Accounting Hub Reporting Cloud Service

Rob Zwiebach
July 16, 2015

Agenda

- Financial Accounting Hub Review
- Fusion Applications and Cloud ERP
- Fusion Accounting Hub
- FAH Reporting Cloud Service
- Q & A

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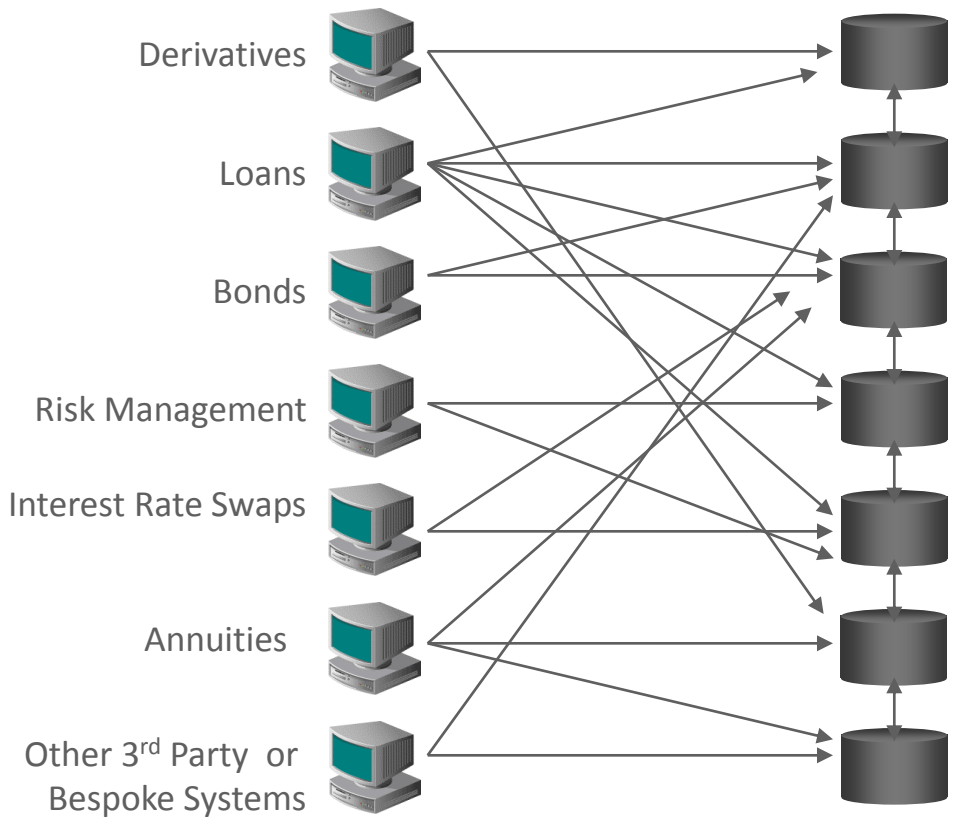
Challenges



- Difficult to enforce *consistent accounting policies* across disparate systems
- Inefficient use of IT and accounting resources to *rebuild rules for each application*
- Substantial *reconciliation issues* between product systems and accounting
- Lack of flexible mechanisms for *tracking analytics* with accounting
- Inability to quickly *implement accounting for new products* and services

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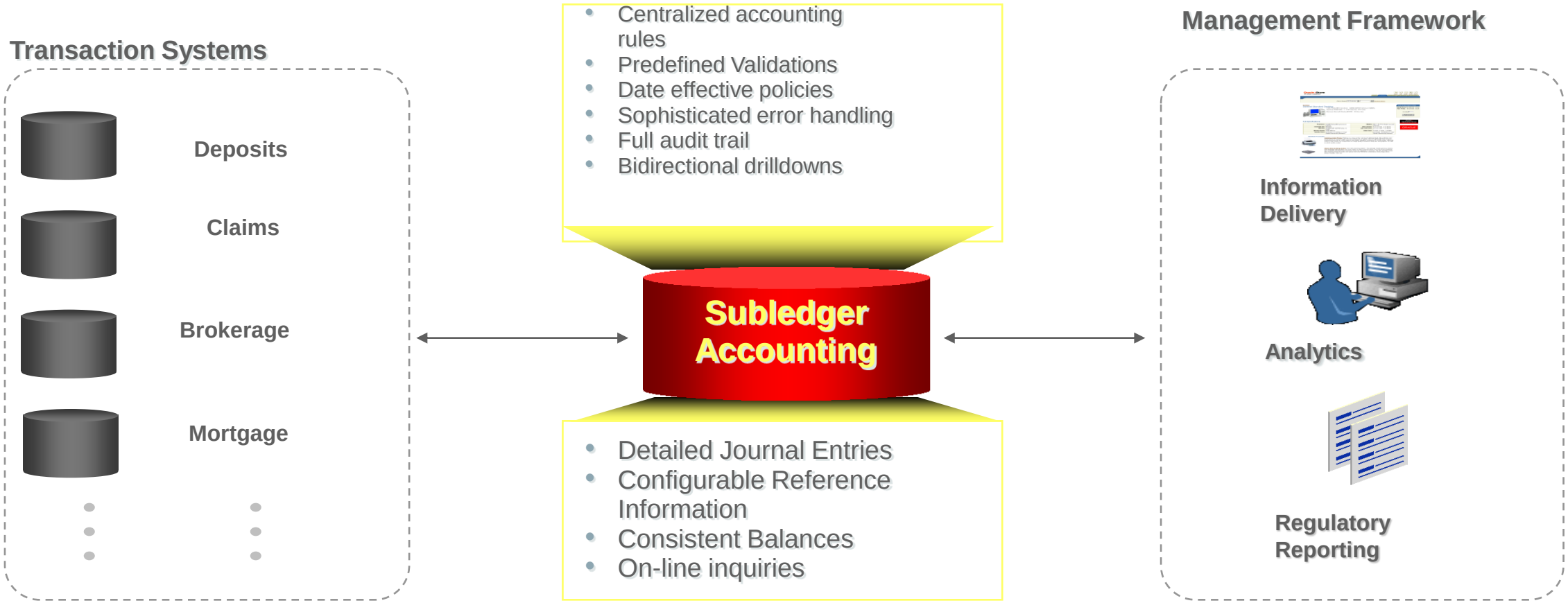
Financials Accounting Hub (FAH)



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FAH Areas of Focus

- Centralize Business/Accounting Rules Across External Financial Product Transaction Sources
- Strengthen Process Control and Reduce Operational Risks
- Enable Compliance with Corporate, Local Fiscal, and Management Accounting Policies
- Streamline Reconciliation, Analysis, and Audit with Unified Accounting Repository
- Supersede Similar Custom (e.g. UBS CAL) or 3rd Party Solutions (FTI, OST, etc)

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FAH Key Features

- Event-driven Rule-based Accounting Engine
  - Captures and Transforms Complex Transaction Events into Accounting Activities
- Multiple Accounting Representations
  - Complies with National Accounting Rules
  - Parallel GAAP and STAT Accounting
- Extensive Data Interfacing, Mapping, Rules Modeling Capabilities
- Accounting Repository with Extensible Analytical Criteria Data Model

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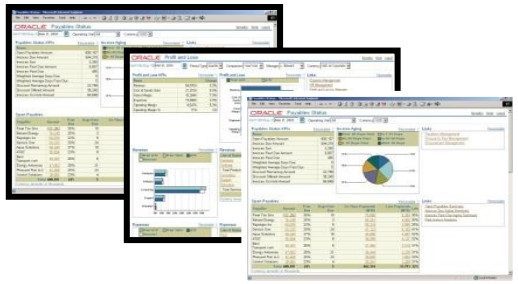
Centralized and Configurable Accounting Rules

Explicit Rules

- Select by Ledger
- Policy information on journal entries
- Policy versioning
- Date effective changes
- Journal inquiries by policy

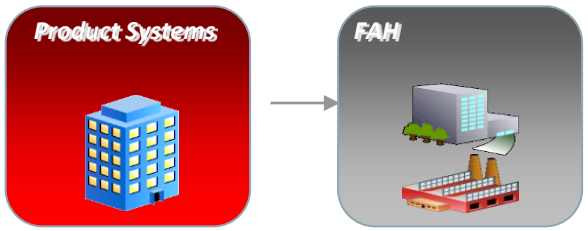


Centralized Rules

- Create once, deploy many times
- Refined inquiries by rule
- Business user oriented interface

Predefined Validations

- Ensure reliability
- Validate data for pass throughs
- Extensible via Workflow Events
- Fully documented



