

# Financial Consolidation

Accurate group reporting, fast closing  
and complete financial control



# BOARD Financial Consolidation

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## Accurate group reporting, fast closing and complete financial control

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BOARD FC enables companies to perform both legal and management consolidation within a single, integrated Business Intelligence and Corporate Performance Management environment providing a deep insight into financial and operational results.

BOARD FC addresses the challenges that multi-entity organizations face today with intercompany reconciliations, consolidation adjustments and group reporting.

Turnkey functionality merges data from different locations and across multiple general ledgers, performing multi-currency conversions and eliminating time consuming and non-compliant spreadsheet-based processes. A Workflow Control Panel makes it easy to monitor and manage the consolidation process across the whole enterprise, highlighting the operations status and certifying internal controls.

BOARD FC is the industry's only BI/CPM solution that combines powerful, out of the box capabilities with the flexibility of the Toolkit Approach, delivering the unparalleled ability to customize and adapt the Financial Consolidation process to your changing business requirements.

## Key Features

- Legal and management multi-level consolidation of complex group structures, with automation of:
  - Currency conversion with calculation of conversion reserve
  - Intercompany eliminations of credits/debits and expenses/revenues
  - Elimination of investments in subsidiaries and subsidiaries net equity, with calculation of consolidation reserve
  - Elimination of dividends and subsidiaries gain/loss, with calculation of group gain/loss
  - Calculation of group and minority interests
  - Calculation of changes in consolidation scope
  - Cash-flow calculation and reporting
- I/C reconciliation at transaction document or currency level
- Flat and sub-consolidation model
- Creation and comparison of unlimited scenarios (actual, budget, forecast, etc.)
- Multiple and customizable closing periods (year, quarter, month, etc.)
- Management of multiple charts of accounts: local, group and reporting
- Journal entries at company and group level
- Full data and process auditability
- Statutory, management and segment reporting

# Key Benefits

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## 1 Reduced close-cycle time

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BOARD FC allows the finance team to easily coordinate activities and tasks across multiple units, helping companies to reduce closing and reporting cycles without weakening regulatory compliance controls.

- Guided process with workflow (SOX)
- Centralized management
- Data accuracy and reliability
- Task and deadline alerts

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## 2 Complete financial control

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Thanks to the complete audit trail, the validation cycles and the role based security BOARD FC makes the consolidation process fully traceable and auditable, providing consistent and accurate financial information.

- Audit trail
- Validation cycles
- Cell level unlimited annotations
- Full visibility of subsidiary contribution
- Role based security

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## 3 Automated group reporting

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BOARD FC provides a comprehensive set of out of the box management and statutory reports. The native Business Intelligence functionality makes it simple to create ad hoc analyses combining financial and non financial results, for a deeper insight into business performance.

- P&L, BS, Cash Flow
- Segment Reporting
- Adjustment journals
- Notes to the financial statements
- Local GAAP and IAS/IFRS

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## 4 In-depth analysis

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Being part of an integrated framework for Performance Management and Business Intelligence, BOARD FC not only provides a single and consistent enterprise view of a firm's financial position, but it also enables users to analyze the same set of consolidated financial information from multiple and changing perspectives.

- What-if scenario management (Consolidation area, Actual data in budget exchange rate, Forecasting rule)
- Ad-hoc query and reporting
- Multidimensional analyses
- Drill-down, drill-through, drill-anywhere
- Fast creation of indices, dashboards and KPIs

# When technology makes it simple

BOARD Financial Consolidation has been entirely built utilizing the programming-free “Toolkit Approach”, a visual modelling technique based on the drag and drop of data aware components. This revolutionary approach eliminates the needs for high levels of technical expertise and substantially reduces the complexity and costs associated with implementing, customizing and maintaining the application.

