

## Financial Consolidation & Reporting

As business organisations expand their international operations they experience disproportionate increase in complexity of financial consolidation and reporting process. Accounting practices and reporting requirements differ from one regulatory jurisdiction to another; this is compounded, in some cases, by deployment of disparate accounting software solutions.

On the other hand the time line to report the consolidated results accurately to the various stakeholders, in diverse geographies, remains stringent and tight while the demand for enhanced transparency is on the increase.

Relying on the traditional, semi-automated, financial consolidation processes proves extremely challenging for the Financial Controllers. Apart from becoming very resource intensive, it is fraught with the risk of inaccuracies creeping in, which could result in loss of confidence among stakeholders, both internal and external, including the auditors.

eMerge has been created to help address these challenges in a fully automated manner. It's use of current technologies makes it easy and intuitive to use and cost effective to deploy. eMerge's functional design encourages collaboration, making it an powerful and effective tool for Finance teams spread across time zones.

### eMerge™

Accurate financial consolidation, that is collaborative and fast coupled with intelligent management reporting and analysis are the main strengths of eMerge

eMerge can handle multiple currencies, mergers and acquisitions, and multiple accounting standards like IGAAP, IFRS, local GAAP, XBRL electronic filing format and innumerable other customizable reports. It also helps in consolidation of many other non-financial, non-statutory data that is typically needed to assess the health of the group (like volumes being produced)

## Benefits at a glance

- eMerge is a collaborative web based product that allows you to consolidate accounts of a group of companies - in a user friendly and distributed manner, thus saving time when it is needed most
- eMerge can report in Schedule VI, IFRS, local GAAP or any other reporting format of the company
- With the number of mergers and acquisitions happening in the current global environment, companies in a group can end up with different accounting systems. eMerge takes trial balances from diverse accounting systems like Oracle Financials, SAP, MFG/PRO, Navision and allows you to map them onto a common report format
- Subsidiary companies can upload their own trial balance (over the company's intranet) and get financial reports according to the report structure of choice – at the click of a button!
- eMerge handles multiple currencies and allows reporting in the company's base currency
- An easy-to-use elimination process handles the inter-company eliminations before consolidating the accounts of the group
- A dashboard allows the administrative user to find out exactly what steps in the process are pending and can help in follow-up for getting those done.
- eMerge also handles important things like computation of minority interest, currency translation reserve (generated due to fluctuating exchange rates of different currencies), consolidation accounts and so forth – thus speeding up the consolidation process.
- Easily export the reports to MS Excel – in case you need them for further analysis.

## Our Marquee Customers



## Key Features

### Hierarchy Manager

- eMerge allows you to define the company group structure (or the hierarchy) by simple drag-drop operations. The tree structure can define the parent-child relationships within the companies, subsidiaries and joint ventures. It is possible to have an n-level deep tree structure to indicate which company is held by which company and with what percentage of holding (i.e. you can have multiple holding companies with their subsidiaries, divisions and joint ventures being held under the uppermost holding company)
- eMerge supports multiple such tree structures for analysis. For example, the grouping of companies can be done according to geography!
- New companies can be added into eMerge and made functional for consolidation within minutes! Similarly, the holding percentages can be changed or companies can be removed when divested
- A mapping interface allows you to map each company's Trial Balance accounts to the common reports. Once this activity is done, for every next period, if there are no changes in the accounts structure of the company, the Schedule VI report (or the relevant report defined by you) is available to you – as soon as you upload the TB – at the click of a button!

### Regrouping entries

- Entries can be regrouped in eMerge (e.g. If loans have to be split into current loans and more than six months old, a journal voucher like format is available to do so)

### MIS reports and Ratio analysis

- Having the Income statement and Balance Sheet in a common format for all the group companies make them easy to compare with one another or even facilitate different types of MIS reporting and ratio analysis.

### Works with multiple accounting systems

- eMerge works Trial Balance upwards. Trial balances can be imported from ERP products like SAP, Oracle Financial, Peoplesoft or smaller accounting products like Quicikbooks. In fact, it can even take a Trial balance from any home grown accounting system. In other words, each company in the group can potentially have a different accounting system. eMerge can be customized to import from almost any accounting system

### Intra group elimination

- It is possible to eliminate the business between all the group companies, either by entering the elimination figures or by accepting them through the uploaded trial balance.
- The elimination process interface is in the form of a workflow where it is possible for company A to enter elimination figures for company B and also look at the elimination figures of company B against company A (to verify if both are same)
- Elimination of business between companies can be done in their respective foreign currencies (in case of foreign subsidiaries) as well as the base currency of the company

### Enterprise wide common report format

- eMerge allows you to define a common reporting structure. The account groups can be dynamically designed according to the prescribed Schedule VI format, IFRS format or in any other GAAP format that you may desire.
- It is possible to define multiple report formats within the system – thus enabling multinational companies to have different reports for statutory financial disclosures in the local GAAP and for reporting to the parent company (as per the group standard).
- Trial balances can be imported in the local currency of the company

### Dashboard view

- The central administrator can get a composite view of the status of uploads of trial balances by different companies and also whether their elimination process is over and frozen – through one look at the dashboard. This makes it easy for him/her to follow up with the colleagues from the group companies in expediting the process.