Transaction and Reference Information Integration

✓Reduce reconciliation by storing transaction information with journals

✓Group logically related data

✓Balance features for accounting and operational analysis

✓Store diverse information from multiple product systems

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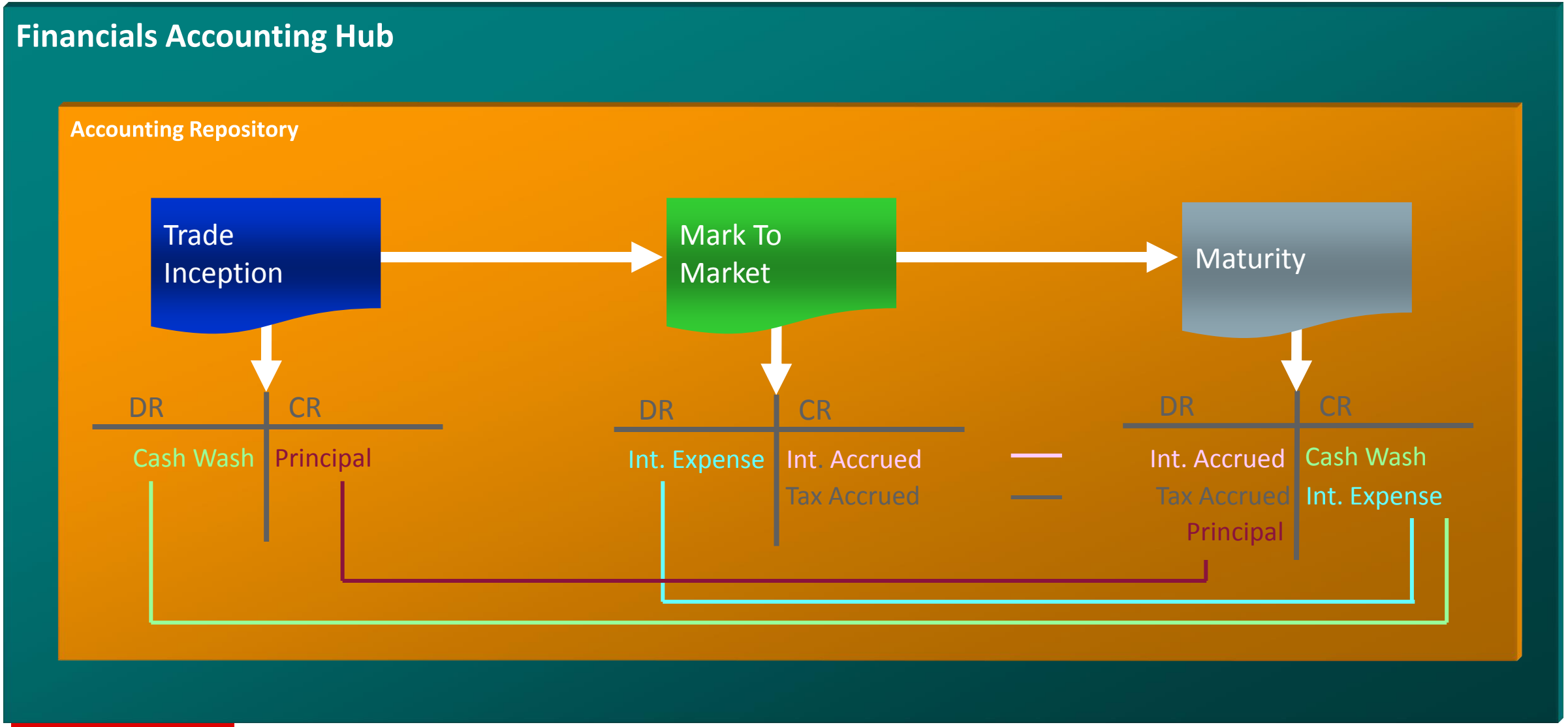
Centralized and Configurable Accounting Rules



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Centralized and Configurable Accounting Rules

Accounting Methods Builder

Subledger Journal Entry

Event Class: Bonds
Reversal GL Date: 01-Jul-2005
Event: Trade Inception
Ledger: Brazilian Local (BRL)
GL Date: 16-Jun-2005
Description: CUSIP ISN: 123451234, Client

Type	Account	Description	Debit	Credit
Principal-Trading	01.9100010.000	Rio	10,000	
Prem-Desc	01.9100020.000		400	
AIR-Trading	01.9100000.000		100	
Accounts Payable	01.2010034.000	Settlement Date: 06/06/10		10,500
Fee Receivable	01.9100030.000	Trader: Mauricio Back		60
Fee Income	01.7000010.000	Standard fee	60	
			10,560	10,560

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Oracle Fusion Applications

The New Standard For Work

- COMPLETE USER EXPERIENCE THAT SHOWS YOU WHAT YOU NEED TO KNOW OR DO

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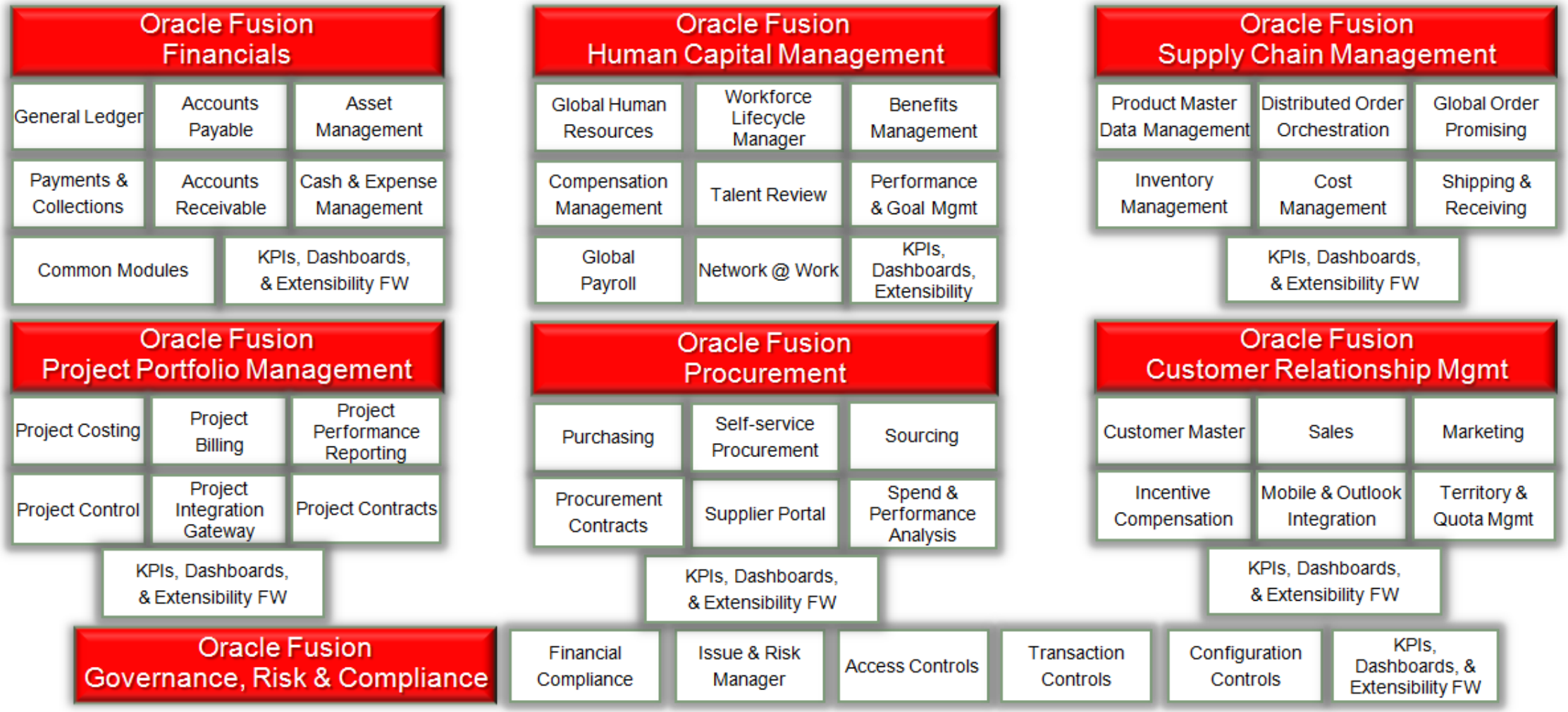
Full Product Suite



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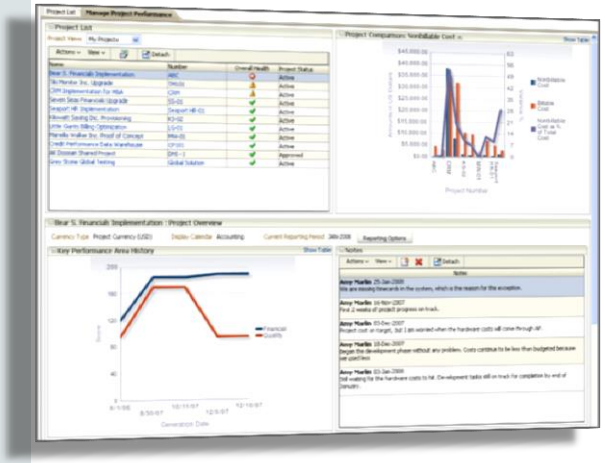
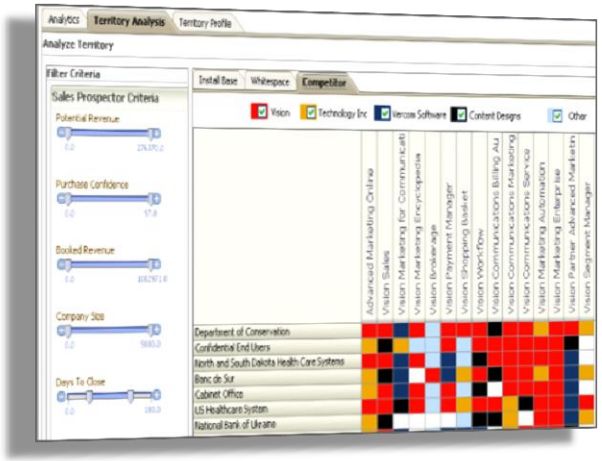
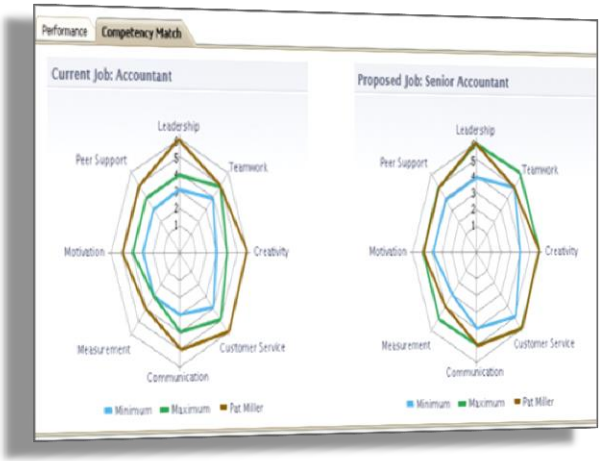
Integrated Business Intelligence – Work Smarter