Furthermore, Financial Consolidation is seamlessly integrated in the BOARD BI and CPM framework, exploiting comprehensive information management capabilities which ensures effortless data collection from disparate sources, extended reporting functionality, ad hoc queries, analysis and the easy creation of KPIs, indices and personalized dashboards. This is why BOARD technology offers unmatched advantages:

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## 1 Inherently integrated Business Intelligence and Performance Management environment

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- Output and Input of BOARD FC can be easily linked to other performance management applications
- High potential for growth and extensions
- Data traceability across the performance management processes

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## 2 Business Intelligence inside

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- Fully customizable reporting, analysis and scenario management
- Easy implementation of alerting, KPIs and personalized dashboards
- Self-service analysis and reporting

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## 3 Advanced Office integration

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- Excel data-entry with off-line capability
- Creation of reports directly from inside Excel (Excel add-in)
- Creation of booklets directly from inside Word (Word add-in)

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## 4 Ease of use

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- End users are not required to have technical skills
- Fast implementation
- High configurability

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## 5 Effortless data collection from multiple sources (ERP, Transactional systems, DWH)

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- Integrated ETL
- ROLAP for direct access to any relational database
- SAP connector

# Five steps to financial consolidation



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000 - Administration Home Screen

Process Manager

Application Setup

Account Settings

010 - 01 Account Attributes

010 - 02 - 01 Investment Elimination Rules

010 - 02 - 02 IC Elimination Rules

010 - 03 Account Translation Rates

010 - 04 Account Groups

010 - 05 Plug Account Setup

010 - 01 Account Attributes

	Account	Leaf (Y/N)	Input (Y/N)	Movement Account (Y/N)	IC and 3P (Y/N)
00124000	C - II - 2) 1) a) Trade receivables	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
00124200	C - II - 2) 1) b) Other receivables	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
00124400	C - II - 2) 1) c) Deferred tax consolidation	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
00124600	C - II - 2) 1) d) (Provisions for bad debt) Due within 12 months	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
00124800	C - II - 2) 2) Due after 12 months	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
00126000	C - II - 2) 2) a) Trade receivables	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
00126200	C - II - 2) 2) b) Other receivables	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
00126400	C - II - 2) 2) c) Others	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
00126600	C - II - 2) 2) d) (Provisions for bad debt) Due after 12 months	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
00126800	C - II - 3) Due from associated companies	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## General Settings and assumptions

In this step the administrator defines the application settings and logics

### Create consolidation scenarios and calendars

### Configure workflow logics

### Define group organization

- Reporting units and counterparts
- Consolidation nodes, methods and currencies
- Data collections flow and logics

### Define group charts of accounts

- Accounts attributes and reporting logics
- Movements and custom dimensions
- Reporting segments

### Setup currency exchange rates

### Setup consolidation scopes

### Change scenario/status

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090 - 00 Scenario Manager

Scenario

Setup Distribution List

Scenario	Fiscal Year	Month	Available (Y/N)	Open (Y/N)	Closed (Y/N)	Archived (Y/N)	Conso in Progress (Y/N)	Send	Data Load Y/N
Actual	12-12	Dec.12	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Actual	13-13	Dec.13	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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090 - 00 Scenario Manager

Scenario

Consolidation Scope

Scenario	Month	Conso Run Y/N	Data Load Y/N
Actual	Dec.12	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Actual	Dec.13	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Scenario

Consolidation Scope

ACME Group

Run Y/N

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Preliminary Task

GLOBAL Consolidation Process Task

LOCAL Consolidation Process Task

Scenario	Fiscal Year	Month	To Do List	Progress Check
Actual	12-12	Dec.12	LES Trial Balances Validated	4 on 30
Actual	12-12	Dec.12	LES IC Trial Balances Reconciled	3 on 30
Actual	12-12	Dec.12	Local Adjustments Done	2 on 30
Actual	12-12	Dec.12	LES Trial Balances Validated	4 on 30

## Process activation

The administrator enables the available scenarios and periods changing their process status and notifying all the users involved in the process

