Tate & Lyle has spent more than 150 years fulfilling its mission of “making food extraordinary.” Originally founded in the UK in 1859, when Henry Tate established his sugarcane refining business, Tate & Lyle was formed in 1921 following the merger of Henry Tate’s business with the refining business of Abram Lyle & Sons. The former competitors were soon producing about half of the sugar consumed in the UK.

Today, London-based Tate & Lyle no longer owns any sugar businesses, having transformed itself into a global provider of specialty food ingredients and solutions. It has more than 30 global manufacturing, processing, and distribution facilities worldwide that serve two main business units — specialty food ingredients and bulk ingredients — that count many of the world’s major food, beverage, and industrial companies as their customers.

How Tate & Lyle "Makes Food Extraordinary" with Improved Finance Functions

Specialty Food Ingredients Provider Serves Up Automated Account Reconciliations

by Ken Murphy, Senior Features Editor
From innovation to production, SAP is a key partner in Tate & Lyle’s stated mission. In 2013, the organization completed a multi-year consolidation of regional SAP systems to a single global instance of SAP ERP. Its two business units share a common IT platform for corporate functions and shared services. Processes that run on SAP ERP help to generate over 90% of the company’s revenue.

The establishment of a global shared services center in Łódź, Poland, was a key part of Tate & Lyle’s consolidation efforts. From this central office, roughly 200 people in the finance department manage and reconcile balance sheets for thousands of general ledger accounts that cover transactions in the Americas as well as locations in Europe, the Middle East, and Asia Pacific. Prior to the Łódź office assuming responsibility for central finance operations, account reconciliations were regional; each office developed, maintained, and managed its own manual processes for reconciling accounts under its purview, including those for localized legal entities. With the establishment of a central finance function, disparate account reconciliation processes would no longer be supported. The shared services and finance teams wanted to improve central oversight and efficiencies, increase visibility and tracking capabilities, and devote less time and resources to administrative tasks.

“Previously, our reconciliation processes were three-level and paper-based,” says Barbara Blaszczyk, Head of Finance Operations at Tate & Lyle. “Manual reconciliations were recorded on spreadsheets, with paper signatures and different storage locations depending on the location of the account and team responsible. We wanted to have more control over the processes, and from an operational perspective, make cumbersome processes easier to manage.”

**Goals:** Consolidate account reconciliations in parallel with a migration to a central SAP ERP Financials instance and the establishment of a global shared services office; automate manual and spreadsheet-based disparate processes; and standardize account reconciliation processes

**Strategy:** Integrated SAP ERP with the Account Reconciliations and Task Management applications by BlackLine

**Outcome:** Eliminated manual processes, spreadsheets, and paper-based storage for account reconciliations and documentation, and enhanced visibility and oversight of month-end close processes.
Increasing control over the reconciliation process would manifest itself in a number of different ways. It would result in more certainty over the precise number of fully reconciled accounts, improved documentation of follow-up action items, better transparency as a result of more consistent reconciliation processes, and less effort required to investigate reconciliation discrepancies.

According to Stephen Byers, Group Vice President and CIO at Tate & Lyle, the creation of the shared services group in parallel with the SAP systems consolidation project was the main driver for Tate & Lyle to make a business case for a solution to automate the account reconciliation process. “Centralizing financial activities into Łódź and establishing global common methods allowed us to streamline processes further with the use of automated reconciliations,” he says.

A New Recipe for Success
The search for an automated account reconciliation tool gained steam about one year after the shared services center in Łódź assumed responsibilities for the central finance function. According to Blaszczyk, the main requirements for an automation solution were that it must offer full integration with SAP and non-SAP accounting systems, reconciliation by category for grouped accounts, standardized templates, electronic approval workflows, the ability to handle multiple currency transactions, basic reporting, and an intuitive, easy-to-use interface.

After an exhaustive vendor evaluation and request for proposal (RFP) process that included live demos from multiple vendors, Tate & Lyle decided to purchase the Account Reconciliations and Task Management applications from SAP partner BlackLine, and signed a contract late in 2013. “The solution was assessed as the most reliable in all the areas that we evaluated,” Blaszczyk says.