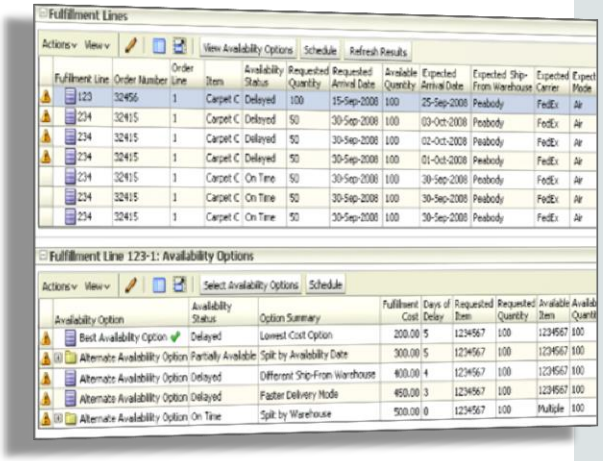
Dashboards



Multi-dimensional Calculations



Decision Support



Real-time Optimization

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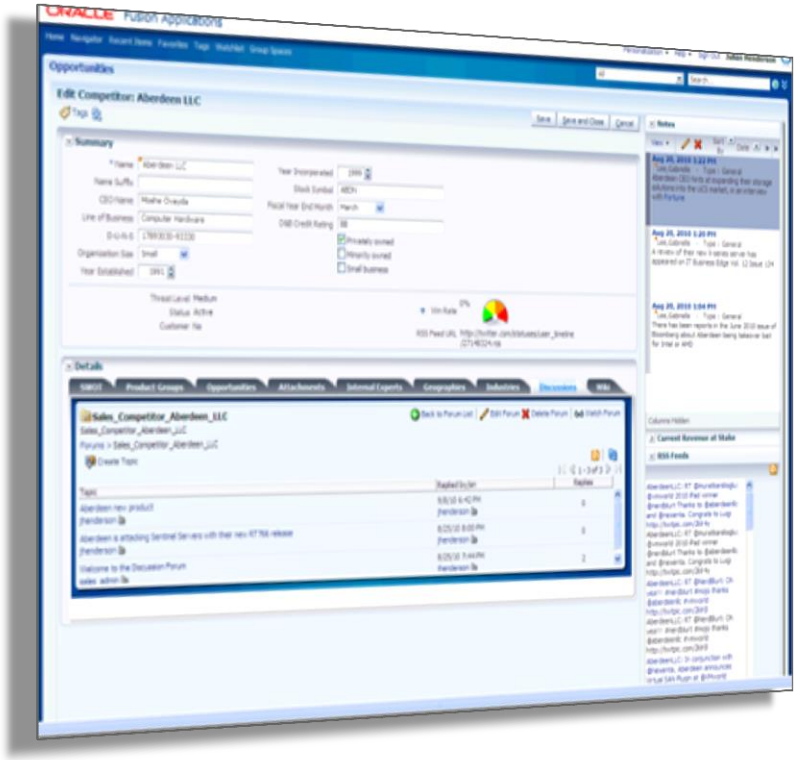
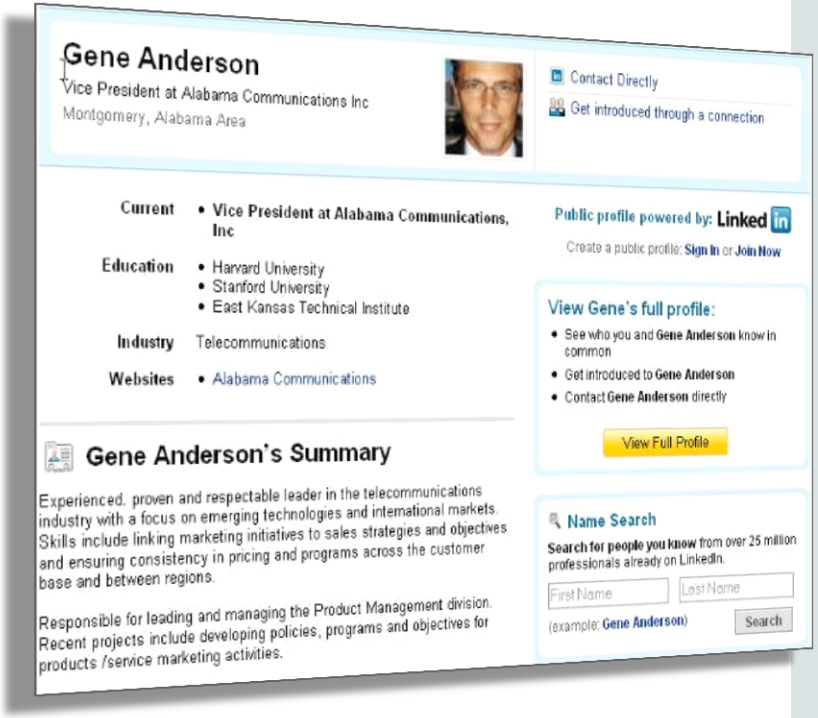
Integrated Enterprise Social – Work Smarter

Activity Streams provide real time updates



Discussion Forums enable collaboration on critical issues



Facebook and LinkedIn integration; <u>secure</u>, easy access to social networking sites

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Fusion Accounting Hub

Single system to support all financial management and analytical needs, consisting of

- Fusion General Ledger
- Fusion Subledger Accounting
- Allocation Manager
- Financial Reporting Center
  - Financial Reporting
  - Account Monitor
  - Account Inspector
- Smart View – (Excel, Word and Powerpoint Add-Ins)
- Business Intelligence Publisher (BIP)
- Oracle Transactional Business Intelligence (OTBI)

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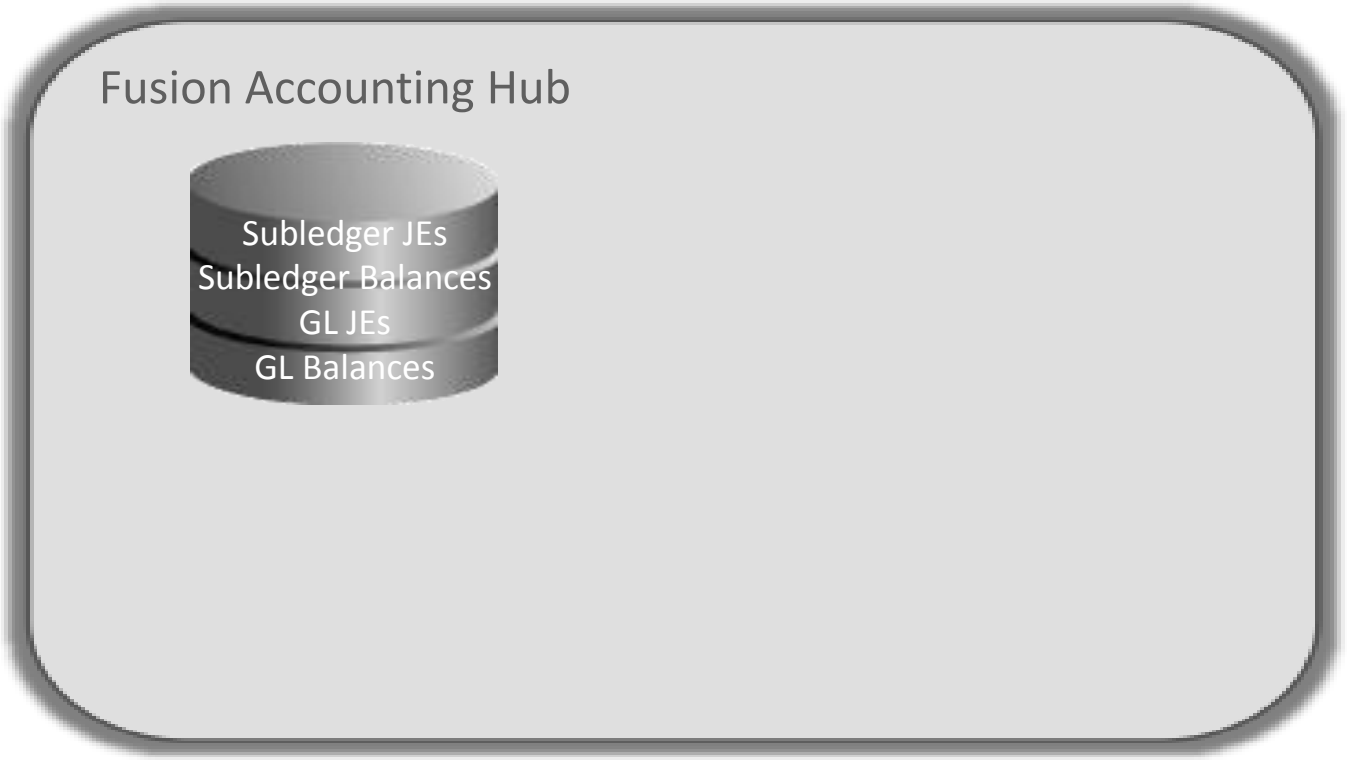
What is Fusion Accounting Hub?



