



Background

Financial Consolidation of Accounts for statutory and internal MIS has been always a challenge for the Finance team in any company.

Today's corporate financial officers are held to higher standards of accountability than ever before, even as their businesses grow more complex and stakeholders demand faster access to accurate financial results.

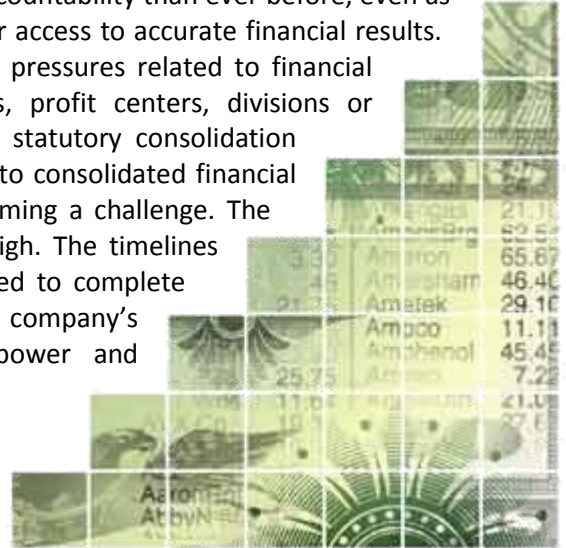
Finance Executives like accountants and CFO's are facing increased pressures related to financial consolidation of accounting based on companies, business areas, profit centers, divisions or branches, or the SBU's of internal cost accounting. Now that the statutory consolidation reporting which requires that the reported data to be aggregated into consolidated financial statements is needed to be submitted on a quarterly basis is becoming a challenge. The requirements of a financial regulatory statement are significantly high. The timelines expectation to deliver is decreasing and manpower expense required to complete their timely submission is ever increasing. The reconciliation of a company's financial accounting systems significantly requires skilled manpower and experience to complete the task.

Today organizations need is to quickly collect data from operating units around the world, even when these locations have disparate general ledger systems, charts of accounts, and ERP systems. Data needs to be consolidated in line with local and international requirements, such as GAAP, Sarbanes-Oxley, and IFRS, and is stored in a single database, ensuring that everyone works with the same set of numbers, accessing data from software rather than a spreadsheet. Any changes are made in this central location, resulting in greater control and confidence in the numbers. Data can be compared with budgets, plans, and forecasts within software, which improves business insight. It should have detailed journal and audit capabilities to provide consolidated financial reporting transparency to satisfy both internal and external auditors alike.

Often the accountants struggle for weeks to consolidate multiple levels in their organization using their ERP. Adjusting entries are booked in ERP and need to be replicated multiple times for each level. Inter-company eliminations cause delays while the accountants reconcile the differences between the companies using spreadsheets. The spreadsheets are fragile and only one person in the company is entrusted with them. But even that person breaks into a sweat when there is reorganization and the consolidation spreadsheets need to be redone. There are lots of links between all the spreadsheets and one change could cause cascading errors in unsuspected places. ERP comes with a reporting toolset and predefined set of reports with general purpose query tools to generate reports with data within ERP database. These tools are difficult and confusing to use and rely on IT team to deliver the on demand report which will take time where only thing that matters user is answer question of the moment.

There is always a challenge to close the accounting books quickly and publish the statutory balance sheets with profit and loss accounts statement or for that matter internal financial MIS for monthly quarterly or yearly. There are various challenges when there are group of companies, local subsidiaries, international subsidiaries, branches, strategic business units, sister concerns, joint ventures, merger, acquisitions, investment companies, SPV's etc. data to be consolidated in single financial reports.

CFO team is always under pressure to publish quarterly, half yearly and yearly statements based on Indian GAAP or US GAAP or IFRS or any other formats of publishing data. There are challenges to map and consolidate data from multiple entities, multiple accounting period and multiple currencies. Finance team lead by CFO works days and weeks on multiple spreadsheets to arrive at final statements. While doing this exercise finance team faces several challenges.



Traditional FCM (Excel) Challenges:

- Little centralized control on spreadsheet published data
- Poor data integrity; chances of error very high
- Inflexible reporting, so cannot do any analytics on data
- Unmanageable consolidation mechanics for mapping chart of accounts hence time consuming
- Little facility to view data across different dimensions, periods, currencies, ratios etc.
- IT department dependence for extraction of data
- Inability to react and reflect change in case if any
- Lack of integration with other systems and purely manual each time same laborious work
- No dynamic financial statements as no BI reporting layer
- Rigid templates for each user involved for creating trial balances
- No security at the account level
- No support for multiple line items in an account
- Slow turnaround as no historical data management
- No analytical reporting with Dashboard & KPI



1KEY Financial Consolidation Management (FCM) is a complete data warehouse (DW) model with standard statutory reporting requirements for publishing financial statements and with extensive analytical reports.

