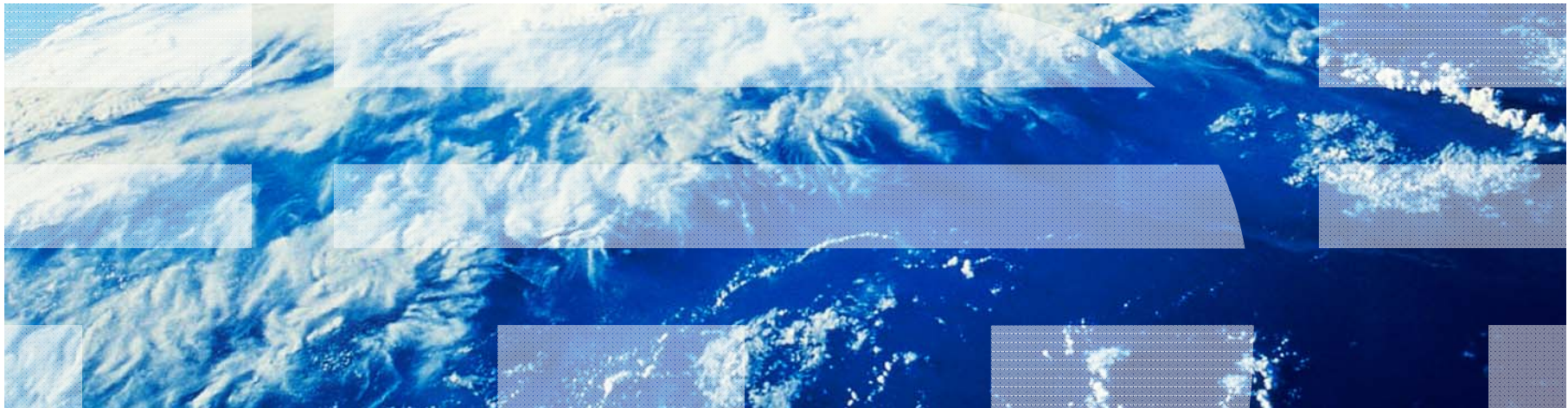Eduard Lütolf, Director Office of Finance

July 7th, 2010

IBM

IBM Cognos Infoseminar
Consolidation on July 7th

Business Analytics

Introduction to Cognos Controller

Agenda

- Challenges in financial consolidation and reporting

- Introduction to Cognos Controller

- Demonstration

Challenges

- Greater need for understanding business performance

- Tighter and more frequent planning processes

- Fast or virtual close together with IPSAS

- Merger and acquisitions

- Higher turnover of key staff

- Greater awareness of stand alone limitations

- Increased maturity for standard applications

IBM Cognos is the market leader for consolidation in Switzerland with a vast experience in all branches

- Complete consolidation functions

- Supporting documents through out-of-the-box system reports

- 180+ Swiss companies trust IBM Cognos to produce their legal and management reporting

- High qualified local ressources available at IBM Cognos and certified partners

- Integrated in the modern, web-based IBM 8 CPM-Platform

- Application approach: No coding / No scripting (Easy to handle and lower TCO)

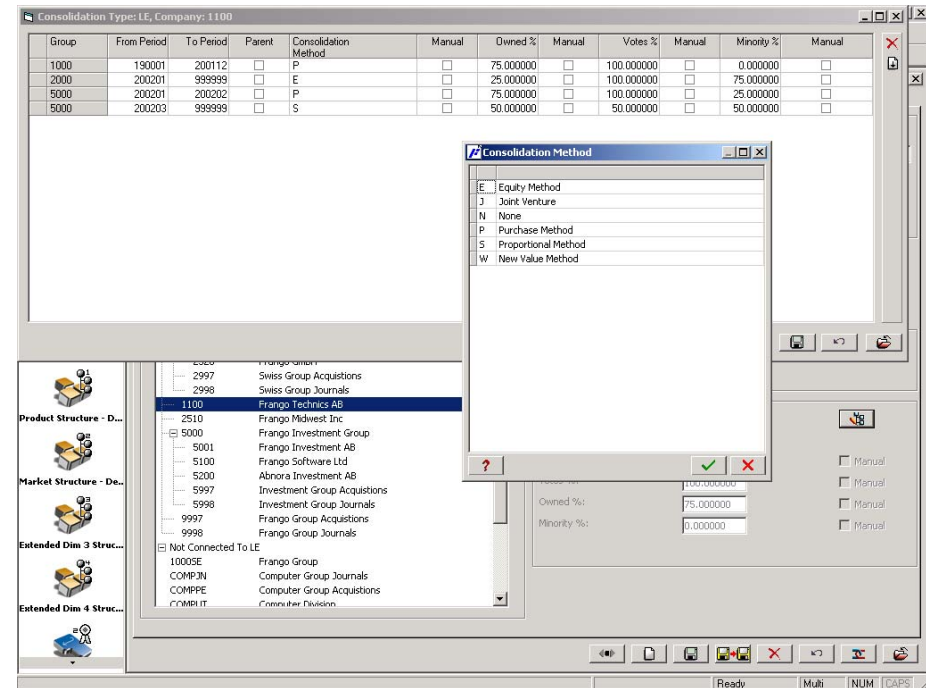# Consolidation – A Compliance and Performance Management Process