- Ledgers and ledger sets
- Multiple balancing segments
- Journal Import and posting
- Period close processing – revaluation, translation, etc.
- Accounting Engine
  - Based on R12
  - Rearchitected for in-memory processing. Roughly 5-6x performance improvement
  - Streamlined and simplified rules setup

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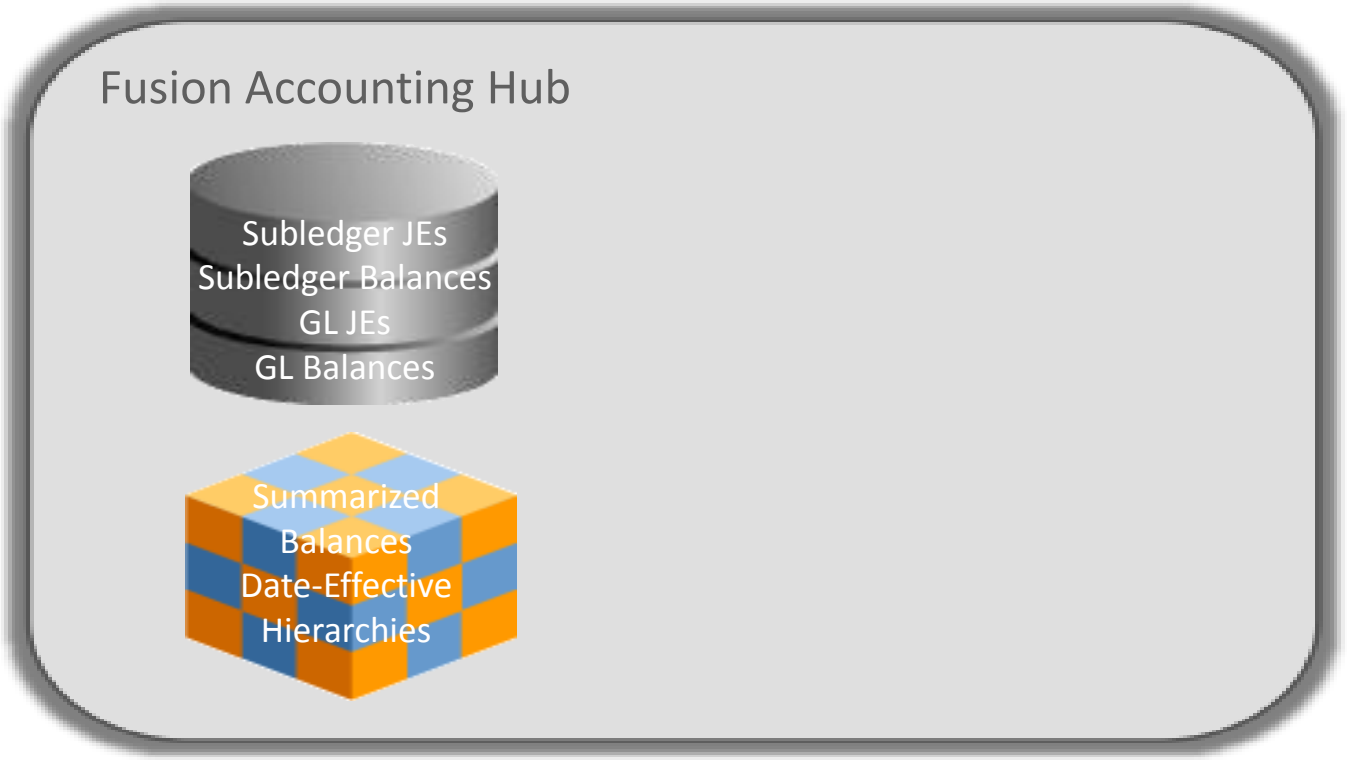
What is Fusion Accounting Hub?



- Embedded Essbase cubes
  - Created and maintained automatically
  - Dimensioned by chart of accounts and calendar
  - Updated automatically by a single posting process

- Multiple hierarchies and hierarchy versions
- Online summarization at every possible summarization point
- Optionally source hierarchies from Hyperion DRM

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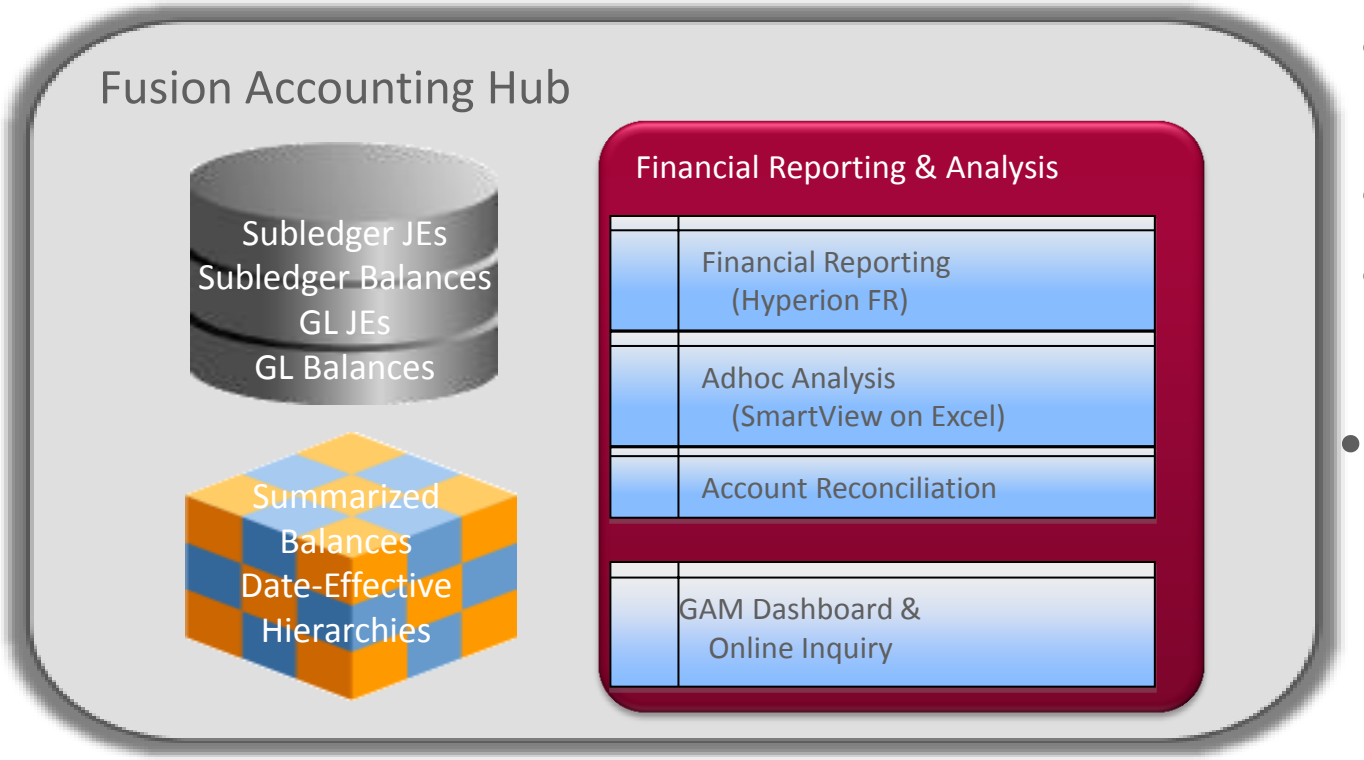
What is Fusion Accounting Hub?



- Online inquiries with step-by-step drill down the hierarchy
- Fast, online, interactive reporting
- Adhoc analysis in Excel

- Fast allocations using Hyperion Calc Manager

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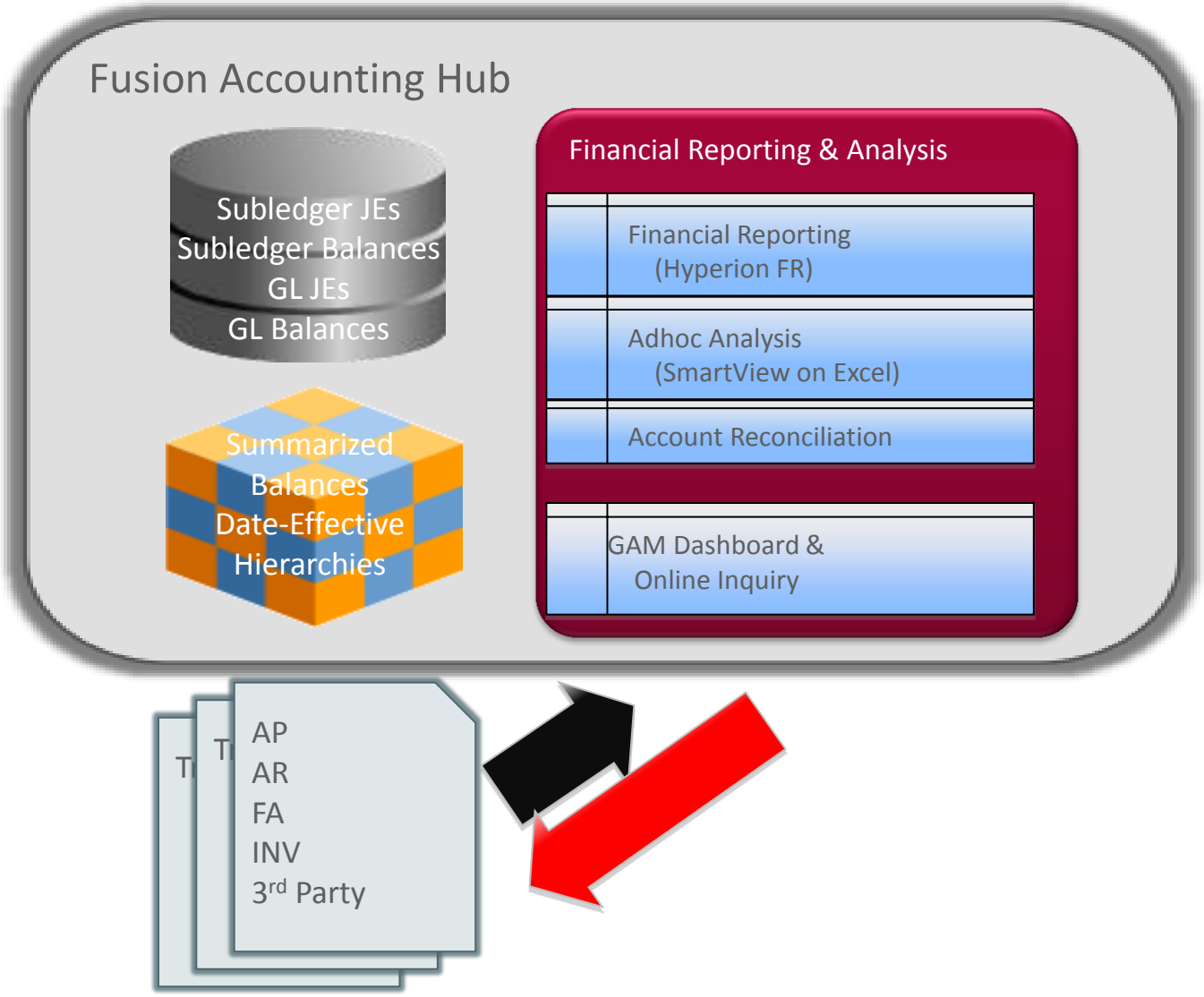
What is Fusion Accounting Hub?