Accelerate the close cycle and improve the quality of data – remove the pain of consolidation of financial management & reporting cycle. Organizations that are able to close their books quickly & deliver faster & more accurate information can gain a competitive advantage in a rapidly changing market. Provide financial managers the ability to rapidly close & report financial results, meet global regulatory requirements, reduce compliance costs with trust in numbers.

1KEY FCM eliminates the potential errors and reduces time spent on repetitive manual processes with its multicurrency capabilities, automated calculations and adjustments, and other features that address accounting and regulatory issues. 1KEY FCM combines the power to unify all legal and management financial reporting needs with the agility to blend corporate control with local flexibility.

With 1KEY FCM, CFOs can overcome:

- Struggle of weeks to consolidate financial data at multiple levels
- Fragile nature of spreadsheets, links, changes, errors in unsuspected cells & redoing consolidation during reorganization
- Difficulty & confusion to use and rely on IT team to deliver the on demand report which takes time where only thing that matters user is the answer to the question of a moment
- Limitations of ERP reporting toolset and predefined set of reports with general purpose query tools for generating reports with data within ERP database
- Booking adjustment entries in ERP & replicating multiple times for each company / branch / location
- Inter-company eliminations which cause delays, while reconciling the differences between the companies using spreadsheets

1KEY FCM reduces finance team work from few weeks to days and most important error free with audit trail. Our implementation team will ensure right extraction of data from SAP, CBS, Back Office or any other ERP data sources and import it in DW model of 1KEY FCM. Then map chart of accounts and automatically all reports for statutory publishing will be available with internal analytical MIS for group reporting scenarios.

Closing Books is getting increasingly complicated and harder to manage for CFO and his team. Each group of companies has different information needs, and therefore different data processing requirements. Configure 1KEY FCM based on actual needs to help his team save time and effort in a streamlined group reporting process: team can now focus their effort on other high priority jobs that add more values to the organization.

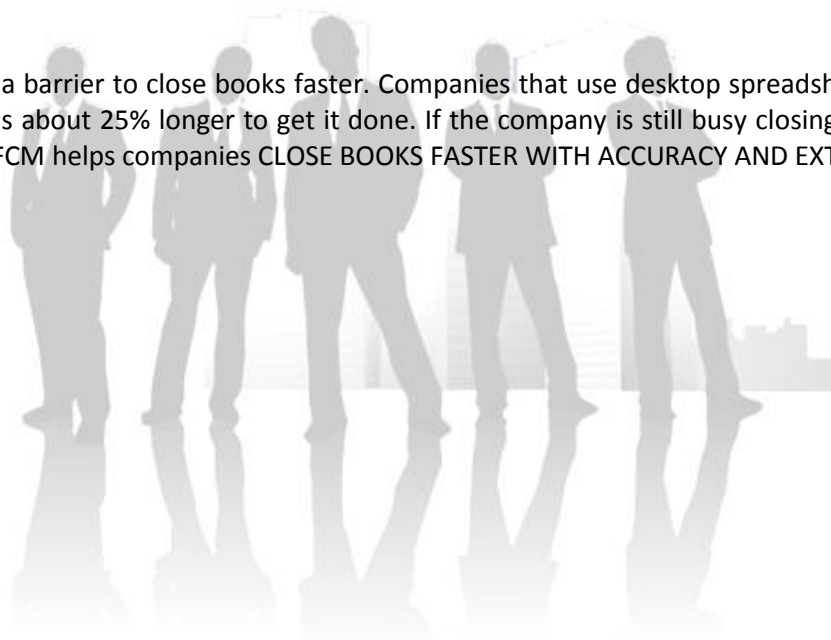
1KEY FCM gives CFOs ability to:

- Reduce consolidation, close and reporting cycles by days or weeks and deliver timely results internally and externally
- Improve data quality to achieve confidence in the numbers – a full audit trail for statutory and regulatory compliance
- Cut compliance costs & deliver a single version of the truth through the Web to improve internal and external transparency
- Use 1KEY BI to create ad hoc and management reports quickly and easily
- Easily conduct in-depth analysis of key performance and operational metrics

1KEY FCM is a highly effective yet user-friendly, intuitive solution to manage financial consolidation and group reporting process. 1KEY FCM helps you avoid common pitfalls in consolidation process, and move on to develop more structured, efficient and highly sustainable solutions. By working through the detailed steps in each process, CFOs can now have an effective suite of solution that simplifies and automates FCM process into just a few clicks on buttons!



Technology can also be a barrier to close books faster. Companies that use desktop spreadsheets to manage their accounting, closing takes about 25% longer to get it done. If the company is still busy closing its books, it can and should do better. 1KEY FCM helps companies CLOSE BOOKS FASTER WITH ACCURACY AND EXTENSIVE ANALYTICS.



