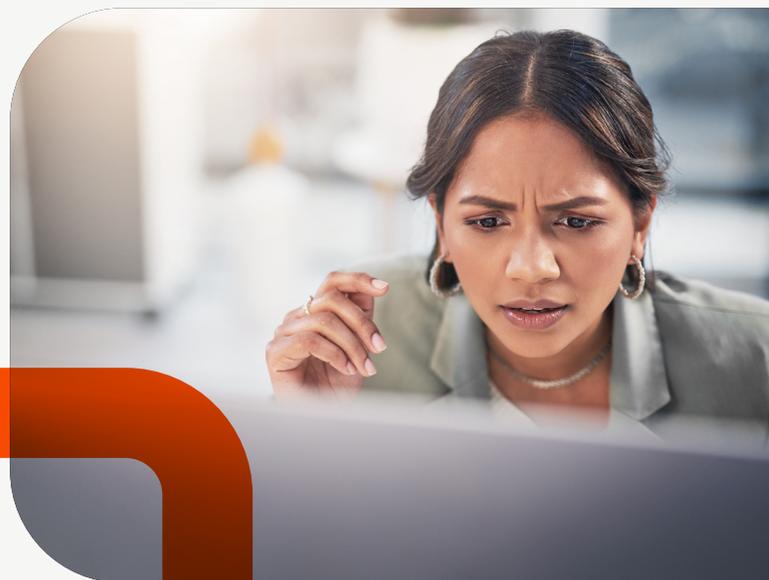


7 red flags that your company has lost control of spend.



In this blog:

- **Red flag 1:** Duplicate SaaS subscriptions.
- **Red flag 2:** Unapproved or rogue vendor relationships.
- **Red flag 3:** Missing or late receipts.
- **Red flag 4:** Spending exceeds the budget.
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- **Red flag 6:** Free trials quietly turn into paid subscriptions.
- **Red flag 7:** Employees spend on personal cards.
- The pattern behind the red flags.
- The solution: Take back control with OFX Spend Management.

Lost spend control doesn't announce itself; it shows up as small, recurring problems that add up fast. Understanding these seven red flags early can help prevent the risk of overspending and improve their oversight needed to manage risk.

Most companies don't lose control of spend all at once. It happens quietly. A new tool here, a card put on file there, or a "temporary" workaround that becomes permanent. Then one day, your finance team is staring at meaningless journal entries in the general ledger.

As businesses grow, speed become the default. Teams move faster, procurement often gets bypassed, cards get passed around and subscriptions stack up. None of this is malicious. It's simply the cost of scale.

However, if finance teams no longer have real-time visibility into where money is going, what it's committed to, or why it was spent in the first place, it can be dangerous and costly.

If you notice any of the red flags below, it's a sign that spend may be happening outside your control, and financial risks could already be compounding.

Red flag 1: Duplicate SaaS subscriptions are everywhere.

In a growing, multi-team business, it's easier to spin up a new subscription than to check if another team already owns it.

Some examples of this are:

- Two teams accidentally pay for the same video conferencing tool.
- Another department signs up for a design platform that is already being negotiated.
- A manager adds extra subscriptions "just in case" and never removes them.

Without a single source of truth for active subscriptions, duplicate SaaS spend becomes inevitable. Your finance team views the charges, but lacks the context. By the time duplication is discovered, contracts are locked in and budgets have already absorbed the hit.

What looks like a few small inefficiencies quickly becomes meaningful operating leakage, especially in subscription-heavy businesses.



Financial impact

It doesn't take long for idle subscription costs to spiral. A 2024 report shows companies use only around half of the software subscriptions they pay for, wasting millions of dollars annually on unused or under-used tools¹.



Hidden risk

Wasted spend isn't just inefficient, it's a blind spot that undermines forecasting accuracy and strategic planning.



The solution

Assign a unique virtual card to every subscription or vendor. Stay in the loop as an approver when employees request new cards to avoid duplication. Virtual company cards like the OFX Corporate Cards only take a few minutes to issue. The best part? You can create as many virtual company cards as you need.

Plus, every card is tracked and displayed in a central dashboard. You can associate a card with a vendor by entering the vendor's website, which displays the vendor's logo. This allows teams to instantly see the amount spent relative to the budget allocation.

