



Highlights

- Provides all close, consolidation and reporting capabilities
 - Automates financial consolidation processes
 - Delivers a complete self-service application, owned and managed by finance users
 - Integrates seamlessly with enterprise planning, budgeting and forecasting applications
 - Plays an integral part in the IBM Cognos performance management system
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IBM Cognos Controller

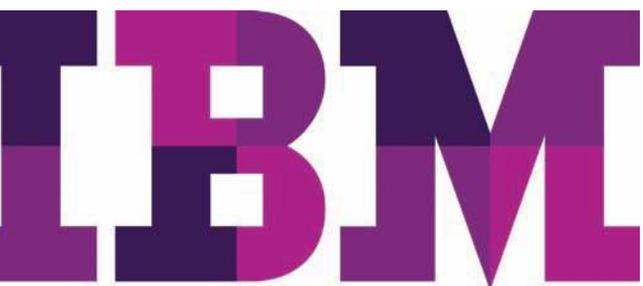
*Accurate, auditable close, consolidation and reporting
– in a solution managed by the office of finance*

Overview

The close, consolidate and report process is acknowledged as the critical starting point in financial performance management. To perform this process effectively, finance organizations require consolidation and reporting solutions that offer controlled delivery of certified financial and management information. These solutions must reflect accepted best practices and be stable, reliable and free of control risks that require manual intervention and the maintenance of spreadsheet-based “shadow systems.” When finance organizations use a single solution for consolidation, reporting and analytics, they enjoy greater confidence in the accuracy of their numbers and avoid problems caused by performing tasks in different and often incompatible systems.

To meet these requirements and to handle evolving regulatory and compliance standards (such as IFRS), finance organizations can rely on IBM Cognos® Controller.

Cognos Controller is a comprehensive, Web-based solution that offers power and flexibility for streamlined, best-practice financial consolidation and reporting – all in one solution. Its full suite of capabilities delivers a complete portfolio of financial results and provides an integrated platform for financial and management reporting. Cognos Controller makes it easy to deliver financial statements and reports to finance stakeholders, as well as managers, line-of-business executives and regulatory bodies. It also provides the de facto starting point for planning, budgeting and other performance management processes.



Financial information: Enterprise performance in the hands of Finance

Finance organizations are regularly faced with the challenges of meeting deadlines and data quality requirements for closing the books and for delivering accurate financial statements. Centralizing the control and management of the financial consolidation process simplifies the task of providing certified financial information. End-to-end control in a purpose-built application enables finance to automate and transform the close process and prepare financial information to support management decision making.

A key component of the IBM Cognos performance management platform, Cognos Controller enables finance organizations to define and maintain all financial consolidation rules and processes. It provides an audit trail to track data flow throughout the consolidation process to satisfy the demands of both internal and external auditors. Finance users can drill down into details to investigate and analyze financial information and identify who did what and when.

Finance-driven performance management with self-service and automation

At the heart of Cognos Controller is a centralized database that ensures efficient processing and administration and enables continuous feedback and support for organizational decision making. Offering menu-driven data access, Cognos Controller provides a solid foundation for smooth data collection and dissemination of information.

Managed directly by finance, Cognos Controller requires neither extensive development resources nor costly programming. It adapts quickly to the changing realities of ownership structures and allows users to amend entities, account details and organizational structures with a complete range of accounting, consolidation, and internal and external financial reporting capabilities that meet the needs of key constituents in the office of finance. Its use of open, industry-standard platforms and databases ensures high performance, data integrity and rigorous, yet flexible security.

Cognos Controller offers a choice of interfaces. The familiar Web browser or Microsoft® Excel® both give users secure, ready access to data. Full Microsoft Excel functionality streamlines financial data input and formatting.

Features and benefits: Global consolidation capabilities

Cognos Controller provides all the capabilities that the office of finance needs to:

- Accelerate the close process
- Automate financial consolidation processes and accounting procedures
- Prepare and deliver financial statements, financial reporting and analysis
- Consolidate financial information in a centralized, controlled and compliant environment
- Deliver a complete range of local and global consolidation and reporting requirements “out of the box” – integrated into an application framework

These capabilities include data collection, validation, currency conversion, minority interest calculations, intercompany eliminations, group closing adjustments, management adjustments, allocations, advanced formula calculations and compliance testing. Cognos Controller also provides support for consolidated financial reporting for all local jurisdictions and multilingual reporting. It supports IFRS, FASB, Basel II and Sarbanes-Oxley requirements and can handle any GAAP or regulatory environment.