1KEY FCM - Solutions to Common Business Questions

- How do the balance sheets of different subsidiaries compare?
- What is the variance of assets, liabilities and equity between two selected time periods?
- What is the Net Working Capital of the company?
- Which business unit caused cash drain in a particular period?
- What is the breakdown of shareholders equity in a certain period?
- What is the leverage and liquidity of the company?
- What is the profit margin of each business unit and/or geographic region?
- How have margins changed month-to-month over the past year?
- Which business units are hitting their margin targets? Which are falling short?
- Which business units are more than 10% above/below their contribution targets?
- Which units or regions are over budget by more than 5%?
- Which departments have the highest contribution per employee?
- Are there trends underlying any revenue or expense categories that need immediate attention?

Account Group Master

The screenshot shows the 'Account Group Manager' window with a toolbar and a data table. The table lists various account groups with columns for Level Code, Group Name, Group Caption, Schedule, Description, Schedule Type, Ex. Rate Type, Printable, and Expandable.

Level Code	Group Name	Group Caption	Schedule	Description	Schedule Type	Ex. Rate Type	Printable	Expandable
101001	Non-Current Liabili...				SCHEDULE_VI	Closing Rate	False	False
101001001	Long term borrowi...				SCHEDULE_VI	Closing Rate	False	False
> 101001001001	Long term borrowi...				SCHEDULE_VI	Default	False	False
101001002	Deffered tax liabili...				SCHEDULE_VI	Default	False	False
101001002001	Deffered tax liabili...				SCHEDULE_VI	Closing Rate	False	False
101001003	Long term Provisions				SCHEDULE_VI	Closing Rate	False	False
101001003001	Long term Provisions				SCHEDULE_VI	Default	False	False
101002	Current Liabilities:				SCHEDULE_VI	Closing Rate	False	False
101002001	Trade and other p...				SCHEDULE_VI	Closing Rate	False	False
101002001001	Trade and other p...				SCHEDULE_VI	Closing Rate	False	False
101002002	Short term borrow...				SCHEDULE_VI	Closing Rate	False	False
101002002002	Short term borrow...				SCHEDULE_VI	Closing Rate	False	False
101002003	Current portion of...				SCHEDULE_VI	Closing Rate	False	False
101002003001	Current portion of...				SCHEDULE_VI	Closing Rate	False	False
101002004	Current Tax Payable				SCHEDULE_VI	Closing Rate	False	False
101002004001	Current Tax Payable				SCHEDULE_VI	Closing Rate	False	False
101002005	Short term provisi...				SCHEDULE_VI	Closing Rate	False	False
101002005001	Short term provisi...				SCHEDULE_VI	Closing Rate	False	False
101003	Capital and Reser...				SCHEDULE_VI	Closing Rate	False	False

Account Group Mapping

Close

Company SAMCO MIDDLE EAST LTD
 SAMCO SOUTHEAST ASIA LTD
 SAMCO SPECIALITY CHEMICALS BANGLADESH PVT LTD
 SAMCO USA INC
 SAMCO pt. INDONESIA
 SAMCO Ltd. BRASIL
 CONSOLIDATED

Branch CORP
 CYCLO US
 POWER POXY
 SARGENT

Current Period
 Month Half Year
 Quarter Year
 Month : April
 Control Period : 2007-2008

Schedule Type : Schedule_VI

Used Previous Period Mapping
 Select Previous Period For mapping
 Month Half Year
 Quarter Year
 Month :
 Control Period : 2007-2008

Account Mapping

Account Mapping - BAMCO LIMITED

User Account Mapping User Group Mapping

Account mapping
 User Account Name : Bangkok Bank C/A Pattanakarn - 1002004
 Group Name : Bank(Bank) - 202003001001

Refresh Back Update Change

Account Group

Account Name	Group Name
PROFIT & LOSS ACCOUNT (CURRENT PERIOD) - 115363	
Opening Stock - WIP & FG - OP001	
Closing Stock - WIP & FG - CL001	
Opening Stock - RM & PM - OP002	
Closing Stock - RM & PM - CL002	
Purchase - RM & PM - PUR001	
Consumption transferred to Purchase - CON001	

Record 1 of 7

PROFIT & LOSS ACCOUNT (CURRENT PERIOD) - 115363 Bank(Bank) - 202003001001

Update Delete Back

1KEY Financial Consolidation Module Static Reports


ReportID	Icon	Report Name	Report Type	Model Name	Owner
> 000527		Balance Sheet	View Report		Admin
000532		Profit And Loss With Previous Period	View Report		Admin
000535		Fix Asset Schedule	View Report		Admin
000534		Profit And Loss Schedule With Previous Period	View Report		Admin
000533		Balance Sheet Schedule With Previous Period	View Report		Admin
000531		Balance Sheet With Previous Period	View Report		Admin
000530		Profit and Loss Schedules	View Report		Admin
000529		Balance Sheet Schedules	View Report		Admin
000528		Profit And Loss Account	View Report		Admin