- Subledger integration as in R12
- Drill back to subledger transactions
- Integration with non-Oracle transaction systems

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Fusion Accounting Hub
Combination of Leading OLTP and OLAP Solutions

- If you only remember 3 things
  - PeopleSoft's date-effective hierarchies
    - Flexible reference data modeling according to past, present and future structures of the enterprise
  - Hyperion's Essbase cubes
    - Instantaneous aggregation to support live and interactive financial reporting, intuitive allocations, and online inquiries with step-by-step drilling and pivoting across multiple dimensions and all hierarchies.
  - Multiple Balancing Segments
    - Up to 3 balancing segments available. Intercompany balancing occurs across all the balancing segments

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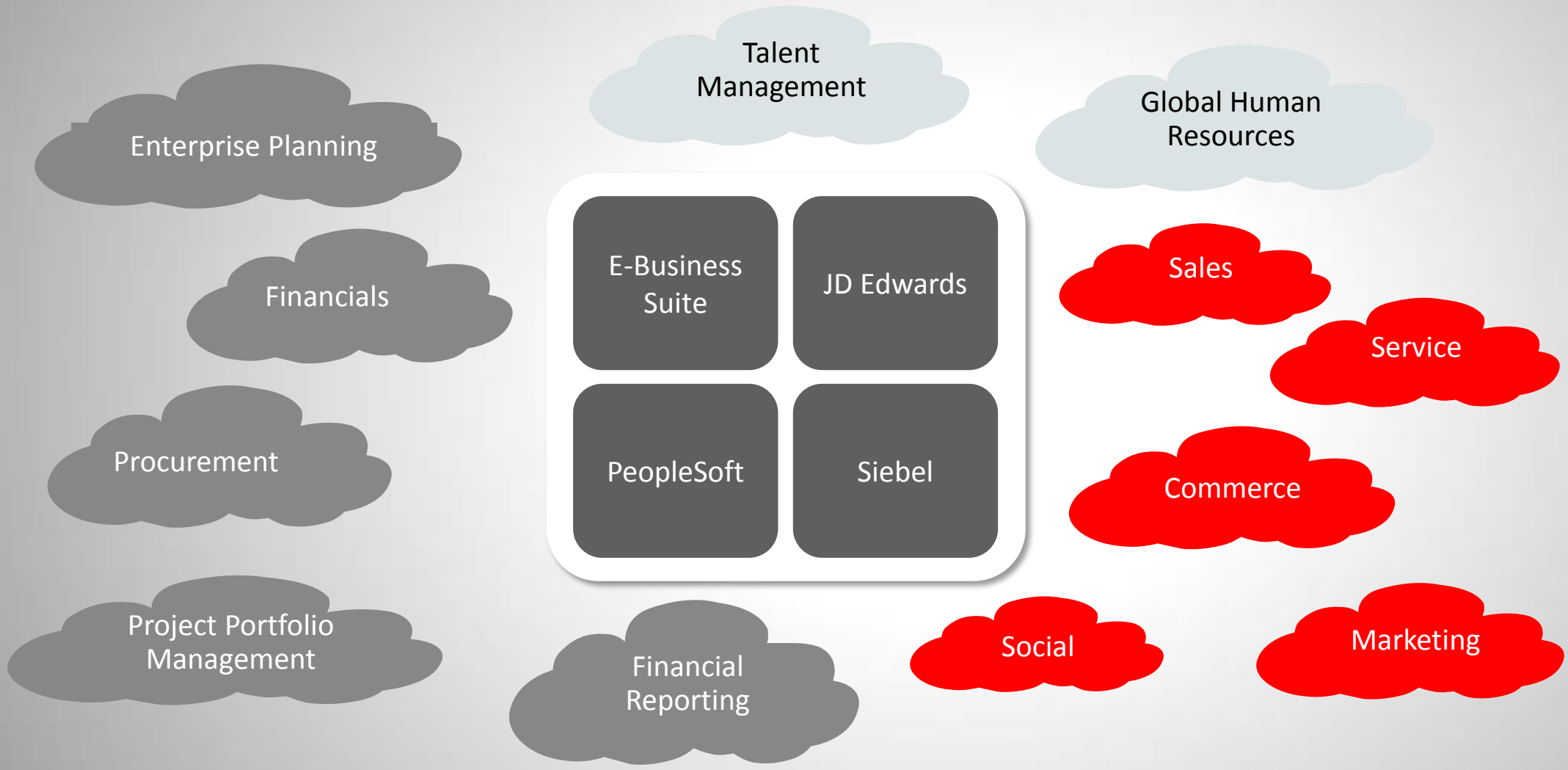
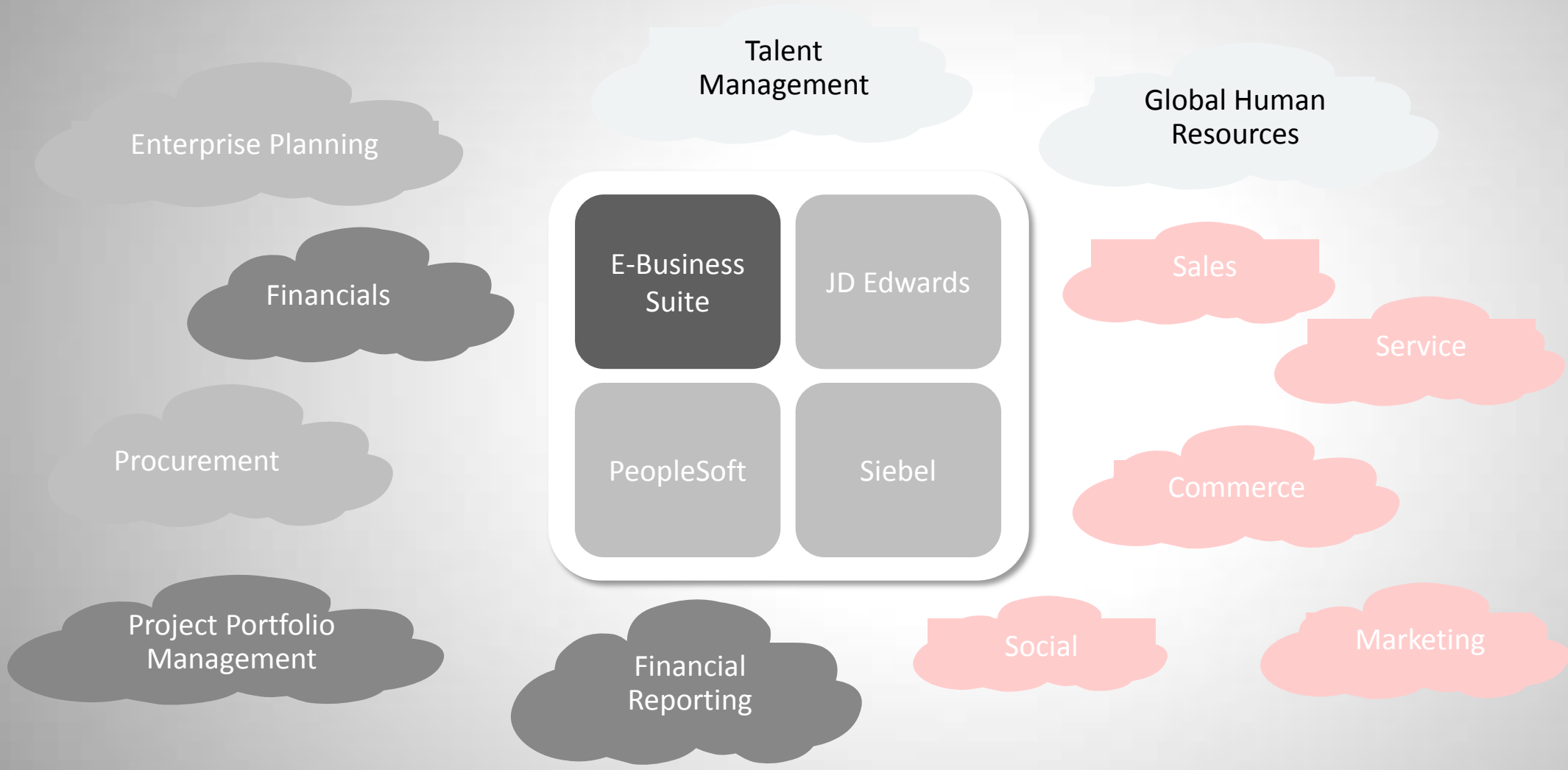
Practical Path to the Cloud