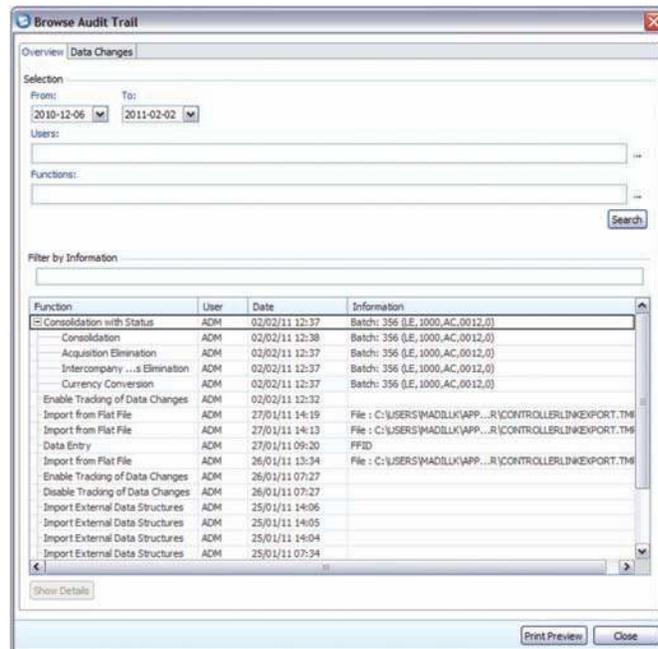
Data collection

Cognos Controller handles all the process and control steps necessary to gather financial information from multiple sources and systems. Both quantitative and qualitative data can be entered automatically or manually and financial data can be collected and presented in multiple reporting and transaction currencies. Individual data entry forms and templates are also easy to create and manage.

Users can attach documents to reported figures for a broader perspective beyond quantitative information, while text notes and reporting manuals explain reported information and facilitate its analysis. Cognos Controller can also access needed information from Microsoft Word or Microsoft Excel documents, email attachments, or links to Web pages stored on personal desktop computers. To ensure both process and information delivery, Cognos Controller combines all data process and management capabilities with IBM Cognos Business Intelligence and IBM Cognos TM1.

Audit trail on data

Cognos Controller enables administrators to configure, track and audit data flow within the consolidation process. It maintains a clear audit trail that follows application and data changes by individual users and offers the ability to filter, evaluate and analyze changes, supporting both application maintenance and critical requirements for compliance and internal control. Cognos Controller helps users understand adjustments and accounting changes to information submitted or collected during consolidation by tracking the date and time of data access and load, monitoring approvals, and maintaining an unchanged version of source data.



Audit data flow within the consolidation process.

Validation

Cognos Controller enables thorough validation processes to reduce lead times and ensure data consistency. Once entry or upload is complete, data is readily reconciled for accuracy, and users are notified immediately of any inconsistencies. Cognos Controller facilitates certification of data submissions to ensure accountability – crucial to the consolidation process.

Allocations

Cognos Controller allocates values based on input or calculated ratios to specific targets. Allocations can be between companies and accounts or between extended business dimensions and are booked on a predefined automatic journal type with a journal number. Users provide allocation details such as source, journal name, group name, whether to execute an equity transfer and target details such as counter booking account, target account, and extended dimension. With the jobs feature, users can create and order allocation jobs. Allocations are automatically included in consolidation with status, but they can also be run as a separate step or as batch jobs.

View automatic journals at the subgroup level

Automatic journal types can be retrieved at the group and consolidated subsidiary level, which enhances reporting options and makes it possible to drill down through all values in the Trial Balance report by automatic journal type and originating company.

