

## Case Study - Sterling Resources Ltd



### Summary of Benefits Delivered

- ❖ Real time access, 24/7, to remote financial information - eliminating the impact of different time-zones
- ❖ Reduced travel time and expenses
- ❖ Reduced audit fees
- ❖ Improved accounting and audit service
- ❖ Improved long term security of financial documents
- ❖ Increase control over foreign owned business

### Background

Sterling Resources Ltd. is a Calgary based, publicly traded, energy company engaged in the exploration, development and production of crude oil and natural gas in selected areas of the world.

Sterling Resources (UK) Ltd is a wholly owned subsidiary of Sterling Resources Ltd based in the UK.

### The Challenge

Sterling Resources (UK) Limited maintains its financial accounting records in the UK and in terms of both quantum and volume, account for a significant proportion of the group's transactions.

The challenge was to provide the Canadian parent with real time access to the books and records of its UK subsidiary and to provide the group's corporate auditors, Ernst & Young, with a solution to the need to audit the numbers without incurring significant travel time and expenses. In essence, access to its virtual accounting department.

### The Solution

Virtual Archive implemented a "Proximity" solution in a way that connected directly to the accounting system providing Sterling Resources with a real time remote link to their underlying accounting records. In practice, Proximity is used as a reporting tool that draws information from the accounting system and links each accounting line item to an underlying record image. The adaptation of Proximity allows the remote user to not only gain access to the standard reports (Balance sheet, P & L account etc), but to utilise "dynamic drill down" functionality, through the Trial Balance, to the underlying transactions and then onto the supporting data in image form. Additionally, the accounts payable records are maintained dynamically, whereby the user can enter the module online, and immediately see the totals due to each vendor, and click on each transaction to view the outstanding invoice.

In summary, The Sterling Resources management is now able to gain access to the monthly results of the business immediately they are produced and, where desired, view supporting documentation on line.

The company's auditors are able to do their entire audit field-work from their own office in Calgary helping to minimise the costs of the audit and eliminate any disruption caused by in-situ attendance at a client's office.

The solution ensures the complete integrity of the financial records for the future.

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