## Consolidation Entries

- It is possible to pass consolidation entries at the level of the holding company – where entries may not come from the TBs of any company (for example – write off of goodwill on acquisition for a company that has been acquired)

## Automated Minority Interest

- Calculation of minority interest is possible through user definable formulas that can be included in the report structure. Depending on the percentage holding in each company, the minority interest is calculated

## Corporate Lock

- Once the elimination process is also done, the administrator of eMerge can put a 'Corporate lock' to lock the data of all companies before going ahead with the consolidation. This will ensure that no data changes once the consolidation has begun. Any changes will need to be authorized by the administrator.

## Comparative reports

- The consolidated report (based on the tree structure and the common chart of accounts) can be generated monthly, quarterly, annually or even 'for a period' – depending on how frequently you upload the TBs.
- eMerge gives you comparative figures with past periods e.g. You can compare the current quarter's results with that of the same quarter in the previous year or with the previous quarter. It also computes variances

## Mutiple currencies and CTR

- For all companies that have a different base currency than the holding company's currency, the reports can be obtained in their base currency or converted to the holding company's currency. A foreign exchange rate master is maintained for doing this conversion.
- Calculation and reconciliation of the Currency Translation Reserve (CTR) arising out of the difference in currency rates (between the current rate and the rate at the time of investments in subsidiaries, assets etc.) is handled elegantly in eMerge

## Statistical Entries

- It is possible to also have statistical accounts in the Trial Balance that is imported, thus allowing for MIS reporting (like volumes etc. that are not financial figures)

## Export to MS Excel and XBRL

- Almost all reports can be exported to MS Excel in a formatted manner (with proper page breaks and separated columns)
- eMerge also assists the export of reports in XBRL, which is now a statutory requirement by many security exchanges worldwide

## Ad-hoc report generator

- eMerge comes built in with an ad-hoc report generator that can take figures even from other reports in eMerge. This makes it very easy to have quick MIS reports based on the disclosures.

## Role based Access

- eMerge is role based, where you can define users and give appropriate access rights to each user. For example, a user from a division or subsidiary can be restricted to the following actions only...
  - o Login from his/her location
  - o Import his/her trial balance into the system
  - o Do his/her own mapping to the schedule VI groups
  - o See his/her own Balance Sheet and P&L account
- The administrator can define access rights at a very granular level. Also, a person can be given rights to do consolidation operations for more than one companies, if needed

## Intuitive User Interface

- eMerge has a very intuitive user interface. Users can get trained to use it and get comfortable with it within 2 days

## Help to Auditors

- eMerge can generate several audit reports and also provided drill downs up to the GL level, thus making the audit process easier and faster.



## Technology Infrastructure

eMerge is built using .Net technology from Microsoft and is cloud enabled. It is available as a service off a cloud server (in which case, all you need is a browser) or can be installed on any existing server of yours at your HQ with the following specifications. The end users only need a browser with connectivity to your server.

Server: MS Windows 2008 R2

Database: Oracle 9i or above or MS SQL Server 2008 R2

Web Server: MS IIS 7.0 or above

MS Office 2010: MS Office 2010 needs to be installed on the server for exporting to MS Excel and importing Trial Balances

As can be seen from the above, the Total Cost of Ownership (TCO) is low giving you a very quick return on your investment.

## Client Services

The implementation is done by our client services team which works with your team to import the data for one previous period and goes through the entire process to come out with the final consolidated report which matches with your published report to the last penny. In this way, your finance team also gets the comfort feeling that eMerge does deliver the results as needed by you.

During this implementation itself, your team gets fully trained on using eMerge. The next 'live' implementation is then done by your team with support from our team.

Once these two cycles are done, your team would be ready to take on the financial consolidation for any future period.

Our experienced staff, who have implemented eMerge at several large customer installations would help you derive full value from your investment in eMerge.

## Technical Support

Our internal team of financial and technical support specialists will provide you with the best "behind the scenes" technical support services to ensure that your eMerge investment delivers maximum results and performance.

## For further details contact



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