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B R I Z O

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BRIZO Implementation Guide

Deploying the Methodology Inside a Finance Team

Roles, gates, workflows, controls, and adoption plan.

Purpose of This Guide

The BRIZO methodology defines what consolidation work has to happen and in what order. This guide defines how a finance team implements that sequence as a repeatable, controlled, and auditable process.

It covers everything needed to move from understanding BRIZO to running it: who owns each phase, what the gate conditions are, what documentation is required, and how to get a team from a loose close process to a disciplined methodology-driven close.

> BRIZO can be adopted. This guide is the proof.

> BRIZO is implemented one gate at a time. The objective is not documentation compliance but gate discipline.

How This Guide Is Structured

Steps 1–5	One section per phase — what to implement, what the gate looks like, common mistakes at t
Roles	Who owns each phase and who holds gate authority.
Monthly Workflow	A timeline that maps BRIZO phases onto a typical close calendar.
Documentation	The minimum documents required at each gate for the close to be auditable.
Control Framework	How the gate system functions as a financial control, not just a process.
Adoption Plan	A phased approach for teams moving from an existing process.
Common Mistakes	The implementation failures that undermine the methodology.
Success Measures	How to know when BRIZO is actually working.

Before You Implement: Know Where You Are

BRIZO can be adopted by any consolidation team, regardless of current process maturity. The starting assessment determines which phases need the most work and sets a realistic adoption timeline.

Assessment Questions

B — Scope and Data

- Do you have a documented consolidation perimeter that is confirmed each period?
- Do all entities submit trial balances by a fixed deadline?
- Are reporting dates and functional currencies confirmed in writing before the close starts?

R — Reconciliation

- Is there an intercompany matrix circulated to all entities each period?
- Do entities confirm their IC balances in writing before the close advances?
- Are there unresolved IC differences carried forward from prior periods?

I — Ownership Adjustments

- Is there a goodwill schedule on file that is updated each period?
- Are equity method investments updated for each period's share of results?
- Is there a CTA schedule for each foreign subsidiary?

Z — Eliminations

- Are elimination journals rebuilt fresh each period or rolled forward?
- Is unrealised profit on IC inventory checked and eliminated each period?
- Is there a completeness check on eliminations?

O — Output

- Is there a formal cross-check run before the group financials are finalised?
- Is there a sign-off protocol before numbers leave the finance team?
- Are unexplained residuals investigated, not absorbed?

B

Step 1: Implement B — Bring Data Together

Phase 1 of 5

What to implement

Establish a formal consolidation perimeter document that is confirmed at the start of every close. This document lists every entity, its classification (subsidiary/associate/JV), its consolidation start date, its functional currency, and its reporting date. Assign a single owner — the Group Consolidation Controller — who is responsible for confirming that every entity's data has arrived and meets the comparability requirements before B closes.

Entity submission protocol

Set a fixed deadline for entity trial balance submission. Entities that miss the deadline must escalate to the Group Consolidation Controller — the close does not proceed with estimated data unless the Controller explicitly documents the decision and the basis for the estimate. This is a gate discipline, not a policy aspiration.

Practical action

Create a B Gate Checklist: (1) Consolidation perimeter confirmed and signed off. (2) All entity trial balances received by deadline. (3) Reporting dates aligned or adjustments documented. (4) Functional currencies confirmed and translation rates locked. (5) Mid-year changes in scope identified and boundary dates documented.

GATE B: Conditions, Owner, and Documentation

GATE CONDITIONS

- Group scope confirmed — every entity classified and included from the correct date
- All entity trial balances received and structurally consistent
- Reporting dates aligned or adjustments documented
- Functional currencies confirmed and translation rates locked

GATE OWNER

Group Consolidation Controller

DOCUMENTATION REQUIRED

— Consolidation perimeter document (signed)
— Entity TB receipt log
— Translation rate confirmation

R

Step 2: Implement R — Reconcile Relationships

Phase 2 of 5

What to implement

Design an intercompany matrix that covers every entity pair with transactions between them. The matrix lists the IC balance as reported by each entity. It must be circulated to all entities at the same time, and each entity must confirm or dispute their counterpart's figure in writing. No entity is permitted to simply accept the matrix without responding — silence does not constitute agreement.