Inter-company eliminations

Intercompany transactions can be entered at the entity level and counter-party input can be viewed online to resolve differences immediately. The ability to enter the original transaction currency (such as the invoicing currency) helps distinguish currency differences from real differences. Real differences are automatically eliminated from predefined accounts and differences can be posted to accounts receivable or accounts payable as required. Intercompany elimination is carried out in stages, regardless of consolidation structure, with all transactions handled at the point of origin. In addition, an intercompany report, which is available for both groups and companies, provides a flexible and efficient way of detecting differences in the basic transactions and helps you speed up the reconciliation of intercompany balances.

Capital eliminations

Cognos Controller supports all current methods of capital consolidation and can perform staged eliminations in either legal or management structures. After entering the investment value at the individual holding company level and entering relevant acquisition data, share capital is automatically eliminated. Goodwill is written off and can be booked to the individual company as required. The development of reserves and the impact of currency movements on the initial consolidation can be reconciled at any time. Cognos Controller fully supports any structural changes such as acquisitions, disposals, or mergers.

Advanced formula calculations

The advanced formula calculations capability, which calculates and stores financial and non-financial metrics, is part of the account and rules definition and is integrated into the consolidation process. Users enter information such as code, names, account type, description and more, linking this information to a formula field. The formulas offer a wide range of functionality, supporting both in-period and multi-period calculations. Formulas that can be calculated include YTD value, period value, average based on YTD values for a selected number of periods, average based on period values and a selected number of periods. The user indicates the source and target of the formulas and can then schedule the calculations as jobs.

User defined business rules

Users have the ability to structure, control and execute consolidation rules designed for customized, repeatable processes. User defined business rules (UDBR) allow users to add calculation steps that are not part of the pre-defined consolidation process and enable unique consolidation calculations, for example, changes in a company structure during the year, before currency translation, after intercompany eliminations or before acquisition calculation. This innovative capability enables Cognos Controller to maintain a configurable foundation for finance users, while allowing for special application consolidation cases to be constructed without external workarounds, and under full program control.

Currency conversion

Cognos Controller supports all currency conversion methods. It translates data in a foreign currency into the group default currency using predefined rates and the resulting translation effects are calculated automatically and reported in detail. Cognos Controller can also simulate the impact of exchange rate fluctuations. Any currency may be used on any account, so that operating entities can work in their own currency, while corporate finance can present figures in any currency suited to its purposes.

Managing the close process

Cognos Controller offers an array of features to simplify and speed the consolidation process – performing consolidations both automatically and manually with checkpoints, guiding users through every stage. Built-in process controls enable users to track reporting from data capture and processing to printed or electronic output. Color coding identifies those contributors who have submitted information and those who have not. Submissions are identified by date and by whether or not they have been verified and reconciled. When submissions are approved, Cognos Controller enables an administrator to lock data periods and versions by entity and person.

Managing change

Cognos Controller's built-in business intelligence options accommodate changes such as mergers, acquisitions or reorganizations. Structure and business rule updates are made only once and then reflected throughout the application, supporting statutory consolidation, management consolidation, planning, monitoring and strategy management. Changes to entity structures can be saved with a time stamp. By linking entity structures to a time axis, structural changes can be carried out easily, enabling users to follow developments in group structure. If a company is bought or sold either internally or externally, relevant postings like acquisition or adjustment of opening balance are automatically executed according to a previously defined system configuration. Treatment of foreign currency effects is included.

Reporting and analysis: Reliable data for quality decision making

Accounting close and financial statement reporting

Cognos Controller optimizes the delivery of in-process accounting, close reports and financial statements to internal and external stakeholders and financial reports to line of business executives and managers. In addition, it enables individual segment reporting by customer, product or market.

Cognos Controller includes a portfolio of more than 200 packaged, standard reports with ready-to-use financial analytics. Standard reports provide information about financial performance for business stakeholders and managers. Financial and management measures and metrics are available for scorecards, dashboards, analytics and ad hoc analysis, and reporting standardization delivers operational, management and financial information.

Cognos Controller includes real-time access to data for OLAP-style analytic reporting and analysis, using the patented in memory, 64-bit OLAP engine of IBM Cognos TM1 and its supported viewers.