¹ PR Newswire, [SaaS Management Index, 2024](#)

Red flag 2: Unapproved or rogue vendor relationships.

In the rush to move fast, teams might leave card details on file with vendors that were never vetted, or sign contracts without appropriate oversight from procurement, legal or finance.

A lack of robust control means higher risk because the finance team may lose its ability to enforce standard contracts, perform due diligence, or negotiate more competitive payment terms.

Imagine what could happen to your business if a "rogue" vendor suffers a data breach. Your data or your clients' data could be exposed because the contract was never vetted by legal and risk teams, turning a simple purchase into a potential corporate liability.

Without checks and balances, detecting issues can be a herculean task, often only discovered after the money has left your account, or when an incident has occurred.



Financial impact

Spend commitments bypass procurement entirely, leaving finance accountable for obligations they didn't approve.



Hidden risk

Beyond budget leakage, this creates exposure to compliance failures, security risks, and reputational damage.



The solution

Enforce custom approval workflows for all spending. Teams can't commit to vendors without finance oversight, and pre-set spend limits ensure only approved transactions occur. This limits potentially unvetted vendor relationships before they start, protecting budgets, compliance, and operational integrity.

Red flag 3: Missing or late receipts are the norm, not the exception.

If your inbox is full of “can you resend that receipt?” messages, you’re not alone. Lost or missing receipts is a common and costly challenge for finance teams.

This isn’t just an admin inconvenience. Missing receipts slow month-end close, weaken audit trails, and force business owners and leaders to make assumptions under pressure.

If your business is based in the UK, losing a receipt means you can’t reclaim the VAT, effectively adding up to 20% extra cost to that expense. Multiply that across multiple missing receipts, and it can quickly erode the bottom line.

Similarly, in Canada, losing a receipt means you can’t reclaim GST/HST (or QST), effectively adding 5–15% to the cost of that expense.

The more spend happens outside controlled systems, the more time businesses spend cleaning up instead of making informed decisions. The lack of consistency not only breeds frustration among your team, but also opens the door to potential compliance issues and financial discrepancies.



Financial impact

Data shows that half of finance teams take six or more business days to close the books. For lean SME teams, tasks like cash reconciliation alone can take 20–50 hours every month².



Hidden risk

Every missing receipt is a potential audit liability and a drain on the finance department. Month-end close is delayed, auditors raise flags, and finance teams spend hours on admin instead of strategic analysis.



The solution

Employees can capture receipts on-the-go with tools like OFX, where transactions are instantly matched and classified. Say goodbye to lost paperwork or month-end scrambles. Your finance team sees fully reconciled expenses in real time, audit-ready and compliant across departments and geographies.

² Ledge, [Month-end close benchmarks for 2025](#)

Red flag 4: Spending often exceeds the budget.

On paper, the budget looked reasonable. In reality, actual spend comes in 20–50% higher than expected. The reason isn't poor forecasting — it's invisible commitments.

It means you're missing real-time visibility into spend. There will be recurring payments, auto-renewals, and one-off purchases that never hit the forecast because the finance team didn't know they existed.

When spend lives outside budget tracking systems, forecasts become aspirational rather than accurate. Leadership loses confidence in the numbers, and you're forced into reactive explanations instead of proactive guidance.



Financial impact

Confidence in financial reporting erodes. Decision-making becomes reactive, not predictive.



Hidden risk

Budgeting shifts from proactive planning to retrospective damage control, undermining governance and growth.



The solution

Get tighter spend control by limiting budget access to specific employees and setting one-off or recurring spend limits on your company card. Every transaction is visible in the budget dashboard, giving finance and leadership a real-time overview of spend versus budget. Forecasts become reliable, surprises are reduced, and cashflow decisions can be proactive rather than reactive.

Red flag 5: "Mystery" transactions at month-end.

The closer you get to closing the books, the more "mystery" transactions show up that no one can immediately explain or categorize.

It happens because these "mystery" transactions are initiated outside of a structured workflow, and lack necessary information like GL code or department ID.

Receipts are missing, and categories are unclear. Time is lost as your finance team has to hunt down supporting information. What should have been clear at the moment of spend turns into a trail of emails and last-minute journal entries.

Not only is this a waste of time and resources, it can lead to data integrity issues. If the data isn't correct, errors can cascade through all downstream reporting. This can make departmental budget tracking unreliable and potentially lead to incorrect budget allocations in the next planning cycle.

