

Portfolio reporting consolidation

Excerpt from an assignment report — anonymised for public release.

Scope	Investment portfolio · several entities · West Africa
Nature	Reporting consolidation and indicator framework
Issued	September 2026
Distribution	Public — identifying elements removed

READING NOTE

What this excerpt contains

This excerpt sets out our method for consolidating portfolio reporting: the sequence of work, the structure of the indicator framework and a selection of findings. It does not reproduce a single assignment. The situations described are representative of what we encounter in multi-entity, multi-country consolidation, and none allows an organisation to be identified.

Composing rather than reproducing a single assignment is deliberate: it lets us show the real level of detail in our work without needing client permission. The sequence of work, the nature of the discrepancies and the way they are framed are those of our reports.

Not included	No organisation, individual or system names. No amounts. No country named on its own. No combination of sector, size and geography that would allow a match.
Retained	The control logic. The sequence of work. The reconciliation points. The structure of the framework. The wording of discrepancies and recommendations.
Limitation	An excerpt is not a report. Technical annexes, entity-level detail and the costed remediation plan are not included. The exact scope of an engagement is defined with the client.

Client references are available on request, subject to the organisation's agreement.

METHOD

Five steps, in this order

The work does not start with the dashboard. It starts with the sources, then with the rules that transform them.

1. Scoping

Holdings list, reporting calendar, existing definitions and stated responsibilities. Reviewed with finance management, the consolidation lead and country controllers. At this stage the gap between stated and actual ownership is already visible.

OUTPUT Scope matrix and collection calendar.

2. Tracing the flow

Accounting extracts, collection files, correction histories and access logs where they exist. The point is to reconstruct the path source — transformation — indicator, entity by entity, without relying on written procedure.

OUTPUT Flow map and breakpoints.

3. Reconciliation

Cross-checks between financial statements, operating data and portfolio narratives. Tests run on four dimensions: period, scope, unit, currency. Most material discrepancies sit in one of them.

OUTPUT Discrepancy register, with cause and impact.

4. Resolving definitions

Written procedures, local dictionaries and calculation rules are set against observed practice. Divergences are discussed with the owners concerned rather than settled unilaterally — a definition imposed without discussion is not applied.

OUTPUT Target framework and exception rules.

5. Moving into governance

Residual gaps are validated or escalated. The framework is given a named owner, a review frequency and a change rule. Without those three, it becomes another file within two quarters.

OUTPUT Validated version and remediation plan.

INDICATOR FRAMEWORK

Extract from the agreed framework

Two indicators sharing a name are not comparable until the definition, the period and the source of truth are shared as well.

Indicator	Agreed definition	Source of truth	Owner	Observed gap
Revenue	Revenue recognised in the period using the accounting recognition date, excluding indirect taxes. Invoices issued but not recognised stay out of scope.	Accounting system	Country controller	Two entities used invoice date.
EBITDA	Operating result before depreciation and impairment, excluding items classified as non-operating under the common list. Every exclusion is justified in writing.	Validated statements	Finance management	One entity excluded recurring costs.
Cash collections	Cash actually received in in-scope accounts, assigned to the period using value date.	Statements and bank reconciliation	Local finance	Local formats using transaction date.
Trade receivables	Gross balance due at the reporting date, before provisions, after documented elimination of intercompany entries.	Ageing report	Consolidation	One entity included supplier advances.
Currency conversion	Converted once, at consolidation level, using the approved rate table. Already-converted values are identified before aggregation.	Rate table	Consolidation	Double conversion in a historical extract.
Reporting cut-off	The date at which data must reflect the portfolio position. Subsequent entries are excluded unless identified as adjustments.	Reporting calendar	Consolidation	One local close three days later.
Average headcount	Average active contractual headcount at each period month-end. External contractors excluded.	HR collection	Administrative owner	Definition aligned after status review.

An engagement framework typically covers twenty to thirty indicators. The seven shown here were chosen for the nature of the gap they reveal, not their financial weight.

FINDINGS

Six findings, ranked by impact on the decision

The useful discrepancies are rarely in the final number. They sit one step earlier: in the date, the scope, the calculation rule, or the way a value was re-entered.

01 COMPARABILITY

Two entities calculated revenue from the invoice date, while the common rule used the recognition date. The local procedure had been carried over from an older management report and had never been aligned with consolidation. As a result, monthly movements were not comparable without adjustment, and the gap went unnoticed on an annual view. Recommendation: move to recognition date and document every exception.

02 CONVERSION

A historical extract had already been converted locally before entering the central flow. The file carried no attribute distinguishing local from consolidated values, and applying conversion a second time distorted the aggregate. This point took three days to isolate, as the gap only surfaced on earlier periods. Recommendation: retain the original unit and convert at one level only.

03 CUT-OFF

One entity closed its reporting three days after the common date, its local calendar never having been synchronised with consolidation. Events could therefore move between periods depending on when they were submitted. Recommendation: publish a single cut-off date and an explicit rule for subsequent entries.

04 DOUBLE ENTRY

Several indicators were entered in a local file, then re-entered centrally, the flow having no automatic carry-forward of the source value. The risk is less the typing error than the divergence between the figure and the portfolio commentary attached to it. Recommendation: remove the second entry, or require reconciliation before validation.

05 DEFINITION

One entity excluded several recurring costs from its EBITDA, treating exceptional costs according to a local historical practice. The indicator was no longer comparable on a like-for-like basis, even though it carried the same name across all reporting. Recommendation: closed exclusion list, mandatory justification, quarterly review.

06 RETAINED CONSTRAINT

The client chose to keep a manual validation step before release, as it met a business control requirement during close. It lengthens production time and we had recommended automating it. The decision went in favour of the control, and it stands as it is: named owner, maximum duration, approval trail retained.

An assignment report typically contains fifteen to twenty findings. The six shown here illustrate causes of a different nature; the others usually fall into cases already covered by one of them.

GOVERNANCE

What happens after delivery

The task is no longer to rebuild the reporting, but to preserve the decisions made on the definitions.

Owner	The consolidation lead maintains the active version of the framework. Finance management approves definition changes.
Monthly	Period, scope, unit and source discrepancies are logged during collection, then closed after release.
Quarterly	Definitions, sources of truth, owners and calculation rules are reviewed. Changes are versioned.
Before the deadline	Discrepancies that could affect a decision are raised before the close date. An unresolved gap is escalated according to its impact.
Trail	Every change retains the previous definition, the new one, the reason, the effective date and the function that approved it.

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Our engagements are presented anonymously under our confidentiality commitment. References are available on request.