Monitoring financial performance

Monitoring is vital to the performance management process. With readily available scorecarding and metrics, Cognos Controller can be used to define critical success factors and link strategies to specific plans, measures, and objectives. Users can monitor and analyze results, identify shifts in trends, model alternative plans, and take timely action.

Financial analytics for planning

Financial information from Cognos Controller automatically feeds the enterprise planning process, establishing an initial base for a plan or updating a plan with the latest actuals to facilitate a reliable rolling forecast. Seamlessly integrating with IBM Cognos TM1 planning and analysis solutions, Cognos Controller enables forward-looking performance management for the entire enterprise.

External financial statement production and XBRL

IBM Cognos Controller data and reports are directly available within external financial documents developed in IBM Cognos Financial Statement Reporting (FSR). IBM Cognos FSR is the market leading solution to control, automate and audit the “last mile” of finance, the challenging collaborative collection and assessment of data from multiple sources that must be brought together into important external documents such as 10Q, 10K or annual reports, or highly confidential documents such as board books. IBM Cognos FSR documents can access IBM Cognos Controller data and text directly, enable collaborative approval, and embed the financial information into any report. The connection is permanent, providing for automatic updates as required, including new versions of the document in future years.

The IBM Cognos performance management advantage

As part of the IBM Cognos performance management system, Cognos Controller complements an industry-leading array of solutions for financial statement reporting, financial reporting and analytics, enterprise planning, budgeting, forecasting, scorecarding and analysis – including multi-format, enterprise-wide information delivery by IBM Cognos Business Intelligence.

Data process and management capabilities combine with IBM Cognos Business Intelligence and Cognos TM1 to ensure both process and information delivery. In addition, Cognos Controller exploits the full power of the IBM performance management platform for security, data access, integration and shared dimension and business rules management.

IBM Cognos Controller features

Specific features of Cognos Controller include:

- Web-based, fully scalable for any size organization
 - Flexible processing of modifications to corporate and account structures and group histories
 - Integrated scenario manager for simulation and modeling
 - Real-time reconciliation of internal balances in data input
 - Automated calculation of
 - Group-internal earnings on inventories.
 - Elimination of internal balances.
 - Resolution of translation issues.
 - Acquisition value processing.
 - Advanced formulas.
 - Allocations that are automatically included in consolidation with status
 - Extensive process monitoring and control
 - Practical, automatic report book generation and distribution
 - Part of a complete performance management system for planning, monitoring, reporting and analysis.
 - Support for IAS, IFRS, U.S. GAAP, local GAAPs and other regulatory regimes
 - Multi-lingual support
 - Standard reporting that provides information about financial performance for business stakeholders and managers
 - Financial and management measures and metrics for scorecards, dashboards, analytics
 - Reporting standardization that delivers operational, management and financial information
 - Support for Microsoft® Excel® 2010 and Microsoft® SQL Server 2008 R2 software environments.
 - Support for IBM DB2 9.7 as the transaction data system
 - Seamless integration with Cognos TM1 for reporting and analysis
 - IBM Cognos portal
 - Single access point to coordinate information delivery
 - Single sign-on for easy access to IBM Cognos solutions
 - Part of the IBM Cognos Performance Management System
 - IBM Cognos security
 - Role-based security to minimize maintenance and enhance flexibility.
 - Security and authorization model for centralized solutions.
 - Dynamic and user-modifiable workflow menus.
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About Infocube

InfoCube is a Corporate Accounting consultancy, specialising in Business Analytics. We are experts in Corporate Performance Management (including Budgeting, Forecasting and Long Range Planning), Business Intelligence (including Management Reporting, Analysis, Dashboards and Scorecards), External Reporting, Consolidations and Predictive Analytics.

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About IBM Business Analytics

IBM Business Analytics software delivers actionable insights decision-makers need to achieve better business performance. IBM offers a comprehensive, unified portfolio of business intelligence, predictive and advanced analytics, financial performance and strategy management, governance, risk and compliance and analytic applications.

With IBM software, companies can spot trends, patterns and anomalies, compare “what if” scenarios, predict potential threats and opportunities, identify and manage key business risks and plan, budget and forecast resources. With these deep analytic capabilities our customers around the world can better understand, anticipate and shape business outcomes.

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