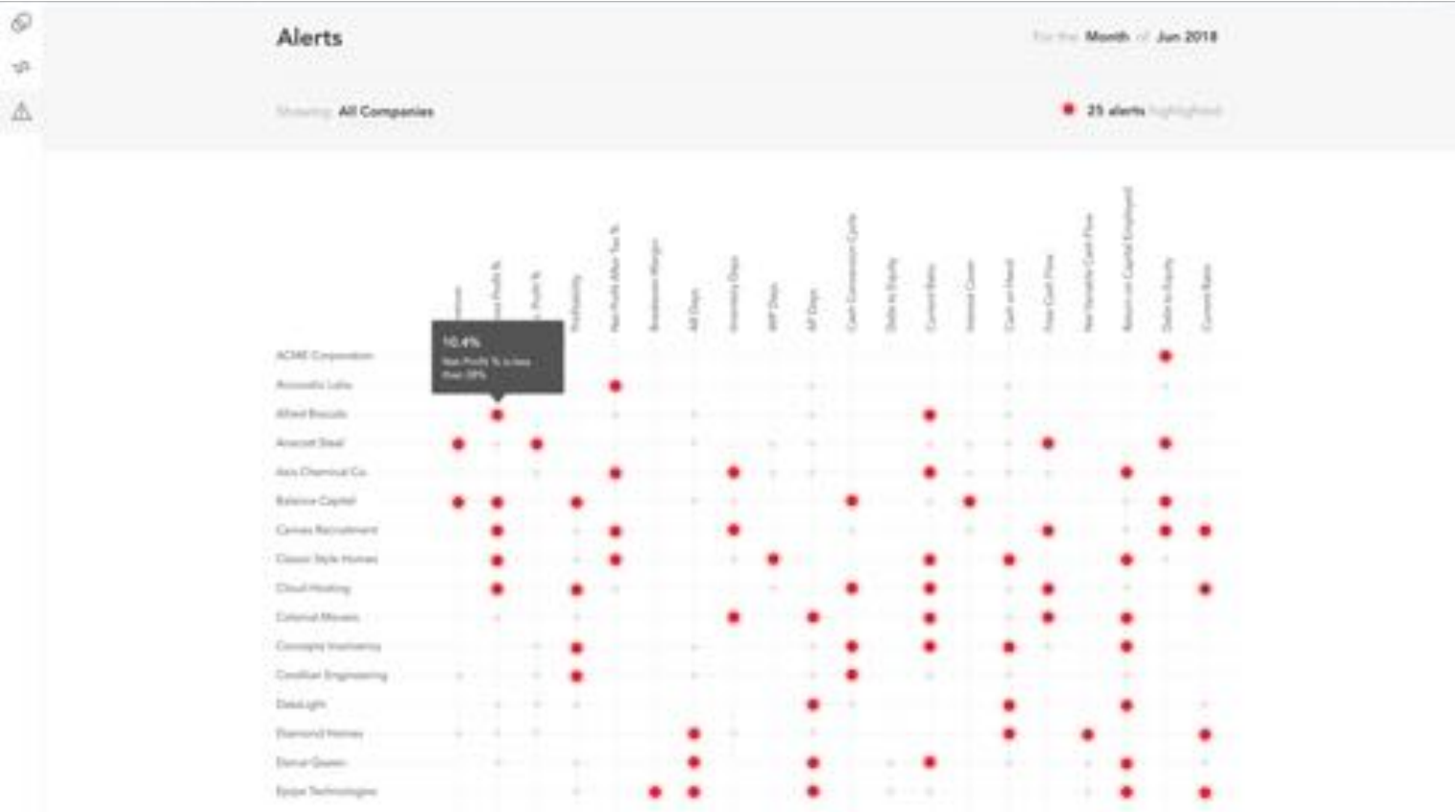
SELECT

SELECT

Create a firm wide Benchmark Group to track Alerts



# Monitoring Client goals with Alerts



Monitor client 'Alert' dashboard

Mission control for advisors

Take immediate action

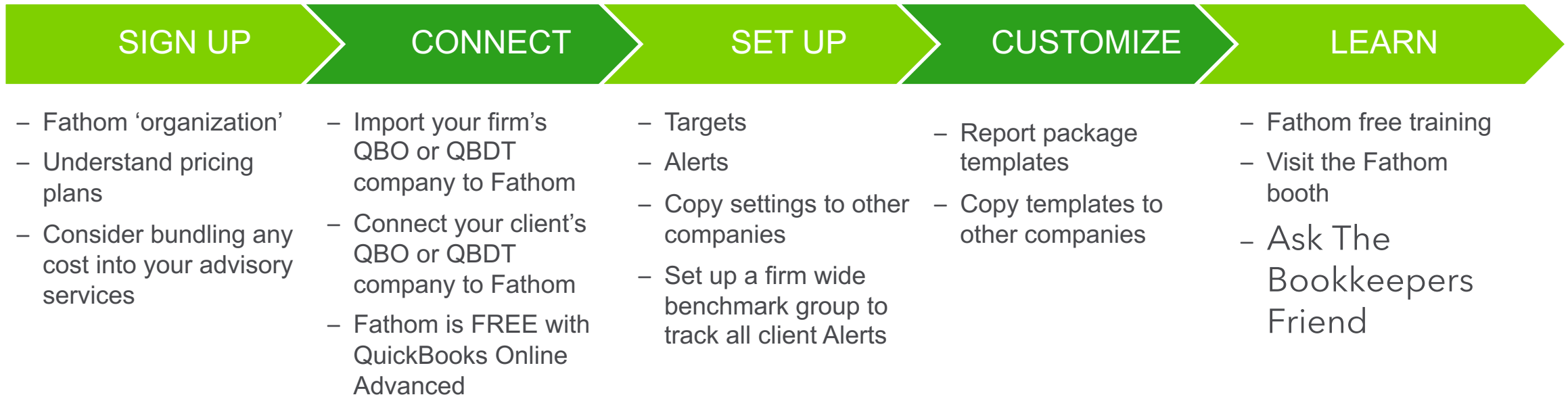
Inform your client before they know there is an issue

Become an Advisory Rock Star!



# Key Takeaways

# Next steps



**Get Growing:** Use Fathom with your own firm’s books to gain powerful insights on your own business. Then use your new knowledge to help others and grow your practice.