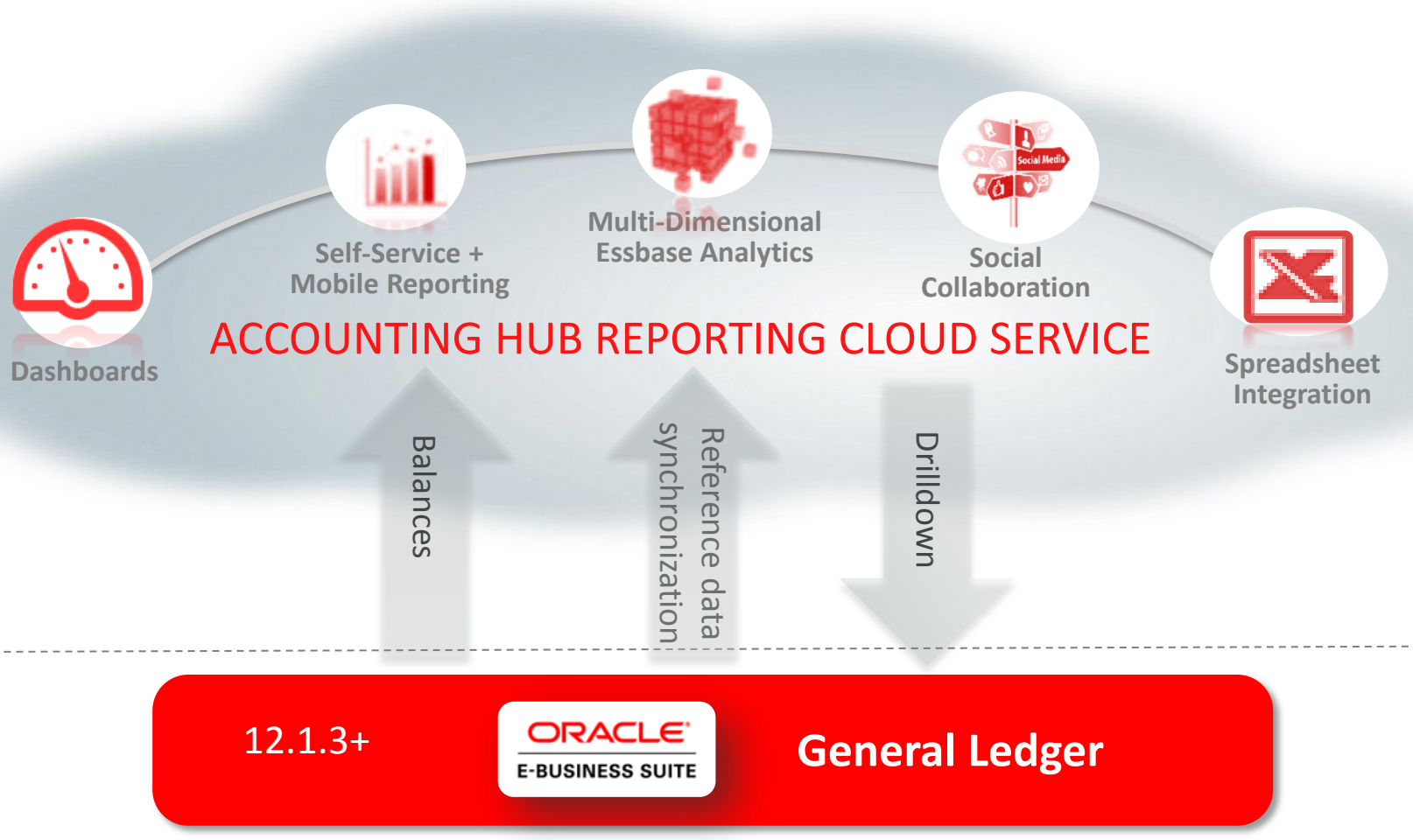


Practical Path to the Cloud



Accounting Hub Reporting Cloud Service

Real-Time Multi-Dimensional Reporting /Analytics for your Existing General Ledger



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Accounting Hub Reporting Cloud Service
Rapid Time to Value

Step 3
Get Coffee. Come back.
You receive email from Oracle when you're up & running.

Step 2
Download EBS patches.
Enter Setup Parameters in EBS.
A process configures your Cloud Reporting Environment

Step 1
Sign Up for Fusion Accounting Hub Reporting Cloud Service.

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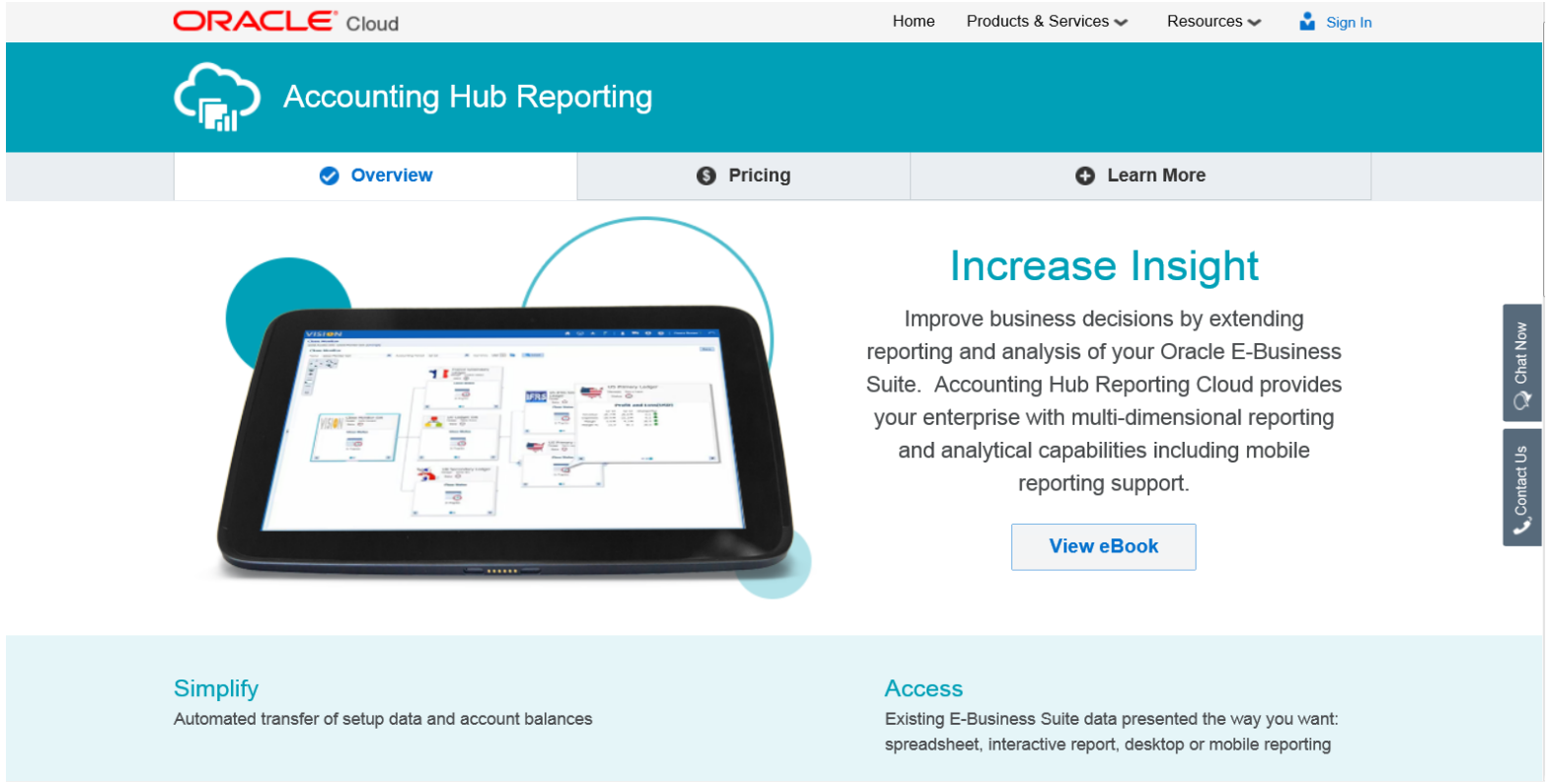
Extremely fast time to value

Step 1	Go to cloud.oracle.com & sign up for the service



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Extremely fast time to value

Step 2.1 Complete EBS Setup Information

Setup Fusion Ac... Hub Reporting Cloud Service

Next Cancel

All ledg... including balances for the last two fiscal years for each ledger. You can specify certain ledgers only and an earlier initialization period for each ledger on the Advanced Optic... ocess is submitted.

Enter URL and username for EBS instance

F... e Environment Information

* Cloud URL https://slc05yll.us.oracle.com:7002/

Username finuser1

Autogenerate... ...ports

The setup for the reports is dependent on the Top Revenue Account, Top Cost of Sales Account and Top Operating Expenses Account. The following reports will be provided to highlight Fusion Accounting Hub's reporting features: Income Statement, Rolling Quarterly Income Statement, Rolling Monthly Income Statement, Profit and Loss Statement by Cost Center, Consolidated Income Statement, and Trial Balances.

Previous 1-5 Next 5

Chart of Accounts	Top Revenue Account	Top Cost of Sales Account	Top Operating Expenses Account
India Accounting Flex	2400	2500	2900
UTILS GL Accounting Flexfield			
Progress BE Accounting Flex			
olm__ACCOUNTING_FF			
QA COA2			

Enter top nodes of hierarchy to auto-generate reports

Next Cancel

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Extremely fast time to value

Step 2.2 Complete EBS Setup Information

Select Ledgers and Initialization Period

Select which ledgers to transfer. All accounting periods since the first defined period of that accounting calendar for that ledger will be automatically opened in Fusion Accounting Hub. For each ledger, you must choose the period to initialize the balance transfer to Fusion Accounting Hub Reporting Cloud Service. This initialization period will default to transfer balances for the previous two years, but it can be changed to an earlier period that can be the same or later than the First Ever Opened Period for that ledger.

Previous 1-7 Next 7

Enabled	Ledger	Period to Initialize Balance Transfer	First Ever Opened Period	Ledger Type
☐	Lease-PL1	Mar-06	Jan-06	PRIMARY
☑	Test12345		Dec-95	PRIMARY
☑	XLAFinQA_90		Dec-95	PRIMARY
☑	QA PL2_VIV_111		Jul-02	PRIMARY
☑	7126482_TEST_PL		Dec-95	PRIMARY
☑	PL_16553296		Dec-95	PRIMARY
☑	QA PL1_AA_111		Jul-02	PRIMARY

User selects which ledgers to push to the cloud and how much history. 2 years is the default.