Dispute resolution

Any mismatch must be investigated and resolved before R closes. A disputes log records every mismatch: the entities involved, the amount, the reason, and the resolution. The log must be empty — all items resolved — before the R gate closes. Disputes cannot be carried forward to be resolved later; later is I, and I needs clean numbers.

Practical action

Assign one person to own the IC matrix for each close — the R Gate Owner. This person circulates the matrix, tracks confirmations, chases disputes, and signs off when all pairs are agreed. The turnaround time for entity responses must be built into the close calendar, not treated as discretionary.

GATE R: Conditions, Owner, and Documentation

GATE CONDITIONS

- Ownership structure confirmed in writing
- IC matrix circulated and all pairs confirmed
- All disputes resolved — disputes log empty
- No open items carried forward to I

GATE OWNER

R Gate Owner (designate per close)

DOCUMENTATION REQUIRED

— Signed IC matrix
— Dispute resolution log (empty)
— Ownership confirmation

Step 3: Implement I — Integrate Adjustments

Phase 3 of 5

What to implement

Build a suite of I-phase schedules that are maintained from period to period. These are not rebuilt from scratch each close — they are living documents that carry forward from the original determination date. Each schedule covers one ownership consequence: the goodwill schedule, the fair value adjustment schedule, the NCI calculation, equity method workings for each associate and JV, and a CTA schedule for each foreign subsidiary. The I Gate Owner confirms that every schedule has been rolled forward correctly before the gate closes.

Ownership of schedules

Each schedule must have a named preparer and a named reviewer. The reviewer is not the same person as the preparer. The I gate requires both signatures before it closes. For goodwill and fair value adjustments, the schedules must also cross-reference to the original acquisition documentation.

Practical action

Review every I-phase schedule at the start of each close cycle before any work begins. Flag any schedule that may need updating: a step acquisition, a change in equity method investment, a disposal, a new foreign subsidiary. Update those schedules first. Then confirm all unchanged schedules are correctly rolled forward. Gate closes when all schedules are signed off.

GATE I: Conditions, Owner, and Documentation

GATE CONDITIONS

- Goodwill schedule confirmed and consistent with prior period
- FV adjustment schedule rolled forward with current period amortisation
- NCI calculation updated for current ownership percentages
- Equity method schedules updated for current period results
- CTA schedule prepared for each foreign subsidiary (posted to OCI)

GATE OWNER

Group Accounting Manager

DOCUMENTATION REQUIRED

— Goodwill schedule (signed)
— FV adjustment schedule
— NCI workings
— Equity method workings
— CTA schedules

Step 4: Implement Z — Zero Group Effects

Phase 4 of 5

What to implement

Establish the discipline of rebuilding Z from raw data every single period. The prior period's elimination journals are reference material, not a starting point. The Z Gate Owner starts from the agreed IC matrix (produced by R) and builds elimination entries from scratch: intercompany revenue and cost, loan balances and interest, dividends, fixed asset transfers, and unrealised profit on closing inventory. Each category is a separate elimination journal.

Completeness check

Before Z closes, a completeness check must confirm that every IC pair identified in R has a corresponding elimination entry in Z. If R identified twelve entity pairs with IC activity, Z must show twelve matched elimination entries. Any pair without an elimination must be explained. This check is not optional — it is the mechanism that ensures nothing slips between R and Z.

Practical action

Produce a Z completeness matrix: for each IC pair from R, list the IC categories (sales, loans, dividends, assets), the amount agreed at R, and the elimination entry reference in Z. The matrix must balance: every agreed amount at R must equal the elimination in Z. The Z Gate Owner signs the completeness matrix, not just the individual journals.

GATE Z: Conditions, Owner, and Documentation

GATE CONDITIONS

- All IC revenue and cost eliminated (from R-agreed figures)
- All IC loan balances and interest eliminated
- All IC dividends eliminated
- Unrealised profit on IC closing inventory eliminated
- Z completeness matrix signed — every R pair has a Z elimination

GATE OWNER

Z Gate Owner (designate per close)

DOCUMENTATION REQUIRED

— Elimination journals by category
— Z completeness matrix (signed)
— Unrealised profit workings

Step 5: Implement O — Output Group Financials

Phase 5 of 5

What to implement

O is not the step where the consolidated financials are produced — they have been taking shape through B, R, I, and Z. O is the step where everything is assembled into one picture and formally checked for internal consistency. Implement a structured O review: a cross-check worksheet that confirms the consolidated P&L, balance sheet, SOCE, and cash flow statement all reconcile to each other and to the underlying workings.

