

Mercator MedSystems Embraces Innovation from R&D to the Accounting Department

Mercator MedSystems has created a catheter-guided, micro-infusion systems “for site-specific, non-systemic delivery of therapeutic agents directly across any blood vessel.” This catheter is able to direct drugs into deep tissues (through blood vessels or airway walls) which means patients can be treated without major surgery.



Steve Baker

CFO Steve Baker explains that Mercator MedSystems has been around since December of 2000, but “has been in the start-up phase all of its life.” This poses some unique accounting challenges as the company generates the funding necessary to continue research, clinical trials, manufacturing and finding new uses for its innovative medical devices.

A better solution for accounting

Up until January 2014 there was only one clerical person who was tasked with “doing everything that no one else wanted to do in the company, including the accounting” which is not at all an unusual during a company’s early days. But following a round financing, the company brought in Baker to clean up what had become an accounting mess.

“I was to examine the cash forecasting process and help them put together a revised budget as well as clean up the accounting processes,” recalls Baker. During the process he discovered a number of issues: no set process for monthly close routine; accrual accounting not being done; financial reports that did not align; account reconciliations not being performed and multiple vendor invoices booked twice.

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Problem:

Inadequate accounting function meant no single version of the truth, inaccurate accounting, and failure to close reporting periods in timely fashion.

Solution:

Mercator brought in a CFO who in turn contracted with Unalp CPA Group to provide outsourced accounting services and replaced QuickBooks with Sage Intacct.

Benefit:

Two consecutive clean audits, accurate timely reporting, faster month-end closes.

About Mercator MedSystems www.mercatormed.com

Inspired by the spirit of our namesake, Mercator MedSystems has developed a medical technology that enables the safe and accurate delivery of therapies anywhere in the body, ranging from drugs for diseased blood vessels, to stem cells that regenerate ailing tissues and organs. We believe this breakthrough will allow the expansion of medical therapy and stimulate profound intellectual exploration into new treatments for disease.

The perfect blend of expertise

Much of what Baker uncovered was the result of not having the right accounting expertise and processes. Baker set out to implement better processes, procedures and systems to build a more professional accounting function. “Eventually I realized that trying to build an in-house department wasn’t the answer. I needed different levels of accounting expertise but in fractional amounts.” In other words there was work for a controller, senior accountant and bookkeeper – just not on a full time basis.

Baker investigated several outsourcing solutions and was impressed with Unalp CPA Group and saw that they could give him an affordable and very professional solution. “This partnership works very well,” confirms Baker. “With Unalp CPA Group I get fractional time from three to five people. They can perform a set of tasks according to their individual skill sets. Jeff is a great partner and operates as a member of the Mercator team and provides the controller leadership to make the solution work.”

Poised for growth with Unalp CPA Group

“As the business grows we can allocate a larger fraction of the Unalp team’s time to the company’s needs,” notes Baker. And, there’s no disruption to Mercator’s accounting duties (due to turnover, sick time, vacation or time off), “I have built in back-up with Unalp CPA Group,” explains Baker. “Outsourcing also gives me a better control system in terms of segregation of duties.”

Combining the power of Sage Intacct and Unalp CPA Group

“Since we brought Unalp CPA Group in we’ve had two clean audits and we are just starting our third audit,” says Baker. “I’m a part-time CFO. I worked with Jeff to upgrade from QuickBooks to Sage Intacct. Our accounting tools are all cloud-based which means that I can access the information as easily from home or when traveling as I could in the office. All I need is an internet connection and I’m able to work. We’ve also been using Bill.com and Expensify, cloud solutions that work seamlessly with Sage Intacct. So basically, I’ve got everything out in the cloud at this point and it works really well.”

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About Unalp Group
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Unalp CPA Group is a unique and innovative firm that specializes in providing outsourced accounting services. Unalp CPA Group provides you with the accounting talent, technology, and experience necessary to overcome today’s challenges and accomplish tomorrow’s aspirations. Unalp provides outsourced accounting, outsourced payroll, and tax return preparation and planning. Unalp offers unprecedented clarity, unimpeded access and uncompromising excellence.

“Working with Unalp CPA Group is the perfect solution for us. In addition to the confidence of knowing that our accounting is accurate and completed in a timely fashion, with Unalp, we have the ability to scale, we can have separation of duties, and access to expert resources. I’m a huge fan.”

Steve Baker, CFO