- Collecting the Data

- Managing Consolidation Structures

- Financial Consolidation Intelligence
  - Complex ownership structures, acquisition modeling
  - Intercompany eliminations and reconciliations
  - Currency Translation
  - Process Control

- Reporting, analysis, and information delivery

Managing Structures – Multiple Dimensions

- Pre-defined dimensions
  - Consolidation Type
  - Company
  - Account
  - Etc…

- Extended dimensions
  - Product
  - Market
  - etc…

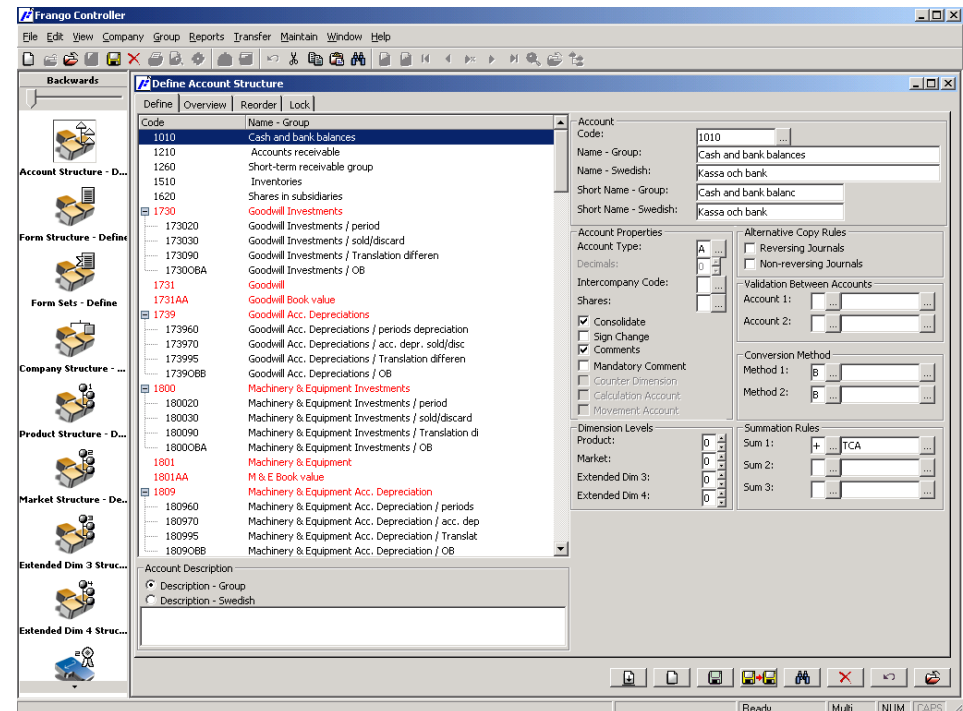# Financial Consolidation Intelligence – Company Structures