Sign-off protocol

The O gate requires a formal sign-off from the Group Consolidation Controller before any numbers are shared outside the finance team. The sign-off confirms: all phase gate documentation is on file, the cross-check worksheet shows no unexplained residuals, and the Group Controller has reviewed the output. An unexplained residual at O is not a rounding difference to be absorbed — it is an open investigation item.

Practical action

Build an O cross-check worksheet: (1) Confirm consolidated P&L total equals retained earnings movement in SOCE. (2) Confirm opening BS plus P&L plus OCI plus other equity movements equals closing BS. (3) Confirm operating profit per P&L reconciles to operating cash flow per indirect method CF. (4) Confirm NCI in BS equals NCI in SOCE. (5) Confirm no elimination account has a residual balance. Any failure in any of the five checks stops the gate from closing.

GATE O: Conditions, Owner, and Documentation

GATE CONDITIONS

- Consolidated P&L, BS, SOCE, and cash flow all prepared
- Cross-check worksheet completed — all five checks passed
- No unexplained residuals in any elimination account
- All prior phase gate documentation confirmed on file
- Group Consolidation Controller sign-off obtained

GATE OWNER

Group Consolidation Controller

DOCUMENTATION REQUIRED

— Cross-check worksheet (signed)
— Final consolidated statements
— Controller sign-off

Roles and Responsibilities

Group Consolidation Controller

Owns the overall BRIZO process. Confirms that each gate closes before the next phase begins. Holds sign-off authority for B and O. Escalates any gate that cannot close within the close timeline. Is the single point of accountability for the consolidated output.

KEY RESPONSIBILITIES:
- B gate owner
- O gate owner
- Final sign-off authority
- Escalation point for all gate failures

Entity Finance Controllers

Responsible for submitting correct, complete, and timely trial balances to B. Responsible for responding to the IC matrix at R — confirming or disputing their entity's counterpart figures within the agreed timeline. Cannot pass responsibility for late or incorrect submissions to the group team.

KEY RESPONSIBILITIES:
- Submit TB by B gate deadline
- Respond to IC matrix within R timeline
- Escalate disputes through R Gate Owner

R Gate Owner

Designated per close (typically a senior consolidation accountant). Designs and circulates the IC matrix. Tracks all entity responses. Manages the dispute resolution process. Signs off the IC matrix and the disputes log when all pairs are confirmed. Cannot close R until the disputes log is empty.

KEY RESPONSIBILITIES:
- Circulate IC matrix
- Track confirmations
- Resolve disputes
- Sign R gate documentation

Group Accounting Manager

Owns the I-phase schedule suite. Ensures all schedules are correctly rolled forward at the start of each close. Identifies any schedule requiring an update before I work begins. Reviews all I-phase workings as preparer or reviewer (never both). Closes the I gate.

KEY RESPONSIBILITIES:
- Maintain I-phase schedule suite
- Review all I-phase workings
- Close I gate

Z Gate Owner

Designated per close. Builds elimination journals from the agreed R output. Prepares and signs the Z completeness matrix. Confirms every IC pair from R has a corresponding elimination in Z. Closes Z gate only when the completeness matrix balances.

KEY RESPONSIBILITIES:

- Build Z eliminations from R output
- Prepare Z completeness matrix
- Close Z gate

CFO / Group Finance Director

Reviews and approves the final consolidated output at O. Signs off the group financials before publication. Is not involved in gate closure for B through Z — that is the Controller's responsibility. Is the escalation point for any gate failure that cannot be resolved at working level.

KEY RESPONSIBILITIES:

- Review O output
- Approve final group financials
- Escalation authority

Monthly Close Workflow

The following timeline maps BRIZO phases onto a standard monthly close. Adjust day counts to your team's close calendar. The critical constraint is that no phase begins before the previous phase's gate has closed.