000 - Local Reporting Home Screen

Process Manager

Data Collection

005 - Batch Data Loading

090 - Bulk Loader

005 - 01 - Load CLO-sing Balance

005 - 02 - Detail by Movements

005 - 03 - Detail by Investment Cost

005 - 04 - Check Detail by Movements

010 - 10 - Inter Company Reconciliation

010 - 10 - Inter Company Reconciliation

Month: {2/36} Scenario: Actual {1/1}

Consolidation Node: COMPANY Group {1/1} Reporting Unit: {All}

Receivable-Payable

Revenue-Expenses

	IC Currency	Receivable	IC Payable	Gap	Payable	IC Receivable	Gap	Closing X-Rate	Closing IC X-Rate	Check BS
ACME SPA	EUR	449.816.384...	-47.473.218	449.768.911...	-4.467.971.851	79.559.269	-4.388.412.5...	30,7516	2,0000	
TESLA SOLUTIONS INC	USD	11.850.048	-650.995	11.199.053	-4.782.025.341	998.627	-4.781.026.7...	30,7516	1,4830	
KMT MACHINERY LTDA	CNY	2.451.465.408	-1.439.588	2.450.025.820				30,7516	0,2414	
VANATU FISHING FCZO	AED	125.690.569...	-7.804.619	125.682.764...	-1.768.182.463	7.801.818	-1.760.380.6...	30,7516	0,4038	
RTI PODEMOS LTDA	BRL	3.678.507	-239.240	3.439.267				30,7516	0,6769	
ARGENTINA PLATAT TDA	BRL	65.528.431.0...	-6.130.818	65.522.300...	-3.815.072	242.201	-3.572.871	30,7516	0,6769	
MAI TAI PLANT LTD	CNY	3.111.096.003	-176.261	3.110.919.742	-245.776.184	9.056.583	-236.719.601	30,7516	0,2414	
PACIFIC GOODS LTD	AUD	84.426.452.6...	-12.392.519	84.414.060...	-85.338	6.142	-79.196	30,7516	1,4350	
BDL TRADING & COM LTD	CNY	23.301.783.6	-1.723.878	23.300.559	-37.916.661	437.263	-37.479.397	30,7516	0,2414	

## Local data collection

The Users from the Subsidiaries and the Group Controllers submit their Financial Data

Automated or manual data collection

Automatic reconciliation between local and group charts of accounts

Data quality assurance reporting

Local and GAAP adjustment journal

Subsidiaries financial statements production

Intercompany reconciliation reports at registration document and currency level

Cash flow calculation

Group parent and total adjustment journal

Automatic consolidation adjustments: investment, net equity and profit

Automatic intercompany eliminations

Conversion to node currencies

100 - 03 Local Cash Flow

Scenario: Actual {1/1} Month: Dec.12 {1/2}

Consolidation Node: COMPANY Group {1/1} Reporting Unit: COMPANY SPA {1/30}

Profit from Continuing Operations	-5.578.517
D&A	-2.862.152
<b>Free Cash Flow</b>	<b>-8.440.669</b>
(Increase) Decrease in Trade AR	56.676.662
(Increase) Decrease in Inventory	37.152.931
(Increase) Decrease in Trade AP	-14.768.985
<b>(Increase) Decrease in Commercial Working Capital</b>	<b>79.060.608</b>
(Increase) Decrease in Prepaid and Other AR	403.845
Increase in Accruals and other Liabilities	-16.207.049
<b>Increase (Decrease) in Other Working Capital</b>	<b>-15.803.204</b>
<b>Net Cash Flow from Operating Activities</b>	<b>54.816.734</b>
Capex in Property, Plan and Equipment	19.115.656
Capex in Intangibles	4.675.077
Disposal of PPE	
Disposals of Intangibles	
Acquisition of Financial Assets	36.170.088
Disposal of Financial Assets	
Loss (Gain) on Sale of Assets	1.734.225
<b>Net Cash Flow used in Investing Activities</b>	<b>61.695.045</b>

## Consolidation

The User runs the consolidation process and makes the group adjustment if required



