



# A next-generation energy company prepares for the next stage

KPMG uses Microsoft Dynamics 365 to transform finance and operations



## Key facts

**Client:** A large-scale power and critical minerals production company strategically positioned to provide clean power and lithium

**Industry:** Energy and chemicals

**Primary goal:** Transform finance and operations functions

**Primary platform:**  
Microsoft Dynamics 365



As a leading-edge renewable energy provider prepared to redomicile from Australia to the United States, it needed to take a major step forward in its finance and supply chain functions. With plans for a major lithium extraction site and geothermal energy facility underway and an initial public offering (IPO) possibly on the horizon, accurate reporting and better insight into materials and services would be critical for management and investors. KPMG was chosen to configure and deploy Microsoft Dynamics 365 to meet these challenges first, with further functionality to be added in the future.

## Outcome highlights

Key outcomes	One source of information for finance and supply chain functions	A full transition from IFRS to US GAAP reporting standards as the primary basis of accounting	A flexible platform for future production
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# Client transformation journey

## Before

### A late-stage start-up with outmoded software and outsourced processes

After operating for nearly a decade, our client still used accounting software designed for small businesses in Australia, New Zealand, and the United Kingdom, as well as Microsoft Excel and Microsoft Word for analyzing and presenting financial results. As the company grew, this limited its ability to share data easily and required extra manual work for its outsourced accounting and procurement teams.

As the focus of the client's activities shifted to California, the need to move from International Financial Reporting Standards (IFRS) to generally accepted accounting principles (GAAP) in the United States became essential. This change would also be needed to prepare for and execute an anticipated US IPO.

Finally, the need for better insight into supply chains and procurement would also be critical as the client starts construction of a multibillion-dollar facility for lithium mining, refinement, and (potentially) battery production—all powered by renewable geothermal energy.

## After

### A single system for multiple processes, regions, and entities

With Dynamics 365, the client now has a single cloud-based platform to manage finance functions, including general ledger, accounts payable, fixed and capital asset accounting, project accounting, and reporting. The new platform also integrates with third-party software used for related processes such as payroll and employee travel and expenses.

Along with simplifying workflows, consolidating to a single system has made it easier to track and share data across multiple regions, currencies, and legal entities.

And with additional guidance from a KPMG Accounting Advisory team, the client has made a full transition from IFRS reporting to GAAP as it redomiciles in the US.

Finally, initial deployment of Dynamics 365 procurement applications is streamlining the processes and technology for requisitioning and purchase orders.

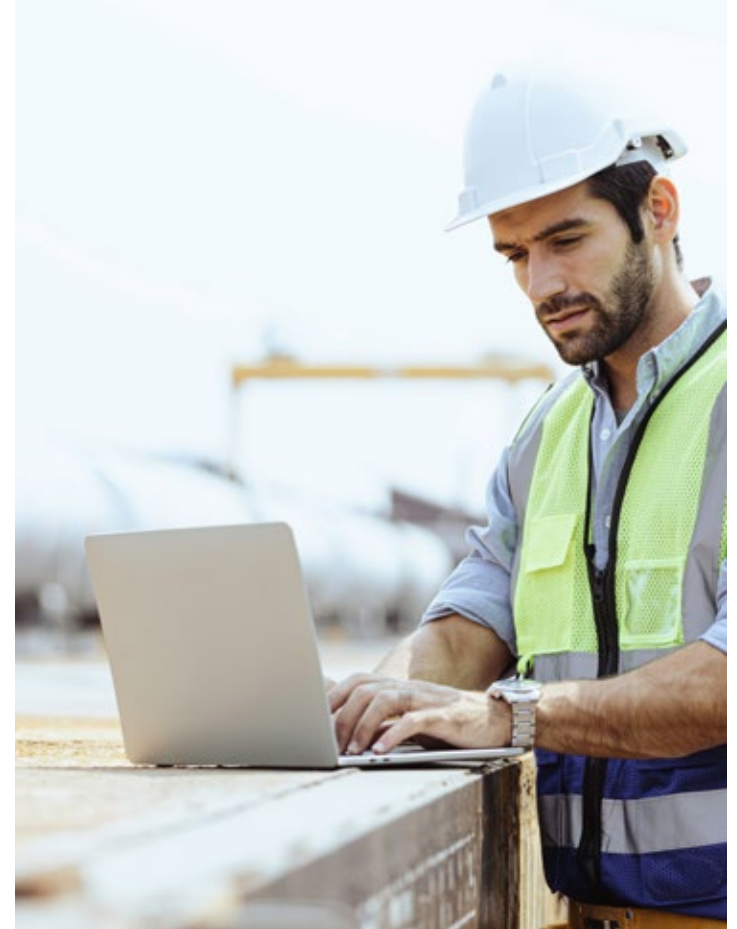
## Next

### From procurement to production

KPMG is continuing to work with the client to add new Dynamics 365 applications for the production of lithium and related products.