B
Days -3 to -1

Pre-close preparation

- Entity trial balance submission deadline (Day -3)
- Group Consolidation Controller confirms all TBs received
- Consolidation perimeter confirmed — any scope changes documented
- Translation rates locked

R
Days 1–2

Intercompany reconciliation

- IC matrix circulated to all entities (Day 1 morning)
- Entity response deadline (Day 2 close of business)
- Disputes identified and escalated
- R Gate Owner resolves all disputes
- IC matrix signed — R gate closes

I
Days 3–4

Ownership adjustments

- I-phase schedules reviewed — updates flagged (Day 3 morning)
- Goodwill, FV, NCI, equity method, CTA schedules rolled forward
- All I workings reviewed and signed
- I gate closes (Day 4)

Z
Days 5–6

Eliminations

- Elimination journals built fresh from agreed R output (Day 5)
- Unrealised profit workings completed
- Z completeness matrix prepared and balanced
- Z Gate Owner signs completeness matrix — Z gate closes (Day 6)

O
Days 7–8

Output and sign-off

- Consolidated statements assembled (Day 7)
- Cross-check worksheet completed — all five checks run
- Any residuals investigated and resolved
- Group Consolidation Controller review (Day 7 close)
- CFO sign-off (Day 8)
- Numbers released

BRIZO as a Control Framework

A process is not a control. A process becomes a control when it has defined conditions, documented evidence, and an owner who certifies that each condition has been met. BRIZO's gate system converts a consolidation process into a financial control framework.

Preventive Controls

The gate conditions at B, R, I, Z, and O are preventive controls. They prevent errors from advancing into the next phase. A mismatch at R that is not resolved cannot reach I. An incomplete goodwill schedule that has not been reviewed and signed cannot close the I gate. The gate is the control.

Detective Controls

The O cross-check worksheet is a detective control. It catches inconsistencies that survived all four prior gates — gaps between phases that are only visible once everything is assembled. The five-point O check (P&L to SOCE, BS movement, CF reconciliation, NCI, elimination residuals) provides structured detection at the final assembly point.

Audit Evidence

Every gate produces documentation. That documentation is audit evidence. The consolidation perimeter document (B), the signed IC matrix and disputes log (R), the I-phase schedule suite with preparer and reviewer signatures (I), the Z completeness matrix (Z), and the cross-check worksheet with Controller sign-off (O) together constitute a complete audit trail for the consolidated financials. An auditor who asks 'how do you know your consolidation is complete?' receives a structured answer — one document per gate, one signature per owner.

> "A gate that can be bypassed under close pressure is not a gate — it is a suggestion. The control value of BRIZO is entirely determined by whether the gates are real."

Documentation Requirements

Every gate close must be documented. Documentation is not optional — it is what converts a gate from a verbal agreement into an auditable control. The following table defines the minimum documentation required at each gate.

Bring Data Together

Consolidation perimeter document

Lists every entity, its classification, consolidation start date, functional currency, and reporting date. Signed by the Group Consolidation Controller.

Entity TB receipt log

Confirms receipt of trial balance from every in-scope entity by the submission deadline. Records any exceptions and the basis for proceeding.

Translation rate confirmation

Documents the closing and average rates applied for each currency in the group. Signed off before B closes.

Reconcile Relationships

Signed IC matrix

Shows every entity pair with intercompany activity, both entities' reported figures, and the agreed figure. Signed by both entity Finance Controllers and the R Gate Owner.

Dispute resolution log

Records every mismatch identified during R, the investigation, and the resolution. Must be empty — all items resolved — before R closes.

Integrate Adjustments

Goodwill schedule

Shows original goodwill calculation, any impairments to date, and current carrying value. Preparer and reviewer signatures required each period.

Fair value adjustment schedule

Shows original FV adjustments at acquisition date, accumulated amortisation, and current period charge. Updated each period.

NCI calculation

Documents NCI measurement election, ownership percentages, and NCI allocation for the current period.

Equity method workings

One schedule per associate/JV showing share of results, OCI, and carrying value. Updated each period.

CTA schedule

Translation of each foreign subsidiary's BS (closing rate), P&L (average rate), and equity (historical). CTA posted to OCI confirmed.

Zero Group Effects

Elimination journals
One journal per IC category (revenue/cost, loans, dividends, fixed assets). Each references the agreed R figure it eliminates.

Z completeness matrix
Maps every IC pair from R to its elimination entry in Z. Signed by the Z Gate Owner. Must balance — no unmatched pairs.