# Other resources

Follow the Fathom Blog - <https://blog.fathomhq.com>

- [What is an advisory meeting?](#)
- [11 Essential KPIs](#)
- [Fathom Tips & Shortcuts](#)

Fathom free training - <https://www.fathomhq.com/webinars>

Advanced Reporting Guide <https://www.bookkeepersfriend.com/fathomadvancedreporting>

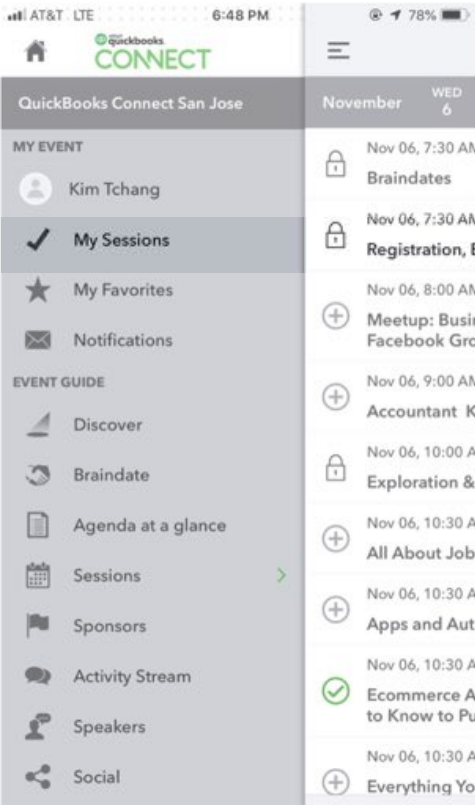


# Questions?

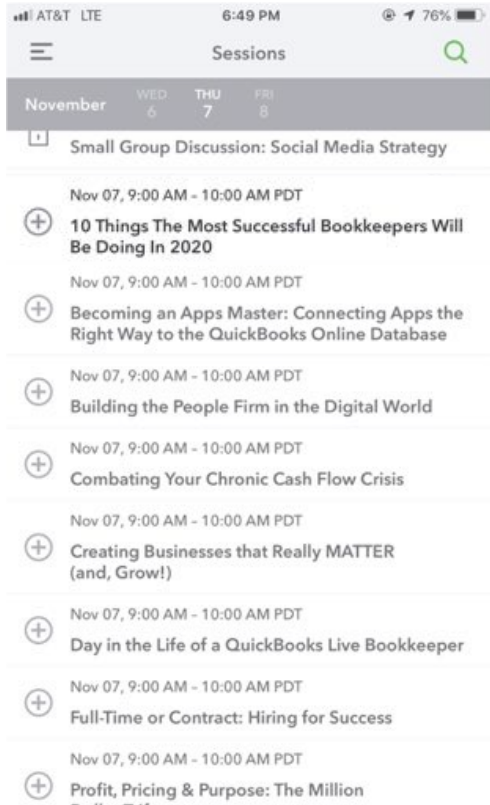
# Rate this Session on the QuickBooks Connect Mobile App