1KEY Financial Consolidation Module View, Cube & Chart Reports

ReportID	Icon	Report Name	Report Type	Model Name	Owner
000564		Companywise Profit	Chart Report		Admin
000558		Companywise TB View	Advanced View Report		Admin
000563		Consol Detail view	View Report		Admin
000545		Balance Sheet Chart	Chart Report		Admin
000544		Profit And Loss Chart	Chart Report		Admin
000541		Consol Detail TB	Cube Report		Admin
> 000540		Currency Rate	Cube Report		Admin
000536		Company Wise TB In Local Currency	Cube Report		Admin
000497		Company Wise TB In INR	Cube Report		Admin
000523		JV Register with Console	Cube Report		Admin
000515		JV_Register	Cube Report		Admin
000514		Group wise Level	View Report		Admin

Customer Quotes



Anchor Electricals Pvt. Ltd. is a member of Panasonic group. 

"My team is now able to address the queries with detailed analysis, from different sources of data. 1KEY FCM helped us achieve this in days, which took weeks earlier, by linking data of all locations to a single view with drill down facility. 1KEY has now become an important tool for introspection."

- **Nirav Adalja, CFO, Anchor Electricals**

About Anchor Electricals: Anchor Electricals Pvt. Ltd. leaders in the Indian electrical accessories and wiring devices is a subsidiary of Matsushita Electric Works Ltd. (National Panasonic), Japan based electrical giant well known across the world for their best selling National & Panasonic brands.



"The financial consolidation of accounts for statutory and internal MIS was always a challenge due to time pressures. Our requirements were higher standards of accountability than ever before. Our businesses were growing more complex & IRB wanted to give stakeholders faster access to accurate financial results. Accountants and financial officers were facing increasing pressure with regard to financial consolidation of accounting based on companies, business areas, profit center, divisions or branches, or the SBUs of internal cost accounting. The statutory consolidation reporting, which requires reported data to be aggregated into consolidated financial statements to be submitted on a quarterly basis was becoming a challenge. Reconciliation of company's financial accounting system required skilled manpower & experience to complete the task. 1KEY FCM solves all the challenges we faced & eliminates the potential errors, reduces time spent on repetitive manual processes with its multicurrency capabilities, automated calculations and adjustments, and other features that address accounting and regulatory issues. 1KEY FCM combines the power to unify all legal and management financial reporting needs with agility to blend corporate control with local flexibility."

- **Mr. Madhav Kale, CFO, IRB Infrastructure Developers Ltd.**

About IRB Infrastructure Developers: undertakes development of various infrastructure projects in road sector through several Special Purpose Vehicles. Has constructed or, operated and maintained around 1200 KMS of road length so far and one of the major road developers in the country.



"Pidilite has operations in India & abroad as well, with some acquisitions we did around 3-4 years back. Over in all we have about 19 units which we consolidate & quite honestly, that is the area where we are tremendously benefited because of 1KEY FCM. Earlier we used to publish our consolidated results once a year but since last year we took a decision that we do so quarterly & had it not been with 1KEY, we would have struggled to beat our timelines. Given the different backgrounds that all our subsidiaries are from & companies which we acquired of various sizes, we are able to consolidate faster. By just pulling the Trial Balance from these units, we publish consolidated results of the company. We find that the speed at which we are able to consolidate using 1KEY really saves time. Now we can publish results for shareholders & investors much quicker. The biggest advantage with 1KEY is that finance team now gets time to analyze results, rather than spend time just to compile financial figures."

- **Sandeep Batra, CFO, Pidilite Industries Limited**

About Pidilite: Known for its brand 'Fevicol', has been pioneer in consumer and specialties chemicals in India. Product range includes Adhesives, Sealants, Construction, Paint Chemicals, Automotive Chemicals, Art Materials, Industrial Adhesives, Industrial, Textile Resins & Organic Pigments & Preparations.



"We were looking out for a solution which would provide a complete, accurate and integrated financial data. As we all are aware that today's corporate financial officers are held to higher standards of accountability than ever before, even as our businesses grows more complex and stakeholders demand faster access to accurate financial results. We required financial consolidation which would combine the power to unify all legal and management financial reporting needs with the agility to blend corporate control with local flexibility. 1KEY FCM helps us publish our figures and fulfill the statutory requirement for around 11 profit centers and 27 legal entities with a common mapping of the masses across the organization."

- **Vivek Kale, CIO, Raymond Limited**

About Raymond: One of the largest players in fabrics, designer wear, denim, cosmetics & toiletries, the Raymond Group has an expansive retail presence established through the exclusive chain of The Raymond Shop and stand-alone brand stores.

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