

## PEER-TO-PEER INTERCOMPANY RECONCILIATION

### ELIMINATE THE BIGGEST BOTTLENECK TO YOUR FINANCIAL CLOSE

Intercompany reconciliation continues to pose the most significant and prevalent impediment to a fast and accurate accounting cycle. Most companies place the responsibility for resolving intercompany discrepancies on corporate headquarters, which means that central finance staff must check balances, correct errors, contact reporting units, and resolve issues. This process results in a vertical flow of information between headquarters and reporting units and back again, rather than a more efficient lateral flow of information between the reporting units involved in the original counterparty transactions.

Financial consolidation systems aren't well designed to solve this problem, as they place central control of everything, including reconciliation, in the hands of corporate finance. The finance staff can quickly become a bottleneck itself when overwhelmed late in the consolidation process by reconciliation disputes.

#### Enhancing the Intercompany Reconciliation Process

The SAP® BusinessObjects™ Intercompany application enables business units to reconcile intercompany balances in real time and allows corporations to close faster. The first intercompany application to work independently of a consolidation system, SAP BusinessObjects Intercompany provides the tools for business units to debate and reconcile balances directly with one another, eliminating extra work and delays at the

corporate and divisional levels. This removes intercompany reconciliation from the critical path, improving both the speed and accuracy of the closing process.

#### Web-Based, Peer-to-Peer Intercompany Reconciliation

SAP BusinessObjects Intercompany introduces a Web-based, peer-to-peer communication channel between those reporting units posting intercompany balances and transactions against each other. This lateral flow of information and automatic matching ensures faster agreements, thus easing the burden on corporate finance and eliminating days from the time-consuming closing process.

#### Real-Time Reconciliation Views

The application manages all data submitted to the central server, providing finance and other users with a real-time overview of the intercompany reconciliation process. Such views also help the company adhere to deadlines, corporate policy, and timelines, regardless of a reporting unit's location or time zone.

#### Invoice-Level Matching, Commentary, and Attachments

Matching is automatic and can occur at the balance or invoice level, with the option to attach comments or other documents to facilitate more efficient communication. Matching is performed in either the local reporting or the transaction currency, with built-in support for multiple languages.

Remove the biggest barrier from your financial close process by tackling intercompany reconciliation outside the critical reporting path. The SAP® BusinessObjects™ Intercompany application lets reporting units reconcile intercompany balances earlier and liberates central finance from labor-intensive involvement.



#### Full Audit Trail and Reporting

SAP BusinessObjects Intercompany offers highly sophisticated status tracking, e-mail summaries, alerts on significant events, and a complete audit trail. It also provides a comprehensive set of reconciliation reports that enable indi-

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vidual reporting units as well as corporate headquarters to fully automate and follow their global intercompany process.

#### Full Process Monitoring

SAP BusinessObjects Intercompany allows your corporate or divisional headquarters to monitor the collaborative matching process continuously, using standardized exchange rates and materiality levels and dedicated reconciliation views. This enables at-a-glance status checks of the global reconciliation process. A “freezing” feature prevents users from making additional changes after a cycle has ended.

#### Centralized Data Maintenance

A centralized deployment fosters rapid implementation and ease of use and maintenance. When combined with a highly intuitive user experience, this centralized approach drives down total cost of ownership to further increase user acceptance and ROI.

#### Ability to Push Adjustments Back to Source System

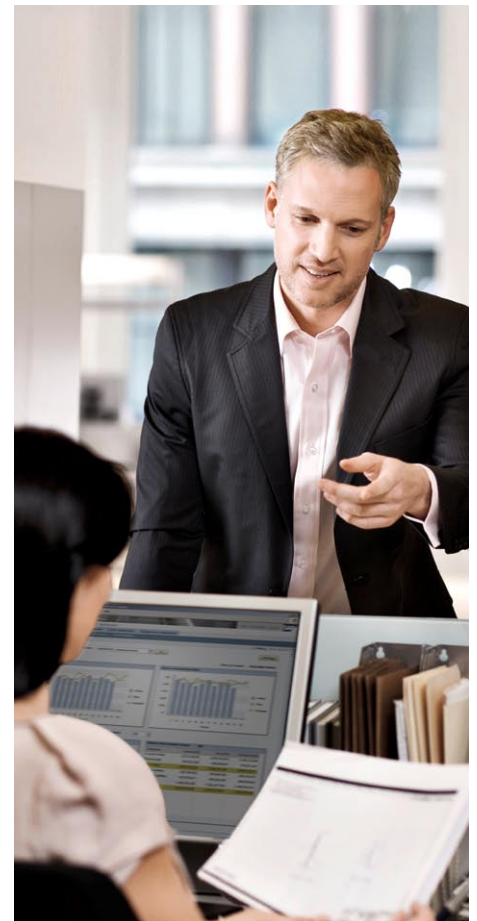
End users of SAP BusinessObjects Intercompany can make balance adjustments that can be stored and used to create journals to update source systems. This ensures consistency between source, reconciliation, and consolidation systems.

