



Providing Tax, Accounting,
Bookkeeping, Virtual CFO, Forensic
Accounting and Business Consulting
Services



Finding Opportunities in Challenging Times

Fact Sheet

Virtual CFO and Total Back Office Support

In these challenging times, and the economy being as brittle as it is today, companies across the country are struggling to remain profitable—and trying to find ways to do more with less. Companies, perhaps, like yours.

What if you had access to a highly-skilled financial specialist available when and only when you need one can help grow your business and ***increase profits without the additional overhead of a full-time employee?***

WHAT WE DO

That's what we do in the Virtual CFO Practice of The ARC Consulting Group, Inc. We match your business needs with the right amount of financial expertise. More than 800 companies over the past twenty years have benefited from our services. We can provide everything from Cash Flow Analysis and Projections, Operational and Capital Planning and Budgeting, Tax Planning and Tax Management, Financial Statement Preparation, Management of Payroll, A/R & A/P, to establishing or revamping your entire Accounting System.

When you choose ARC's Professional Controller Service, a financial specialist will come to your business on an **as needed** basis, with the highest level of integrity, personal diligence and vast experience, providing the solutions you need to prosper. When not on site, we're just a phone call away.

We offer the help you need to thrive in today's competitive economy.

For a **free consultation** with **absolutely no obligation or cost to you** call Kate Balog, VP – Accounting Services today at 904-268-1148 or email Kate at Kate@ArcConsultingGroup.com.

We look forward to speaking with you, and to helping you increase your profits in this challenging economy.

WHO WE ARE

Established in 1988, ARC is a true profit enhancement firm. We drive this concept into every engagement, ensuring that your organization embraces every opportunity to increase profitability. The Business Model and the set of Operating Budgets act as “The

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Soul of the Organization.” A well focused Business Model provides a central focus for every aspect of the organization’s day-to-day activities. The set of Operating Budgets provide a key basis for effective management and **fraud prevention**. The Budget Variance Models provide operational and production management with the right information to identify the causes of poor performance, faltering products and profitability shortfalls. Since controls help the organization “Do it right the first time”, effective budgets help identify control issues which are key in the development of the “Fraud Resistant Organization[®]”. Done right, effective budgets and business models are very valuable profit enhancement tools.

HOW WE ARE UNIQUE

Our approach is unique. We don’t use your organization to train our professional staff. Our professional staff is known internationally for their accomplishments as industry leaders, educators, and consultants. Together, we provide our clients with consultative services that focus on developing solutions that enhance long-term shareholder value. The backgrounds of our staff include audit, accounting, engineering, sales and marketing, information technology, product costing, strategic outsourcing, activity-based costing, strategic management, and tactical decision-making.

With ARC, you are in control. We will provide the level of support you require at a no-surprise, fixed price fee. No pesky hourly rates for phone calls, no extra fees for questions, we are there when you need us. We take care of the paperwork while you take care of growing your business.

Are you navigating today's Business Interstate by looking through the Windshield, or looking into the Rear View Mirror?

If you are using traditional bookkeeping tax and accounting services that is exactly what you are doing. Today, Small and Mid-Sized Business (SMB) owners must see the road ahead. You need to understand the route through which your business will travel, and plan for the unexpected hazards.

Traditional bookkeeping and accounting services end with your monthly or quarterly financial statements. Your accountant may give you some ratios and analyses, and send you on your way. That is where ARC begins!

We believe that the historical reporting is a beginning of our responsibility to you. However, in today’s challenging economy, SMB owners deserve more. We work with you to understand your vision. We gain a thorough understanding of where you want your company to be in both the near- and long-term goals and objectives.

Our Virtual CFO Services Team employs The ARC Nine-Step Corporate Planning Framework[®] that ensures the profit-enhancement effectiveness of the engagement. ARC has successfully implemented this Framework[®], developed by ARC’s founder, Mr. Balog, in over 80 publicly traded and privately held companies, in both the manufacturing and service industries. This is not a “Boiler-Plate Quick Fix, ” but a

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custom fit to your unique business challenges and needs. Past successes has proven this approach results in a long-lasting, systemic, solution to your business planning challenges as well as prevention against future similar challenges.

How We Do It

Our Virtual CFO Practice is committed to help you develop a totally integrated business planning and financial accounting and reporting structure from the development of the corporate Vision Statement, through to the completion of the Monthly, Quarterly and Annual Financial Statements. We bring the required seasoned professionals to your door. Each of our consultants has more than 25 years of hand-on experience in your specific industry and meeting your unique challenges. We work with you every step of the way, imparting our know-how to your staff. We ensure that your people can take the reigns, and keep moving forward.

In conducting every Business Planning engagement, we:

- Develop a long-range plan that focuses on the opportunities and threats affecting your business, product lines, customer base, competition, compliance issues and your financial reporting processes including A/P, A/R, Payroll, Cash Management, and reporting;
- Work with your executive and operational personnel to define the business objectives, key decisions and the reliability and integrity of the decision support data you are currently receiving from you financial reporting environment;
- Evaluate your current accounting and operational processes to ensure the adequacy and effectiveness of the controls that monitor your systems and employees;
- Identify the Key Business Challenges which are currently impeding your company's profitability;
- Develop systemic forward-looking solutions which maximize cash flows and minimize waste, fraud and abuse in your day-to-day operations;
- Enhance the total value chain of your organization.

What's more, we do all of this for a **Fixed Fee!** You will know up-front exactly what you will spend. WE do not charge by the hour – we deliver what we promise for an agreed-upon fee; no surprises, no overruns, just plain, honest professional accounting services. If everything could be so simple.

