

Fitness Formula Clubs Uses Intacct to “Shape Up” Fifteen Business Entities

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- Brian Singleton, CFO
Fitness Formula Clubs

The Move to Cloud Financials

Fitness Formula Clubs (FFC) was founded in the Northern Chicago suburbs in 1984 and has since grown throughout greater Chicago, dedicated to improving the health and well-being of its members and guests. With eight health clubs of its own, and managing additional clubs in corporate office buildings as well as an outdoor public swimming pool, the company manages a total of 15 business entities.

FFC was using Sage BusinessWorks and also enlisted the help of a CPA firm to manage the complexities of its accounting practices. Realizing there was significant opportunity to improve financial operations, the company decided to change its approach and hired a chief financial officer to shape things up. When Brian Singleton joined as CFO, he immediately recognized that Sage BusinessWorks wasn't pulling its weight, and set out to find a new financial management system.

After a comprehensive review of multiple offerings in the market, including Microsoft Dynamics GP (formerly Great Plains) and NetSuite, FFC ultimately chose Intacct's cloud-based financial management

and accounting system. Singleton explains: “Microsoft Dynamics GP and NetSuite were both a step up from Sage BusinessWorks, but each was missing something important — such as the ability to manage employee expenses, to cost effectively tackle our 15 separate business entities, to handle credit card transactions or to easily create a consolidated monthly report for our general income statement. Intacct simply had everything we wanted, allowing us to get far more for a lower total cost of ownership.”

Intacct Supports Multiple Entities; Delivers Improved Financial Controls

Deploying Intacct has helped FFC more effectively manage its business. Intacct provides FFC with the ability to separately manage finances for all 15 of the company's business entities in a single system, all while maintaining centralized control. In addition, Intacct's automated consolidation, streamlined workflows and robust reporting capabilities enable FFC to enhance its financial controls and significantly improve financial insight.

Because Fitness Formula Clubs relies on many different vendors to care for its



CHALLENGES

- Needed a flexible financial management system to support fast growing multi-location business, with 15 separate business entities in all
- Wanted to eliminate need for exporting data to Excel and to improve overall reporting
- Looking to implement a cloud-based solution to maximize ROI and minimize demands on small IT team

PREVIOUS SOLUTION

Sage BusinessWorks

RESULTS WITH INTACCT

- Streamlined financial processes and improved financial controls across its 15 business entities
- Gained ability to easily create custom reports that provide greater insight into the business
- Cloud-based financial management solution doesn't require deploying and maintaining software; needs no IT staff support

multiple locations, it regularly receives multiple invoices that formerly required multiple manual checks to a single vendor for payment. The company previously used Microsoft Excel to track payments by

entity, but couldn't easily see the history of payments to properly manage accounts payable and cash flow. With Intacct, FFC is able to provide each vendor with a single check, while creating a record of payables by entity that can be used for individual entity reporting or rolled up for a company-wide view. And when the company recently expanded, adding new health clubs to its business, it took just a few minutes to set up the new business entities within Intacct.

Fitness Formula Clubs has also used Intacct to put processes into place that improve financial controls. For example, the company was able to easily deploy the purchase requisition and approval system built into Intacct — all guided by automated workflows that speed and simplify the process, saving a significant amount of time and effort while improving accuracy.

"Intacct had an immediate impact on our business, solving many of the problems we had with financial management and helping to streamline processes to make managing our business far easier than before," said Singleton. "Even better, Intacct offered additional features that are helping us put new processes in place to get our financial operations in top shape

— putting us in control, rather than having to work within the limitations imposed by our previous financial system."

Improved, Intuitive Reporting Provides Greater Insight for Strategic Decision-Making

Fitness Formula Clubs has leveraged Intacct's rich reporting features to improve its business in many ways, such as saving significant amounts of time on its close processes. For example, FFC described its previous monthly reporting set-up as "cumbersome" — requiring the finance team to export data to Excel so it could consolidate, sort and format the information manually. Now the company can simply generate reports whenever needed with the touch of a button.

Planning and budgeting is also greatly improved with Intacct's flexible and extensible general ledger, which supports multi-dimensional planning, reporting and analysis so FFC has a constant eye on its business. Singleton remarked, "The ability to manage budgets for the year is a huge benefit. We need to invest in our business so our members have the best possible amenities, while remaining profitable for our investors. Intacct gives us an accurate picture and forecast of income versus

expenses so we can plan accordingly. With Intacct, our managers have access to specific reports designed just for them and can then drill down into the data for granular analysis."

Intacct also gives Fitness Formula Clubs greater insight into day-to-day operations, so it can make more strategic business decisions. The company has created a variety of custom reports and dashboards that provide instant snapshots of spending by department, membership renewals by entity, anticipated expenses, and much more. FFC also needed specific reports for the fitness industry and was able to quickly build them in Intacct.

"I have found Intacct's reporting to be very intuitive, and I've been able to easily create dozens of custom reports to match our specific needs," said Singleton. "We're thrilled with Intacct because it gives us a full-featured financial management system without requiring us to constantly manage, monitor and maintain software. With a modest IT team, that is really important. In the fitness industry they often say 'no pain, no gain,' but I would say moving to Intacct has been closer to 'no pain, all gain' and we're excited about what the future holds."

About Fitness Formula Clubs

Industry

Health and Fitness

Headquarters

Chicago, IL

Overview

Fitness Formula, Ltd. began in 1984 when founder Gale Landers had a dream to start a company with the goal of developing, owning and managing premier Chicago fitness centers. Today our network of urban and suburban health and fitness clubs operate under the brand name of Fitness Formula Clubs. Our Mission is to build, own, and operate great clubs and deliver outstanding results. Our clubs share a common vision of excellence designed to provide individualized member results, valued career paths for our staff and strong financial returns to our investors. Our Purpose as a company is to enhance the lives of our members and guests by improving their overall health and well-being. For more information, visit www.ffc.com.