Provide feedback to help us design content for future events

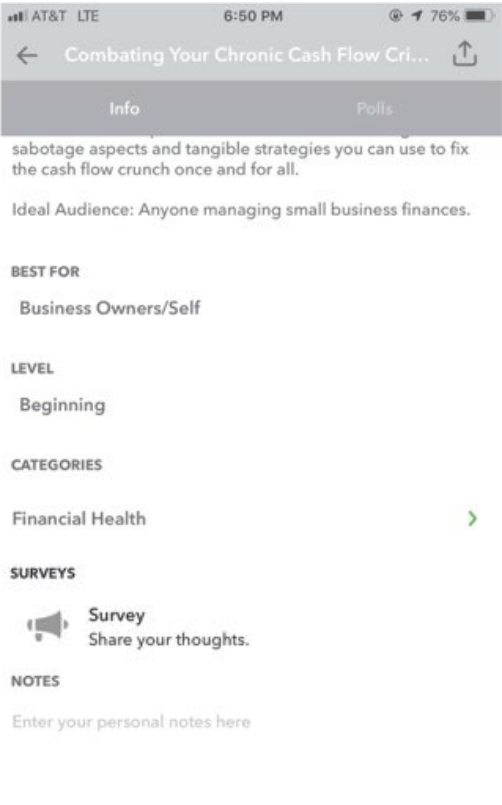
## 1. Select Sessions



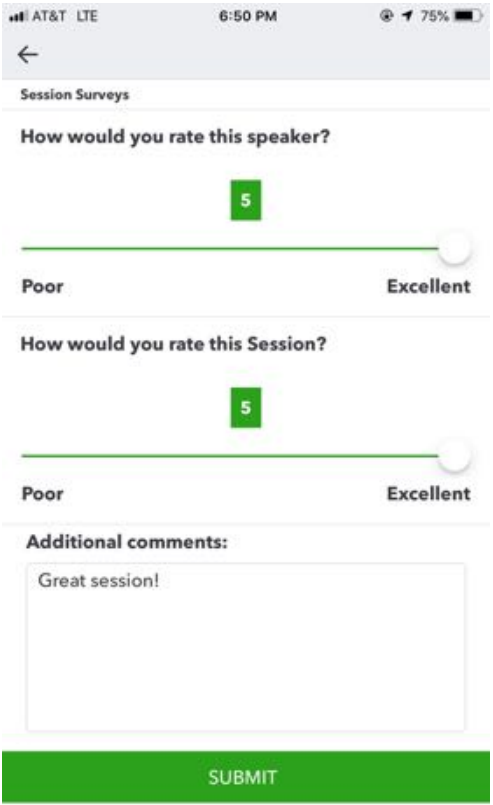
## 2. Select Session Title



## 3. Select Survey



## 4. Add Ratings



# Material Download

1. Find the session on the agenda
2. Select + for more information
3. Download PDF of slides and/or supplemental material

<https://quickbooksconnect.com/agenda/>

The screenshot shows the QuickBooks Connect agenda page for November 7. The header includes the QuickBooks Connect logo, navigation links (Why Attend, Agenda, Speakers, Pricing, Sponsors, Travel, FAQ), and a 'Register now' button. The date 'November 7' is highlighted, with 'November 6: Accountant Day' and 'November 8' also visible. A 'Print Agenda' link is in the top right. Below the header, a paragraph describes the event: 'Get new insights from experts in business growth, organizational culture, financial health, technology and life skills. Book a Braindate with peers and expert consultant for one-on-one learning. Unwind in the evening with our legendary celebration.' A search bar labeled 'Search for sessions' is present. Below the search bar are filter buttons: 'Business Growth', 'Life & Business Skills', 'Organizational Culture', 'Technology Training', 'Advisory', and 'Financial Health', followed by an 'Expand all +' link. The agenda list shows sessions for November 7. The first session is 'Registration, Breakfast & Exploration' from 7:30-7:00 am. The second is 'Braindates' from 7:30-10:30 am, described as a new feature for booking time with attendees, consultants, and support, with a 'Learn more' link. It is noted as 'Best for: All Audiences' and 'CPE Hours: not eligible'. The third session is 'Yoga' from 8:00-8:30 am. The fourth is 'Breakout Sessions' from 8:00-8:45 am, which includes four sub-items: 'Small Business Meetup: Relationship Marketing and the Power of Human Connection', 'Small Group Discussion: Social Media Strategy', 'Small Group Discussion: Showing up - Why What You Wear Matters', and 'Small Group Discussion: Build Your Dream Bookkeeping firm'. Each session has a '+' icon to its right for more information.

Time	Session Title	Action
7:30-7:00 am	Registration, Breakfast & Exploration	
7:30-10:30 am	Braindates New this year, you can use Braindates to book time with fellow attendees, expert consultants and the QuickBooks support team. <a href="#">Learn more</a> Best for: All Audiences CPE Hours: not eligible	+
8:00-8:30 am	Yoga	+
8:00-8:45 am	Breakout Sessions	
	Small Business Meetup: Relationship Marketing and the Power of Human Connection	+
	Small Group Discussion: Social Media Strategy	+
	Small Group Discussion: Showing up - Why What You Wear Matters	+
	Small Group Discussion: Build Your Dream Bookkeeping firm	+





OWN  
THE  
FUTURE