- Company
  - Standard consolidation method
  - Multiple consolidation structures with period stamp
  - Ownership (when bought, goodwill,...)
  - Additional details (directors, dates,...)
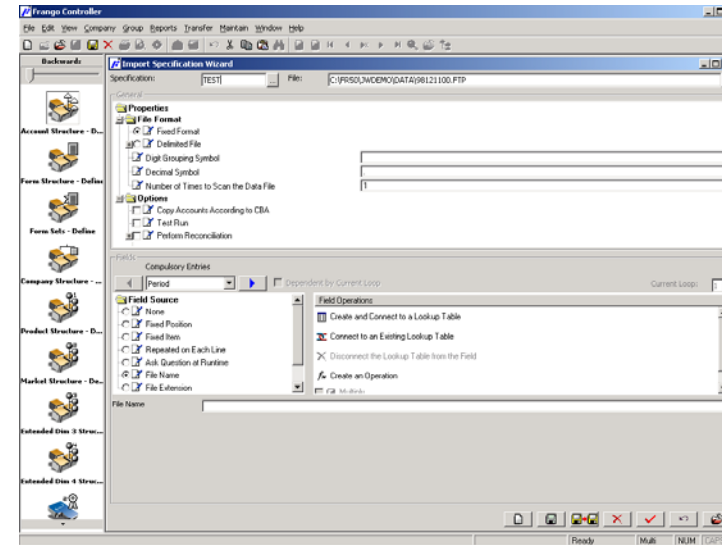
Financial Consolidation Intelligence – Accounts

- Account / movement type
  - Conversions
  - Reconciliations
  - Summations
  - Text (Accounting Manual)

Collecting the Data

- **From Disparate Systems**
  - ERP Systems
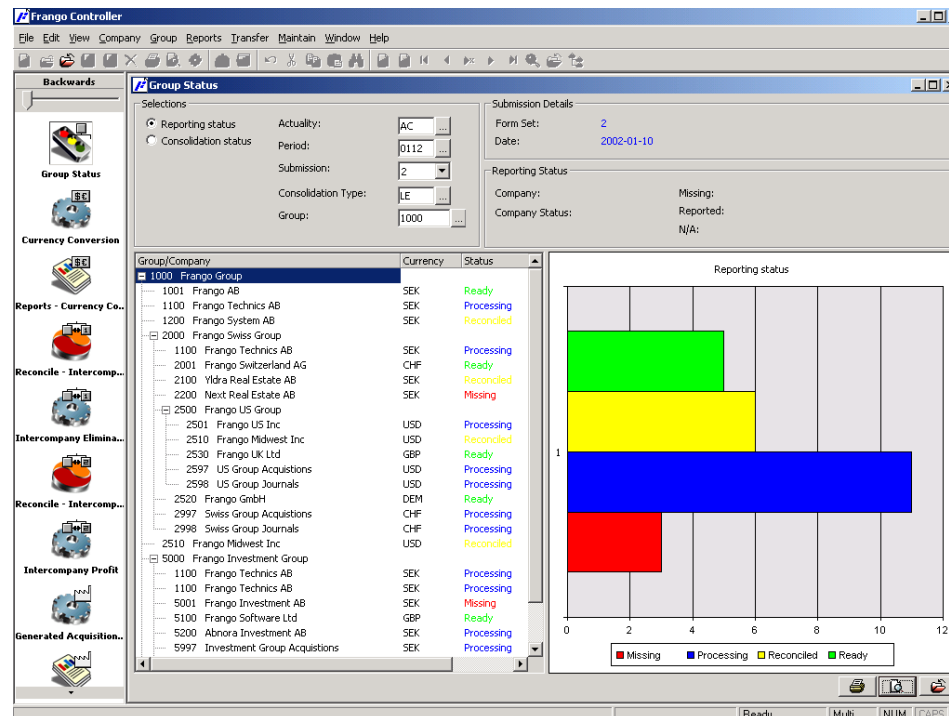 - General Ledgers
  - Excel, ASCII, Text

- **Via Manual Entry**
  - Easy to use forms
  - Inter-company pop-up screens
  - Import Data
  - Comments