#### Robust Security, Performance, and Scalability

SAP BusinessObjects Intercompany provides centrally managed and easily configured access rights and is compatible with existing security infrastructure investments such as firewalls, public key infrastructures, Secure Sockets Layer (SSL), and virtual private networks. It also leverages Microsoft .NET and relational database management system support for Oracle and Microsoft SQL Server for improved scalability and performance.

#### Eliminate Delays and Extra Work

SAP BusinessObjects Intercompany helps companies reconcile intercompany balances without extra work and delays at the corporate and divisional



levels. According to data provided by our customers, those that deploy this application on an open technology platform alongside their financial consolidation system can:

- Experience an improvement of up to 60% in the accuracy of their intercompany transactions
- Reduce the length of their reporting cycles by as much as 15 days
- Free up their finance staff and resources, giving them more time to analyze data, not just gather and reconcile it
- Implement quickly (in some cases, in as little as two weeks) and at relatively low cost

#### Give Your Financial Consolidation a Boost

Complement your consolidation engine and finance staff with the SAP BusinessObjects Intercompany application. You can shave days from your intercompany reconciliation process – and close your books fast.

## Enterprise Performance Management Solutions

SAP BusinessObjects Intercompany is part of SAP BusinessObjects enterprise performance management solutions – a comprehensive set of solutions that help your company capitalize on the value of your existing data assets. With these solutions, your organization becomes more agile, gaining organizational alignment, visibility, and greater confidence to give you optimal control and competitive advantage. These applications can work with SAP Business Suite software; SAP BusinessObjects governance, risk, and compliance solutions; SAP BusinessObjects business intelligence solutions; and SAP BusinessObjects information management solutions. As a result, you can maximize business profitability; manage risk and compliance; and optimize corporate systems, people, and processes.

### SAP: Delivering IT-Powered Business Innovation

As the world's leading provider of business software, SAP delivers products and services that help accelerate business innovation for our customers. We believe that doing so will unleash growth and create significant new value – for our customers, SAP, and, ultimately, entire industries and the economy at large. Today more than 46,100 customers in more than 120 countries run SAP applications – from distinct solutions addressing the needs of small businesses and midsize companies to suite offerings for global organizations.

### From Walldorf to Wall Street: The SAP Success Story

Founded in 1972, SAP has a rich history of innovation and growth that has made us a true industry leader. SAP currently employs more than 43,800 people in more than 50 countries worldwide. SAP is listed on several exchanges, including the Frankfurt Stock Exchange and NYSE under the symbol "SAP."

### Knowledge, Experience, and Technology for Optimizing Business

We leverage our extensive experience to deliver a comprehensive range of solutions that empower every aspect of business operations. By using SAP solutions, organizations of all sizes – including small businesses and midsize companies – can reduce costs, improve performance, and gain the agility to respond to changing business needs. SAP also has developed the SAP NetWeaver® technology platform, which enables our customers to achieve more value from their IT investments. Our professionals are dedicated to providing the highest level of customer service and support.

### A Philosophy for Leadership and Strong Performance

SAP strives to define and establish undisputed leadership in the emerging market for business process platform offerings and accelerate business innovation powered by IT for companies and industries worldwide. As part of its commitment to corporate citizenship, SAP also contributes to economic development on a grand scale.

SAP is recognized as a leader in demonstrating the highest level of integrity in its corporate governance and practices. These efforts are informed and driven by the core values of SAP – customer focus, integrity, quality, commitment, product excellence, and passion.

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### For More Information

For more information about how you can benefit from these and other SAP solutions for enterprise performance management, visit [www.sap.com/sapbusinessobjects/epm](http://www.sap.com/sapbusinessobjects/epm).

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## Summary

Remove the biggest barrier from your financial close process by tackling intercompany reconciliation outside the critical reporting path. The SAP® BusinessObjects™ Intercompany application enables reporting units to reconcile intercompany balances earlier and liberates central finance from labor-intensive involvement.

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## Business Challenges

- Delays in resolving intercompany discrepancies, which extend the financial reporting cycle
- The burden on central finance of having to check balances, follow up with reporting units, and correct errors
- No easy way to identify errors in the intercompany reconciliation process or ensure that reporting deadlines are met
- Extra work at both the corporate and divisional levels

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## Key Features

Intercompany reconciliation – Resolve disputes at the peer-to-peer level and shave days from the intercompany reconciliation process

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## Business Benefits

- **Faster reporting cycles** by providing tools to enable business units to resolve differences earlier in the financial reporting process, thus removing the intercompany reconciliation bottleneck within corporate finance
- **Greater productivity** by freeing the finance department for more valuable activities, such as analyzing data and measuring and improving performance
- **Rapid implementation**, thanks to a centralized deployment and ease of use and maintenance, which together drive down total cost of ownership and increase ROI

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## For More Information

Call your SAP representative, or visit us online at [www.sap.com/sapbusinessobjects/epm](http://www.sap.com/sapbusinessobjects/epm).

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