Unrealised profit workings
Calculation of unrealised profit on IC inventory held at period end. Signed by preparer.

Output Group Financials

Cross-check worksheet
Documents all five O checks: P&L to SOCE, BS movement, CF reconciliation, NCI, elimination residuals. Signed by Group Consolidation Controller.

Final consolidated statements
Consolidated P&L, balance sheet, SOCE, and cash flow. These are the gate O output.

Controller sign-off
Formal sign-off confirming all prior gate documentation is on file, cross-check is clean, and financials are approved for release.

Common Implementation Mistakes

1. Treating gate documentation as paperwork

Gate documentation is not bureaucracy — it is the mechanism that makes each gate real. Teams that produce the forms after the fact, sign them without reviewing them, or file them as a formality have not implemented BRIZO. They have implemented the appearance of BRIZO while retaining the old process underneath.

2. Assigning phase responsibility without gate authority

Responsibility without authority produces no control. The R Gate Owner must have the authority to hold the close at R until disputes are resolved — even if that means delaying I. Without that authority, the gate is advisory, not mandatory. Senior leadership must visibly support gate authority for it to function.

3. Closing B without confirming consolidation dates

The most common B failure is including a mid-year entity from the wrong date. The B gate checklist must explicitly require date confirmation for any entity whose consolidation start date is not the beginning of the period. This check is not obvious — it requires someone to ask the question.

4. Moving to I before R is genuinely closed

The sequence pressure in a close is always toward speed. I often begins while R disputes are still being resolved, on the assumption that they will be minor. They are minor — until they aren't. One significant mismatch that gets absorbed into I as an estimate can propagate as an error into every future period.

5. Carrying forward Z eliminations

This is the most common Z failure and the hardest to diagnose because the prior period's eliminations are usually mostly right. The problem is that 'mostly right' is not 'right.' New IC activity this period requires new elimination entries. Starting from last period's journals means new activity can be missed without anyone noticing.

6. Using O as a formatting exercise

O is the last control point. Teams that treat it as a layout exercise — putting the numbers into the right template — lose the detection value entirely. The five-point cross-check must be run, documented, and signed. Residuals must be investigated, not rounded. If O is not a genuine check, there is no check.

7. Adopting all five phases simultaneously

Teams that try to implement B through O in one close cycle typically revert to their old process under pressure. The adoption plan works because it sequences the gates — B and R first, then I, then Z, then O. Each gate that genuinely closes before the next phase begins builds the discipline for the next gate.

How to Know When BRIZO Is Working

BRIZO implementation is complete when the gates are real, not when the documentation exists. The following measures distinguish genuine implementation from the appearance of implementation.

Quantitative Measures

Days from period end to consolidated financials

A methodology that works produces a predictable close timeline. Track this number across six periods. It should stabilise and then shorten as teams internalise the gate discipline.

Number of post-close adjustments

Adjustments made after O gate close-off indicate errors that survived all five gates. Track the number and trace each one to the phase that should have caught it. A well-functioning BRIZO close should produce zero post-close adjustments on consolidation mechanics.

IC matrix agreement rate at first circulation

At R, track the percentage of IC pairs that agree at first submission vs those requiring dispute resolution. A high first-circulation agreement rate indicates entity finance controllers have internalised the IC discipline before the close starts.

Audit queries on consolidation

Track the number of external audit queries that relate to consolidation methodology — scope, goodwill, eliminations, NCI. Mature BRIZO implementation reduces these to near zero because the gate documentation answers most audit questions before they are asked.

Qualitative Measures

- The close team can name which phase they are in at any point during the close — B is closed, we are in R, the gate closes tonight.
- Gate failures are escalated, not absorbed. When a gate cannot close, the team escalates rather than proceeding informally.
- New team members understand the close within two cycles because the process has a defined structure they can be trained on.
- When a consolidated number is questioned, the team can trace it back through O, Z, I, R, and B documentation without reconstructing from memory.
- The CFO's question 'is the consolidation complete?' has a gate-based answer: all five gates are closed, all documentation is signed.

> BRIZO implementation is complete when a gate failure stops the close — not when it is noted and bypassed.

Team Adoption Plan

Implement one gate at a time. Each gate that genuinely closes builds the discipline for the next one.

Month 1: Assess current process against the five gate conditions. Document every place where a gate conditi