

[IBM Cognos 8 Controller online demonstration transcript—February 22, 2010]

Welcome to our demonstration, “Connecting the Financial Close Process to Financial Reporting for Performance Management”

During this demonstration, you’ll see how you can connect business users to the right financial data to drive smarter decisions for better business outcomes – and unleash the value of financial information.

It all starts with a sound foundation for financial consolidation and corporate reporting. The best route to financial accuracy includes purpose-built systems, controlled and managed by Finance, with relevant accounting and financial rules centrally controlled, auditable, and supported by internal controls.

The result is a faster close—one that provides confidence and, more importantly, evidence that the close cycle is complete and accurate.

Renewal of financial consolidation systems requires effective systems across four key areas – data collection, consolidation of results, preparation of data for GAAP reporting, and financial reporting and analysis.

The critical elements of a modern solution for Close, Consolidate, and Report follows three basic principles:

1. Centralized, finance-managed control
2. A complete, rich suite of consolidation capabilities, and
3. An open platform to leverage current data and systems

In this session, we will focus on reporting, and in particular, on the distribution of financial information across the enterprise using scorecards, dashboards, graphics and portals. Of course, consolidation solutions must address the all the reporting needs in the Controller’s office.

1. In our demonstration, we will illustrate the connections between financial consolidation and enterprise reporting and analytics.

Now let’s take a look at our solution.

As we begin, the majority of our interactions will be executed through a user-defined portal.

Let’s click on **My home** to select the financial information we are sharing with the rest of the organization.

Let's open a few reports to look at the type of output we could create. To create a balance sheet, we simply click on Balance Sheet. We can open it and scroll through to find the information we need.

Next, let's open a Profit and Loss report and see the different layouts that are available. The first thing we're asked to do is choose a specific year.

For a specific group, we'll choose the top group of our organization. When we do that, we see a Profit and Loss report.

Important things to highlight here include mixing Current Month with Year to Date and Full Year information across different Actual, Budget, and Variances along with last year's Actual. We can lay out the data in a typical format for a financial report along with the appropriate formatting in the individual rows.

The last thing we want to look at in terms of prepared reports is Briefing Books. If we click on March 2009, we can open a briefing book, which allows us to merge multiple reports and charts into a single PDF.

We can automatically create a table of contents, then click on Balance Sheet, or go back to the table of contents and choose Profit and Loss.

Here again, we see how easy it is to amalgamate and gather information and prepare it for distribution. All the reports can be viewed in PDF format, distributed via e-mail or even sent to smart phones or other mobile devices.

One last report we want to open is the Sales Analysis report by product. With this report we can seamlessly connect data from our consolidation solution to the reporting environment.

When we open this report, we see that we only have data for last year and none for this year. We'll come back to this report to see how data flows automatically from financial consolidation into this report.

Let's select Financial Consolidation and see how data flows from our financial consolidation solution into an enterprise reporting environment. We'll choose the globe database and actuals for 2009, December.

Once we open IBM Cognos 8 Controller, we simply walk through the menus to see the application-oriented focus on processes such as data collection and journal entry approval and execution.

Let's open the Company Structure and look at the organizational layout for the data. We see a number of legal entities on the left, and attributes on the right. We have a management structure and a legal entities structure, and other structures as well, should we choose to create them.

Now we can look at a specific entity in more detail. For example, if we look at GO Money, we learn that it is a group company based in the U.K., with the local currency in US dollars. If we look at company A, we see that it is in US dollars, the country is Canada, and it is only 50 percent rolled up into M1100.

This gives you just a flavor of how the financial consolidation structure looks as we feed data into our reporting environment.

The other element is the Account Structure, which is at the heart of the financial consolidation environment. On the left, we see the different accounts that make up our Income Statement, Balance Sheet, and Shareholder Equity accounts, with each account's properties shown on the right.

Both the data and the structures can flow from this application directly into our reporting environment. Let's see how that might work.

As a first step let's enter some revenue data for Fiscal Year 2009.

By opening the data entry form for the Commercial division, we can enter product revenue details. There are many ways to enter and collect information for IBM Cognos 8 Controller, including batch updates from transaction or other data sources. For simplicity, here we'll use a data entry form.

At this stage let's type in our information for the year. We'll simply take some basic information, copy it out, and once we're done, we'll save the data.

Before we leave the Controller environment, let's glance at the Group Status report. The data we have entered would normally go through all the checks and balances in the consolidation system and pass through Missing, Reconciled, Ready, and Processing. In this scenario we will assume the data is correct and valid.

Now let's switch to our reporting environment and look at our Actual report. Remember that this report is part of our enterprise reporting and distribution environment. If we re-run the report, we see that the data we entered earlier is now reflected in this report.

Last, we want to show how simple it is to build reports for distribution. To do that, we need our data and reporting to line up correctly.

We are now in the report authoring environment, with financial data and metadata on the left, and the report preview window on the right.

To build a report, we simply drag and drop elements onto the report. First, we choose the Accounts. Note that our Accounts are lined up in the same manner as in our consolidation environment. We simply grab Profit and Loss, drag it across, double click on Profit and Loss Operating Profit and expand to see our account items.

Another element that we may want to deal with is the period we are reporting for. We can look at all the periods in our model and choose 2009, December.

Let's also create a title for this report." We may also wish to look at the Actuality. So we will bring Actual and Budget across, as our two measures for versions.

Last but not least, let's choose the Measure. We can choose different Measures and periods, in this case Year to Date..

If I want to add other elements, such as Better/Worse-Than reporting, I can grab that calculation and put it up on the right-hand side.

Let's see what this report would look like if we run it with all the necessary prompts.

We'll choose Digital2GO as a dynamic choice for December 2009. The result is a report that looks like this, with the appropriate highlighted rows, formatting and dynamic periods, company and currency.

We hope you have gained an appreciation of the value of connecting two very important processes – the Close, Consolidate and Report process for certifying financial results, and the reporting and analysis process for sharing information and insight throughout the office of Finance.

IBM Cognos solutions help everyone in the office of Finance—the CFO, VP of Finance, Controller, Finance Director, and Analysts and Accountants—enjoy greater confidence in the quality and accuracy of their financial results and share those results easily with the broader organization.

To learn more about IBM Cognos 8 Controller, please visit our website at the URL shown on your screen: www.ibm.com/software/data/cognos/products/cognos-8-controller/

Thank you

© Copyright IBM Corporation 2010
IBM Canada3755 Riverside Drive
Ottawa, ON, Canada K1G 4K9
February 2010All Rights Reserved.

IBM, the IBM logo and ibm.com are trademarks or registered trademarks of International Business Machines Corporation in the United States, other countries, or both. If these and other IBM trademarked terms are marked on their first occurrence in this information with a trademark symbol (® or ™), these symbols indicate U.S. registered or common law trademarks owned by IBM at the time this information was published. Such

trademarks may also be registered or common law trademarks in other countries. A current list of IBM trademarks is available on the Web at “Copyright and trademark information” at www.ibm.com/legal/copytrade.shtml.

Other company, product and service names may be trademarks or service marks of others.

References in this publication to IBM products or services do not imply that IBM intends to make them available in all countries in which IBM operates.

Any reference in this information to non-IBM Web sites are provided for convenience only and do not in any manner serve as an endorsement of those Web sites. The materials at those Web sites are not part of the materials for this IBM product and use of those Web sites is at your own risk. IML14233-CAEN-00