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Extremely fast time to value

Step 3	Go and get a cup of coffee and wait for us to send you an email that your environment is ready

While you are getting coffee, we are:

- Synching your EBS set up to the cloud
  (chart of accounts, calendars, ledgers, value sets, segment values, hierarchies, etc)
- Transferring your GL balances to the cloud
- Generating a set of Financial Reports
- Creating a process to stream balances from EBS to the Cloud
- Sending you an email

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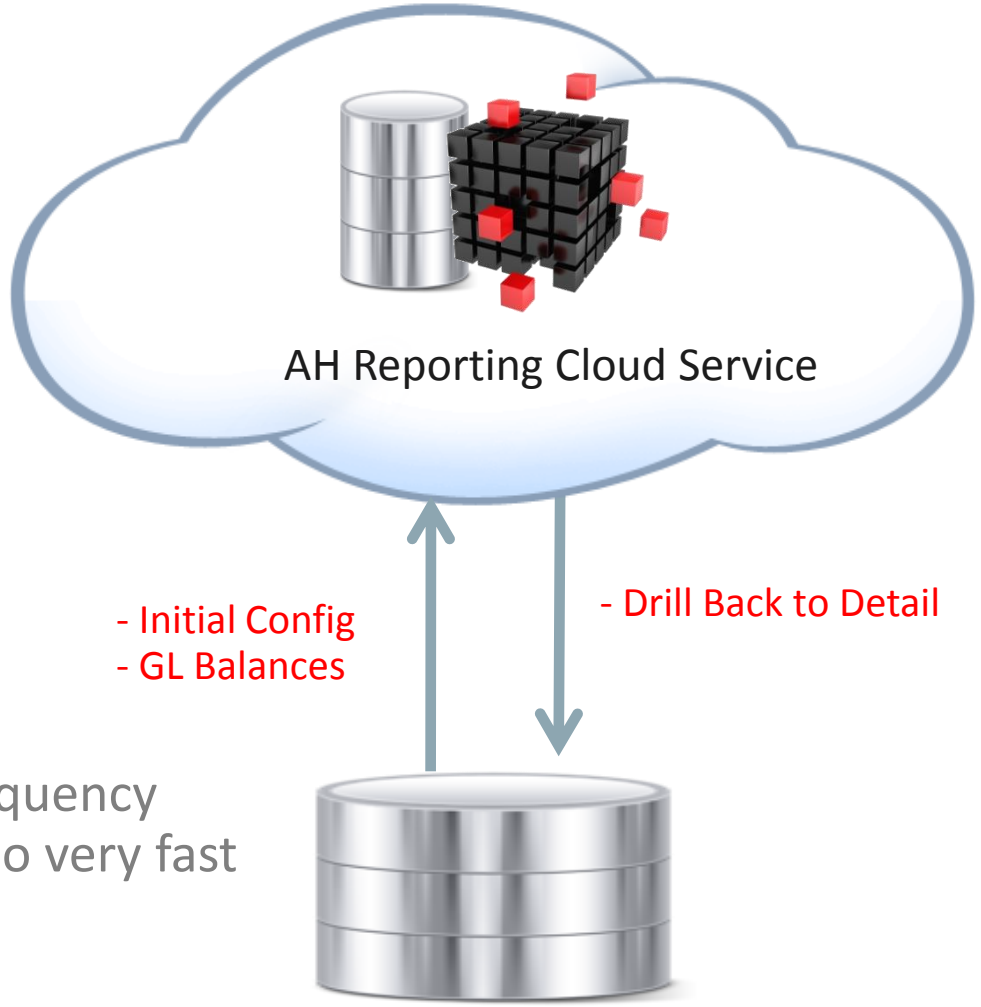
Accounting Hub Reporting Cloud Service

- CoA Structure
- Segment Values
  - Ongoing sync
- Hierarchy
  - One time push, then xls

- Balances
  - User defined streaming frequency
  - Incremental uploads only so very fast
  - No Down Time



- Embedded Essbase cubes
  - Created and maintained automatically
  - Dimensioned by chart of accounts and calendar
  - Updated automatically by a single posting process
  - Instant summarization = faster reporting

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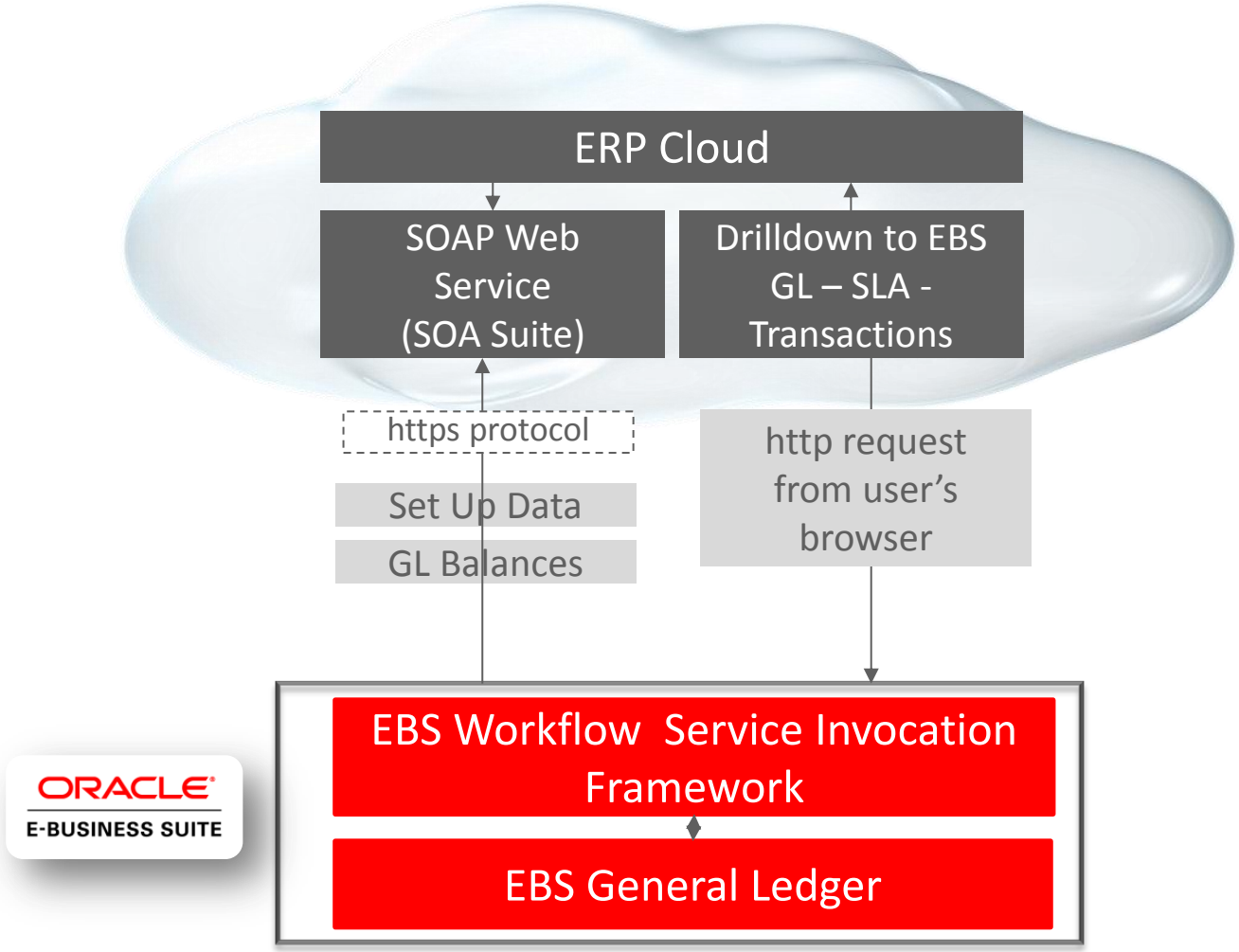
Accounting Hub Reporting Cloud Service