TURNOVER: 670 ▲ +23% vsPY  
EBITDA: 326 ▼ -5% vsPY  
CASH FLOW: 434 ▲ +12% vsPY

# GROUP RESULTS



HOLDING 1

TURNOVER: 198 ▲ +7% vsPY  
EBITDA: 55 ▲ +2% vsPY  
CASH FLOW: 70 ▼ -4% vsPY



HOLDING 2

TURNOVER: 60 ▲ +6% vsPY  
EBITDA: 24 ▲ +5% vsPY  
CASH FLOW: 32 ▼ -2% vsPY

## SEGMENT 1



COMPANY 1

TURNOVER: 123 ▲ +2% vsPY  
EBITDA: 73 ▼ -5% vsPY  
CASH FLOW: 82 ▲ +7% vsPY



COMPANY 2

TURNOVER: 75 ▲ +8% vsPY  
EBITDA: 49 ▲ +6% vsPY  
CASH FLOW: 67 ▼ -1% vsPY



COMPANY 3

TURNOVER: 73 ▲ +1% vsPY  
EBITDA: 37 ▼ -2% vsPY  
CASH FLOW: 45 ▼ -1% vsPY

## SEGMENT 2



COMPANY 4

TURNOVER: 96 ▲ +12% vsPY  
EBITDA: 66 ▼ -9% vsPY  
CASH FLOW: 75 ▼ -2% vsPY



COMPANY 5

TURNOVER: 88 ▲ +8% vsPY  
EBITDA: 43 ▲ +7% vsPY  
CASH FLOW: 68 ▲ +4% vsPY



COMPANY 6

TURNOVER: 24 ▲ +9% vsPY  
EBITDA: 10 ▼ -3% vsPY  
CASH FLOW: 18 ▲ +6% vsPY

## Group validation & reporting

The administrator validates the consolidated Statements, adds annotations and other non-financial information and issues the statutory reports and the notes to the financial statements booklet

Scenario validation

Production, printing, PDFing and broadcasting of the statutory reports

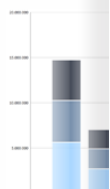
Notes to the financial statements

Scenario archiving

The following table shows the results of the company's operations for each quarter in the fiscal year 2007.

SHARE CAPITAL PROCEEDS
FIXED ASSETS
TOTAL NET FINANCIAL ASSETS
Start-up and capital costs
Research, development
Industrial patents and
Licences, trademarks
Goodwill
Assets under development
Others (Net assets)
TOTAL NET TANGIBLE ASSETS
Land and buildings (Net)
Plant and machinery
Industrial and commercial
Other assets
FINANCIAL FIXED ASSETS
(1) Investments in:
(a) Investments in subsidiaries
(b) Investments in associates
(c) Investments in joint ventures
(d) Investments in other entities
(2) Amounts receivable from:
(a) Amounts receivable from subsidiaries
(b) Amounts receivable from associates
(c) Amounts receivable from joint ventures
(d) Amounts receivable from other entities
TOTAL CURRENT ASSETS
INVENTORY
(1) Raw materials, stores
(2) Work in progress
(3) Goods for sale
(4) Finished goods (Net)
RECEIVABLES
(1) Amounts receivable from subsidiaries
(2) Amounts receivable from associates
(3) Amounts receivable from joint ventures
(4) Amounts receivable from other entities

The following table shows the results of the company's operations for each quarter in the fiscal year 2007.



I am pleased to present the Annual Report of the company for the year 2006. It details the progress of the company and the results of the operations. The company has achieved significant success in the year 2006, and I am pleased with the results. The company has achieved significant success in the year 2006, and I am pleased with the results. The company has achieved significant success in the year 2006, and I am pleased with the results.

## Annual Report

Performance and Accomplishment

# BOARD International

BOARD International is a global provider of business intelligence and performance management software. Founded in 1994, BOARD has enabled over 3000 companies worldwide to improve the effectiveness of their management decision making processes, unifying BI and CPM in a single integrated environment.

BOARD provides a seamless solution for the support, control and management of core processes such as:

- [Budgeting, planning & forecasting](#)
- [Profitability modelling and optimization](#)
- [Simulation and what-if analysis](#)
- [Scorecarding and strategy management](#)
- [Financial consolidation](#)
- [Statutory and financial reporting](#)

Thanks to its programming-free toolkit approach global enterprises like Acer, DHL, GSK, Mitsubishi, NEC, Puma rapidly deployed BI and CPM applications in a fraction of the time and cost associated with traditional solutions.

Headquartered in Chiasso, BOARD International has branches in US, UK, Germany, Italy, Benelux, France, Spain, UAE, Singapore, Australia, India, Japan, Argentina and a worldwide network of distributors and certified partners.

# Where to find BOARD

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## OTHER AREAS

### **BOARD has a worldwide reseller and partner network.**

For your local BOARD contact please refer to:

**BOARD International Partners**  
[International@board.com](mailto:International@board.com)



[www.board.com](http://www.board.com)