Financial Consolidation Intelligence – Process Controls

- Process Controls
  - Accounts
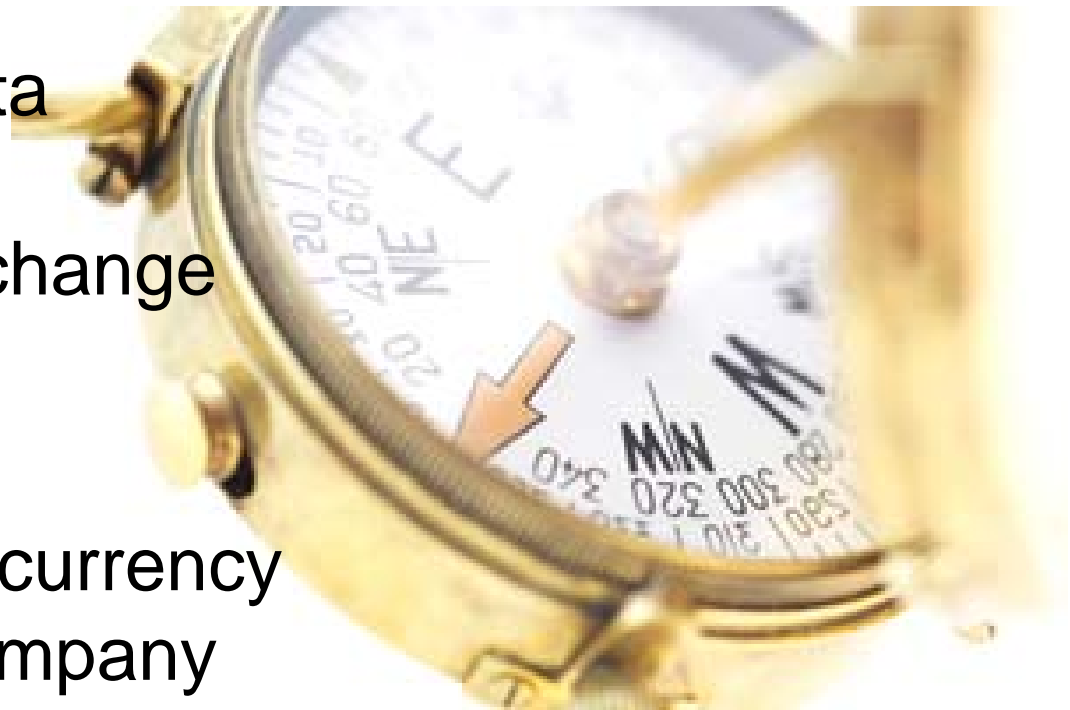 - Forms
  - Reporting entities
  - Consolidation

Consolidation

- Currency conversion
  - Different conversion methods
  - Analysis of currency effects

- Support with intercompany reconciliations
  - Automatic intercompany eliminationen at every group level
  - Automatic intercompany profit eliminationen at every group level

- Acquisition calculation

- Deffered tax calculation

Audit Trail

- **Audit trail on meta data**
  - SOX Act.
  - Time, user, which change

- **Audit trail on data**
  - System reports for currency conversion, intercompany elimination …

Report Production / Distribution

- **Standard Reports**

- **Report Books**
  - **Automated reporting**
  - **E-mail enabled**
  - **Web Publishing**
  - **Excel**

- **Ad-hoc Analysis and Dashboards**

- **FAP**

Delivering CCR performance blueprints

CLOSE ▸ **CONSOLIDATE** ▸ **REPORT**

First Mile	*Consolidation*	*Last Mile*

Closing Process
(Consolidation System)

- *Data Input & Changes*
- *Collect From Subsidiaries*

Closing Process
(Accounting Processes)

- *Close Sub Ledgers and Systems*
- *Account Reconciliation*
- *Intercompany transactions*
- *Prepare journal entries: accruals & adjustments*

Consolidation
(Consolidation System)

- *Create single currencies*
- *Minority interest holdings*
- *Intercompany eliminations*
- *Group closing adj.*
- *Management adjustments*
- *Allocations*
- *Advanced formula calculations*
- *Consolidate financials*

Internal controls & compliance testing

Reporting
(Consolidation System)

Internal Reporting

- *Financial reporting adjustments*
- *Cash flow & other preparation*

External Reporting

- *Financial statement preparation*
- *Publish quarterly, annual reports*

Reporting
(Reporting Systems)

- *Financial and management reporting*
- *BI reporting systems*

Updated

Updated

Compliance & Control

Internal Control Blueprint
(Released March 19th,09)

    Internal control collection and assessment
    Pre-built controls and templates
    84 certified controls with blueprint
    Easily customized
    Integrated reporting

Semansys XBRL Partner Blueprint
(Release May 27th, 09)

    Integrated delivery connected at the data source
    Generic support XBRL taxonomies
    Third party data and commentary
    Full audit & control

Cognos.
software

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Key Benefits: Cognos Controller

- One single version of corporate financial data

- Multi dimensional analysis

- Built-in intelligence for consolidation

- Supporting different GAAPs

- Audit-trail

- Web-enabled

- Multi-language support

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Thank You

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software