WHAT YOU GAIN

1. **Virtual CFO / Controller / Accountant / Bookkeeper Services** - ARC will serve in the capacity of CFO / Corporate Controller / Accountant / Bookkeeper for Your Company on a contractual, service-for-hire basis. We understand that we are not, nor shall be considered employees of Your Company, and as such, our professional staff is not entitled to medical or retirement benefits, workman's compensation insurance coverage, overtime pay, or any other entitlements provided to actual employees and/or officers of Your Company.
2. **Maintaining the Books Recording your Financial Transactions** - ARC will maintain the records of Your Company on their accounting software at your place of business if such

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accommodations are available. In absence of on-site work, ARC will pick-up the necessary information and then will deliver the financial statements on weekly basis.

3. **Evaluation of Current Financial Recordkeeping Process and Records** - ARC will review and evaluate the current status of Your Company's accounting and related financial systems and perform a review of prior-period accounting and financial information to ensure that they are in acceptable format and have been properly maintained up to the commencement date of this agreement. Any work required to bring the accounting records up to the required standards as prescribed in the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants will be billed at our standard billing rate as prescribed below.
4. **We are Always Just a Phone Call Away** - ARC will be available to Your Company management for meetings, conferences, conference calls, etc to as necessary and based on our availability to assist in accounting and finance related decisions including, but not limited to:
 - a. Presentation and discussions relating to the monthly financial work we perform,
 - b. Assistance in decisions relating to asset purchase, disposition or other financially-related company activities
 - c. Development of budgets, forecasts and other forward looking statements
 - d. Other activities typically performed by employees in the capacity of CFO / Corporate Controller / Accountant / Bookkeeper for Your Company
5. **We Keep Your Information Current** - On a weekly basis, ARC will enter all accounting transactions for Your Company into its accounting software company file. This includes checks, deposits, and other transactions affecting the checking account. It also includes estimates, invoices, credit memos, and all customer transactions. It includes vendor transactions: bills, item receipts, checks, credit card charges, and purchase orders. ARC will perform the bank reconciliation for the checking account. ARC will also enter adjusting journal entries as necessary, including depreciation.
6. **Yes, We do Payroll** - On an "As Needed" basis, ARC will prepare payroll for your employees. ARC will prepare and submit for payment the accrued payroll liabilities due resulting from the payroll ARC generates. On a quarterly basis, ARC will prepare the Federal Unemployment Tax Deposit (IRS Form 940), and ARC will prepare and file all required Federal Payroll Tax Returns (IRS Form 941) and all Florida State Unemployment Return. On an annual basis, ARC will prepare all required the Federal and Florida State Unemployment Tax Returns, employee W-2s, W-3 transmittal, and vendor 1099s.
7. **The Information You Need When You Need It** - ARC will provide monthly, quarterly and annual financial statements through a compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.
8. **Preparation of Reoccurring Tax Reports** - Prepare all Florida and local sales tax returns and prepare all sales tax deposits for Your Company. On an "As Needed" basis, ARC will prepare all other federal, state and local tax and related returns, forms, and correspondence necessary to ensure that Your Company is in total and complete compliance with all federal, state and local laws, requirements and regulations.

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9. **Maintenance of Operational Data Bases** - Set up new customers, employees, and vendors on an as needed basis. All of the above transactions will be entered from original documents and ledgers you provide.
10. **Regular Monthly Financial Reports** - Prepare a monthly set of financial statements including the balance sheet as of the end of each month, and related statements of income and statement of cash flows.

What ARC Will Also Do

1. **Assist in Budget Development** - ARC will assist Your Company with the development of all necessary budgets, forecasts and other forward-looking statements, including:
 - a. The identification of key business drivers
 - b. The identification of budget and forecast assumptions
 - c. The preparation of said forward-looking statements
2. **Monthly Budget Variance Reporting** - ARC will provide Your Company a monthly budget v. actual variance analysis as the necessary budgets and forecasts become available.
3. **Maintain and Update Forecasts and Budgets** – Circumstances often require a refocus on the road ahead. ARC will provide cash forecasts based on current knowledge and assumptions
4. **GAAP Compliance** - ARC will make every attempt and submit for approval the necessary adjustments to ensure that the records reflect Generally Accepted Accounting Principles and reflect proper tax record keeping.
5. **Professional Recordkeeping, Not Just Bookkeeping** - While ARC will not perform and audit of your financial statements, ARC will perform all due diligence to help ensure that the data provided by customers, employees of Your Company, suppliers, and other entities with which Your Company has a contractual relationship is free from fraudulent and/or misleading or improper information.
6. **Review of Daily Transactions for Fraud** - ARC will perform an ongoing verification of the data you submit. ARC may provide reports that contain portions of financial information; these reports are for internal management use only. ARC will perform all necessary procedures and provide all due diligence to prevent, detect and correct all intentional errors, misrepresentations, fraud, illegal acts, or theft. However, ARC makes no guarantee ARC will be able to identify all such acts perpetrated upon Your Company by internal or external entities.

Federal, State Corporate Tax Returns

The completion of any and all Federal and State yearly Income Tax Returns is not covered under this engagement. ARC would be pleased to provide you with a proposal for such Services.

What ARC Won't Do

1. ARC does not at any time provide legal services of any type.
2. ARC will make no audit or other verification of the data you submit.
3. ARC will not sign checks on any operating checking account.

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Richard T. Balog, CPA\CFF, CIA, CGFM, DACFE
President & CEO

For additional information, please call or email Kate Balog, our Vice President of Accounting Services. You will be glad that you did.

Due to the strategic importance of many of our consulting engagements, many of our clients wish to maintain the nature of our work as confidential. Please visit our web site at www.arconsultinggroup.com to view a partial listing of our references and for additional information regarding the products and services provided by The ARC Consulting Group, Inc.

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