These mystery transactions increase error risk, extend close timelines, and create unnecessary stress, especially as transaction volume grows.



Financial impact

Books become inaccurate, close cycles extend, and stress levels spike.



Hidden risk

Mystery spend compounds error rates and weakens trust in financial data.



The solution

OFX's spend management features automatically categorizes all spend, and syncs transactions into your accounting software, making every payment traceable and reconciled at the point of purchase. This curbs mystery transactions, reduces manual journal entries, and speeds up month-end closes.

Red flag 6: Free trials quietly turn into paid subscriptions.

The innocent intention to “just test something out” becomes a recurring liability.

It might not seem like a big deal, but if a number of employees are signing up for free trials and forgetting to cancel before the trial ends, suddenly you have a list of new costs and fewer dollars.

Individually, these subscriptions look small, but collectively, they form hidden drains on operating budgets. These might not be discovered until months later, when someone discovers charges for software no one is actively using. Free trials aren't the problem — forgetting about them is.



Financial impact

Subscription sprawl eats into budgets. Businesses could waste up to 30% of their SaaS spend³ on unused subscriptions.



Hidden risk

Individual subscription charges add up quickly, and that's where budgets start to slip.



The solution

Virtual cards and a single source of truth for all subscriptions mean you and your team can track and control recurring payments, including trials that convert to paid plans. Finance team members can see what's active, who's paying, and can cancel or consolidate subscriptions before they drain budgets unnecessarily.

³ License Logic, [SaaS Spend Optimization & License Cost Reduction: The Comprehensive Guide, 2025](#)

Red flag 7: Employees spend on personal cards.

To move quickly or earn points, employees might use personal cards for travel, events, or equipment, then submit reimbursement requests weeks or months later. By that time, your finance team may have already closed the books without visibility into the true cashflow impact. Budgets look fine until they suddenly aren't, and forecasts shift retroactively.

When large purchases happen outside company-controlled spend, you lose real-time visibility into commitments and cash exposure. That's because the commitment or deposit is made earlier on, and the full cost doesn't appear in the ledger until weeks or months later, once reimbursements are processed.

This creates a severe cashflow blind spot, distorting true and current liabilities. Your finance team is unable to accurately calculate working capital or predict short-term cash needs. This also introduces a compliance risk by co-mingling personal and business funds, complicating everything from tax audits to regulatory filings.



Financial impact

Cashflow visibility disappears. Budgets distort as reimbursements lag.



Hidden risk

You lose real-time visibility entirely, making forecasting and governance unreliable.

The solution

Your employees can use OFX Corporate Cards with built-in spend limits for business purchases domestically or internationally, while finance maintains visibility from the moment of spend.

Automated reconciliation and receipt capture reduce delayed reimbursements, prevent cashflow blind spots, and ensure spend is accounted for in real time.

The pattern behind these red flags.

Each of these issues can be explained away in isolation. Together, they tell a clear story. Not about careless employees or weak policies, but about the need for a system that lets you move fast while keeping control.

Employees are moving at the speed of the business, and your financial infrastructure needs to keep pace.

Shared cards, reimbursement processes, and after-the-fact reconciliation simply don't scale for fast-moving businesses. The more finance tries to control spend after it happens, the harder and more expensive that control becomes.

True visibility doesn't come from stricter rules, it comes from proactively controlling spend before money leaves the business. One way to be proactive is to leverage on financial tools that are easy for finance members to use, enable spend control and provide higher visibility.



White paper

Learn more about shadow spend and its hidden costs.

[Read now →](#)

Take back control with OFX spend management.

If you're seeing these red flags in your business, it's time to make a change.

A platform like OFX brings clarity, control, and efficiency to your financial operations, helping you take back control for each of these red flags:

- ✓ Transform subscription mess to structured spend.
- ✓ Change rogue vendors to approved suppliers.
- ✓ From missing receipts to instant documentation.
- ✓ Move from budget overruns to tighter spend control.
- ✓ Replace "mystery" transactions with reconciled spend.
- ✓ Turn forgotten trials to managed subscriptions.
- ✓ Convert personal card spend to compliant company payments.

Ready for more spend control?
See the difference OFX can make.

Get started →