To prepare employees and other stakeholders, our team will provide specialized training on new processes enabled by new technology.

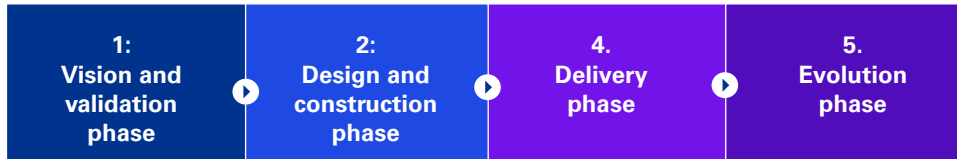
The Dynamics 365 transformation may also help the client to reduce its reliance on outside contractors for finance and supply chain duties.



Our Microsoft Dynamics 365 cloud ERP implementation became the vehicle for helping the client define entirely new processes based on KPMG Powered Enterprise leading practices. It also helped them consider how to scale and grow team structures and roles and responsibilities with the system to meet the evolving needs of a fast-maturing organization.

—**Christopher Alagna**  
Principal, KPMG Advisory Platforms

# KPMG helps plan and deliver true transformation from the ground up



## 1. Vision and validation phase Setting goals and defining processes

The Enterprise team of KPMG Australia had provided financial guidance to the client throughout its early years. As the prospect of a move to the US and a possible IPO grew nearer, the need for a full transformation of accounting and finance as well as procurement and supply chain management became apparent. To plan for this change, KPMG assembled a US-based multifunctional team covering finance, tax, accounting services, and enterprise resource planning (ERP).

After conducting pilot programs and demonstrations with the client to evaluate their needs, a KPMG Finance Transformation team then defined a target operating model (TOM) built around the Dynamics 365 ERP solution. This allowed the client to draft process flows, control points, and report templates that would be used to manage finance and related functions, including a financial model to support business planning and assessment of future supply contracts.

## 2. Design and construction phase From finance to supply chain management

Our transformation plan started by enabling finance functions the client would need as it relocated to the US, solicited private investments from other players in renewable energy, and looked ahead to an IPO. These included using the Dynamics 365 Finance application to manage general ledger, accounts payable, fixed and capital asset accounting, and project accounting and reporting. Once these functions were up and running, the Dynamics 365 Supply Chain Management application would be implemented to manage processes including planning, procurement, inventory, warehousing, and transportation. Mastering the supply chain will become increasingly important to the client as it begins to acquire the materials and services needed for the construction of its new facilities for extracting and refining lithium.

## 3. Delivery phase A fast track to finance, with supply chain changes to follow

After starting the ERP project in October 2022, the initial launch of Dynamics 365 Finance came less than six months later in March 2023. The planning and testing executed at the outset helped to speed development, as did the minimal customization required. While only a small number of client personnel are using the new system today, the total number of users will increase into the hundreds as more finance and supply chain functions are deployed.

The transition to Dynamics 365 has made managing financial data faster and easier, and has allowed the client to share data across multiple regions, currencies, and legal entities. It has also helped the client to shift from IFRS to GAAP reporting as it prepares to file US financial statements and tax returns. Initial procurement functions have also been enabled for requisitions and purchase orders.

## 4. Evolution phase From procurement to production and manufacturing

The next phase for the client's Dynamics 365 transformation will be to add further functionality for procurement, including a request for quote (RFQ) and vendor portal feature, followed by inventory management, tracking of warehoused items, and transportation. Once these are in place, production applications will be deployed to help plan for and manage the development of refined lithium. The move to Dynamics 365 should also help the client to meet the extensive compliance requirements for tracking, shipping, and protecting these leading-edge products.

As these new modules and functions are added to the Dynamics 365 implementation, KPMG will support the client by providing specialized user acceptance training to review new processes and prepare personnel to use the new system effectively.

Over time, the power of the Dynamics 365 platform will likely allow the client to build stronger internal finance and supply chain teams and lessen reliance on outsourced contractors.

## Spotlight

### Turning insights into opportunity

#### **KPMG and Microsoft bring new value to finance and supply chain management**

KPMG Powered Enterprise is our methodology for delivering rapid business modernization. Combined with the power of Microsoft Dynamics 365, we can help you uncover value and prepare for growth by transforming finance and supply chain functions. Learn more at [Finance, Operations and Supply Chain enabled by Dynamics 365 \(kpmg.us\)](#).

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## The guidance you need to get cloud transformation right

Let's talk about how we can help you use the right techniques and technology to manage transformation.

## Start a conversation

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