To optimize use of the applications, Tate & Lyle performed the BlackLine implementation in parallel with a significant process simplification, knowing that automating account reconciliation would be far more effective with best-practice definitions in place.

According to Blaszczyk, the BlackLine project team’s first task was to create a responsibility matrix that listed account preparers and approvers for each account. The team also created a common chart of accounts where possible and categorized account modifications based on an account’s purpose. In addition, the team reviewed and updated accepted variances. All this was done in accordance with the Account Reconciliations product, which includes account templates, approval hierarchies, and auto-certification for static accounts.
a significant decrease in the number of administrative
tasks formerly devoted to reconciliations. Hunting for
documentation or signatures in the form of emails,
phone calls, or print-outs, and thumbing through files
all but disappeared.

“With a fully electronic approval and sign-off process,
we now have the ability to easily review and approve
reconciliations from different geographic locations,”
Blaszczyk says. For auditors, electronic storage and ar-
chiving means accounts are at their fingertips whether
the account originates from the US, Europe, or the Mid-
dle East. And with auto-certification, Tate & Lyle can
now auto-certify hundreds of accounts for non-critical
reconciliations and for those with routine activity or an
unchanging balance.

Using BlackLine’s out-of-the-box reports, Tate & Lyle
is now analyzing the status of partial or incomplete
reconciliations to determine the cause and ultimately

“Process design was an integral part of the BlackLine
implementation,” Blaszczyk says. Meticulous process
redesign helped ensure a seamless loading of SAP ERP
Financials data through the BlackLine Connector for
SAP, which extracts data from SAP ERP and formats
and imports the data directly into the Account Re-
ciliations product. The project, which began in No-
vember 2013, culminated with a February 2014 go-live
of the Account Reconciliations application for EMEA
accounts. US accounts went live with Accounts Re-
ciliations in 2015. The business went live with Task
Management in the EMEA and US locations in 2015.
(For more information about BlackLine’s platform,
refer to the sidebar at the end of the article.)

Making Reconciliations “Extraordinary”
Starting with the first month-end close after going live
with Account Reconciliations, the finance team noticed

“As we move from manual reconciliations and with better
monitoring of month-end close tasks, we have far more time
to spend on value-added activities such as analyzing data
and preparing additional goals.”
— Barbara Blaszczyk,
Head of Finance Operations, Tate & Lyle

“Centralizing financial activities into Łódz and
establishing global common methods allowed
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of automated reconciliation.”
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BlackLine’s Finance Controls and Automation Platform helps midsize companies and large enterprises improve the accuracy and reliability of their financial reporting, achieve process efficiencies, and improve visibility into their finance and accounting (F&A) operations. The platform enables customers to move beyond outdated processes and point solutions to a “Continuous Accounting” model. With Continuous Accounting, real-time automation, controls, and period-end tasks are embedded within day-to-day activities, allowing the rigid accounting calendar to more closely mirror the broader business.

Delivered through a scalable and highly secure cloud model, and built from a single code base, the BlackLine platform supports many key F&A processes, including financial close, account reconciliations, intercompany accounting, and controls assurance, fueling confidence throughout the entire accounting cycle. Through BlackLine’s cloud analytics software, BlackLine Insights, CFOs access real-time data to benchmark, analyze, and improve the efficiency and performance of their F&A organizations using aggregated and anonymized data collected from BlackLine customers.

BlackLine’s platform is purpose-built to transform and modernize mission-critical F&A processes — with enterprise-grade accuracy, automation, and transparency. BlackLine complements existing enterprise systems for corporate performance management; governance, risk, and compliance (GRC); and enterprise resource planning (ERP). One of the select few solutions across all categories and industries to be an SAP-endorsed business solution, the BlackLine Financial Close Suite for SAP Solutions complements the SAP suite of solutions by providing a comprehensive offering for account reconciliations that extends the functionality inherent in SAP ERP. Running alongside SAP software, BlackLine provides clients, such as Tate & Lyle, with unprecedented visibility into account reconciliations, financial close, and other key accounting processes — ensuring accuracy in the numbers, minimizing risk, and maximizing efficiencies.

For more info, visit www.blackline.com.

Inside BlackLine’s Platform for Transforming Key Finance and Accounting Processes

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