Technical Integration Architecture



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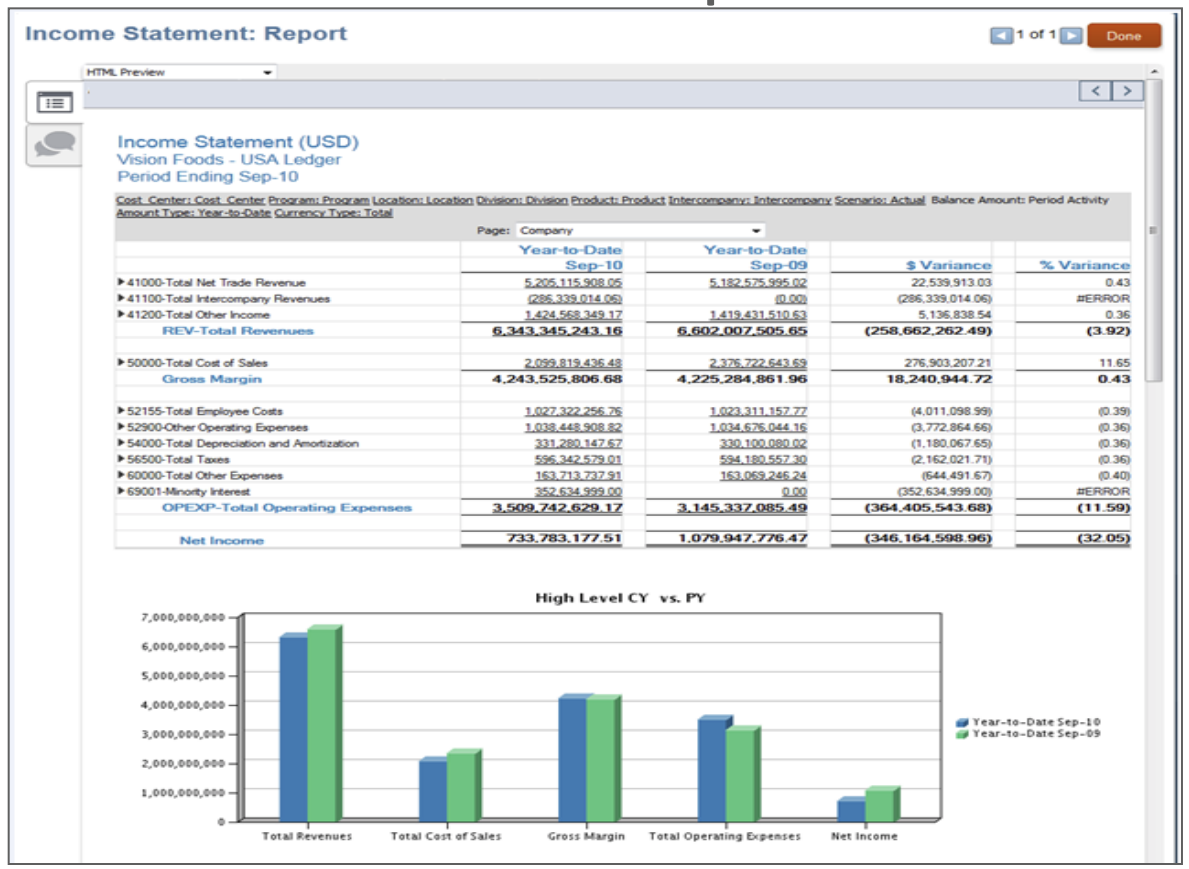
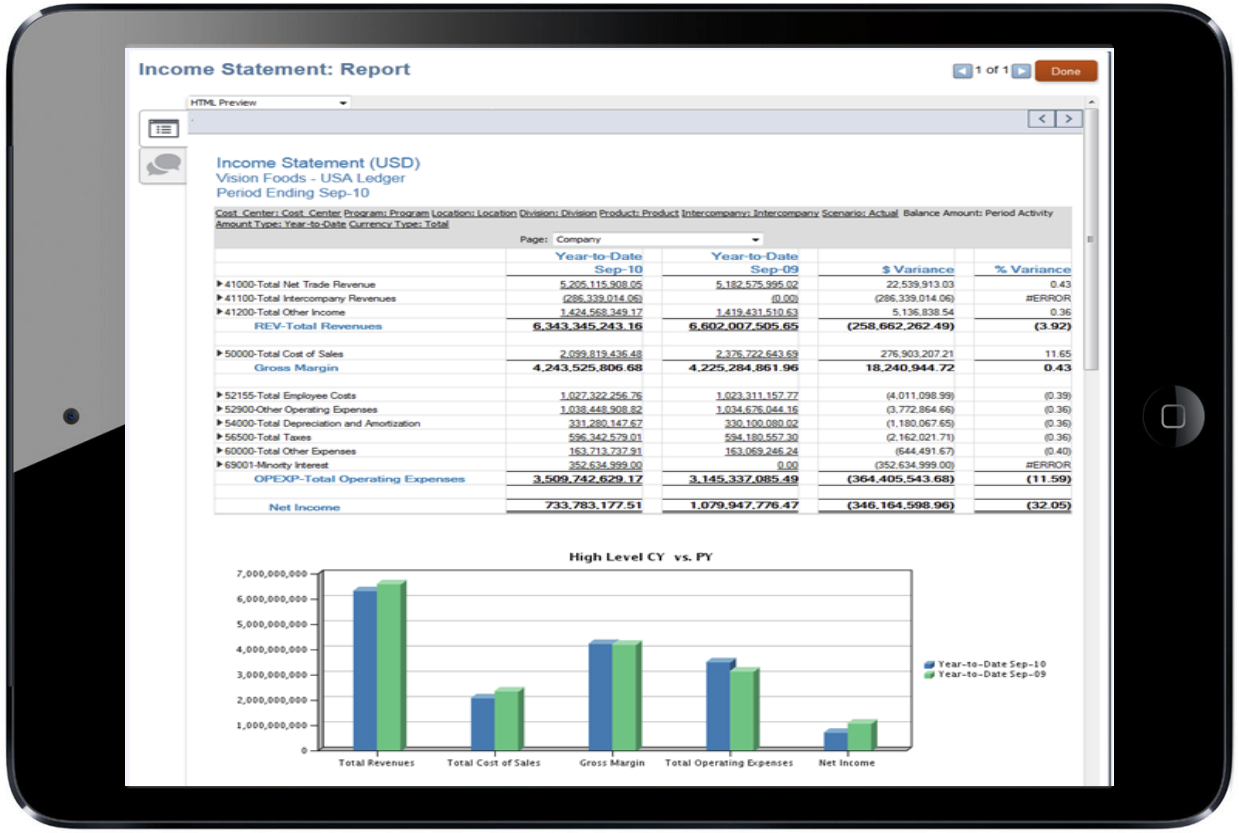
Choice of User Interface

Desktop



Mobile Device



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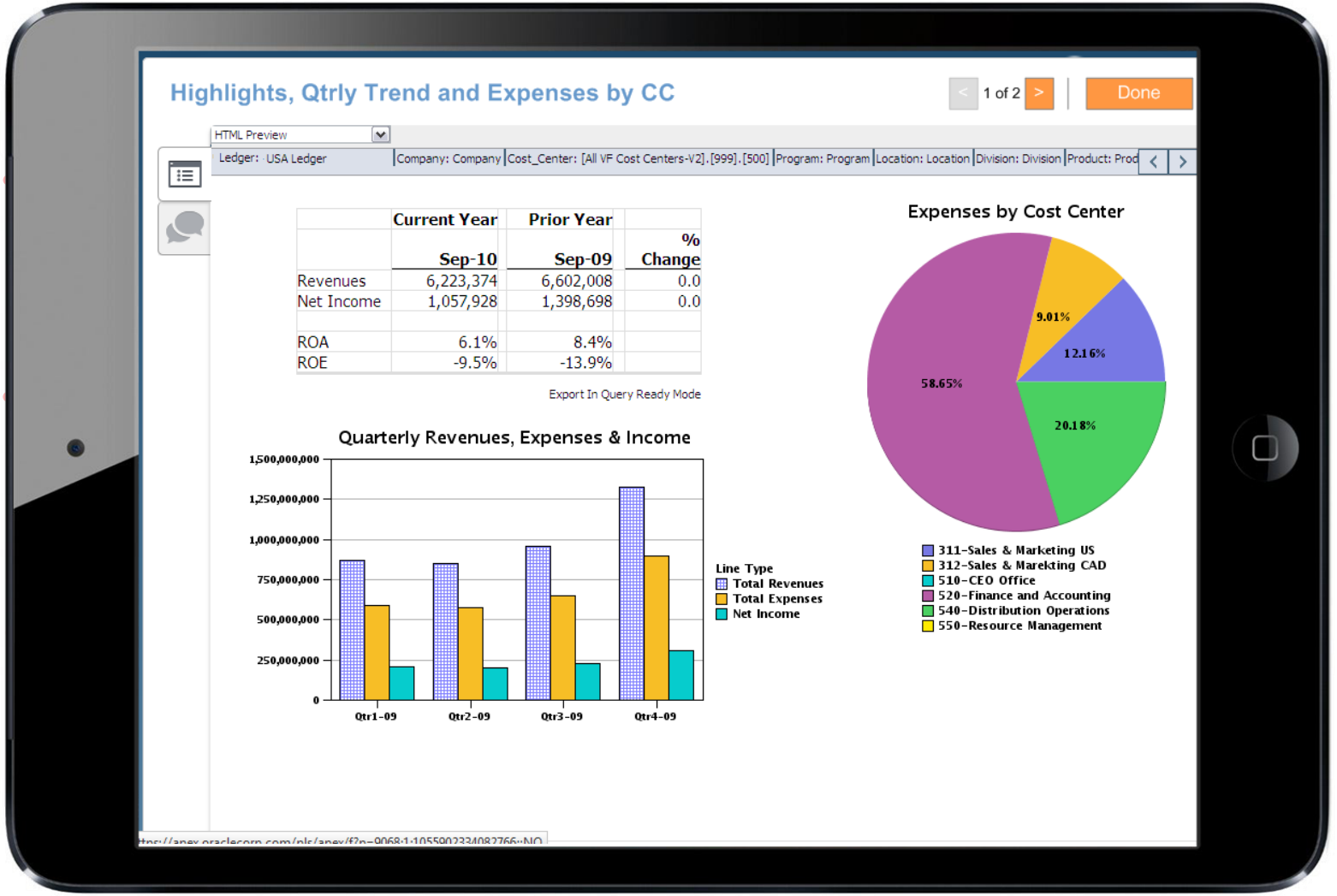
Self-Service Reporting

On-the-go self-service reporting from desktop or mobile devices

Reports, graphs and drill to detail

Choice of formats to present information meaningfully



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Simplify the User Experience

Analyze and investigate account balances in a data table and gain additional insight through visualization

Colors and shading show account balance changes

Rings demonstrate impact of child accounts on related parent accounts

UNDERSTAND AND INTERPRET THE DATA THAT MATTERS.

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Oracle Social for Built-in Collaboration

Real-time conversations during your Report Review

Web-based document viewing and real-time annotation

Tablets, Mobile, Outlook and Web clients

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Sample Delivered Financial Statements

Report - Drill Down

Income Statement: Report

1 of 1 Done

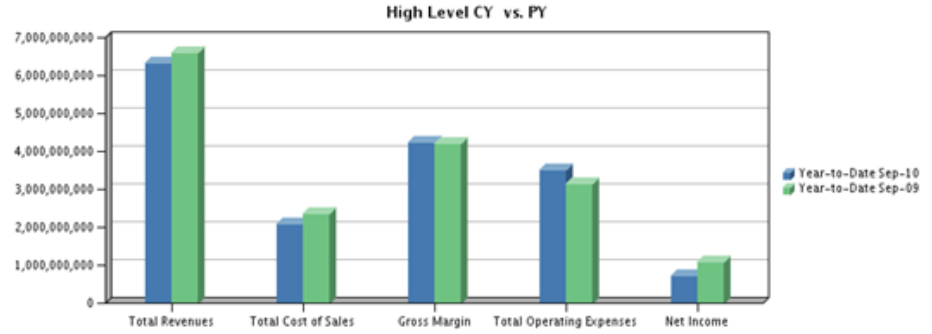
HTML Preview

Income Statement (USD)
Vision Foods - USA Ledger
Period Ending Sep-10

Cost_Center: Cost_Center Program: Program Location: Location Division: Division Product: Product Intercompany: Intercompany Scenario: Actual Balance Amount: Period Activity Amount Type: Year-to-Date Currency Type: Total

Page: Company

	Year-to-Date Sep-10	Year-to-Date Sep-09	$ Variance	% Variance
41000-Total Net Trade Revenue	5,205,115,908.05	5,182,575,995.02	22,539,913.03	0.43
41100-Total Intercompany Revenues	(286,339,014.06)	(0.00)	(286,339,014.06)	#ERROR
41200-Total Other Income	1,424,568,349.17	1,419,431,510.53	5,136,838.54	0.36
REV-Total Revenues	**6,343,345,243.16**	**6,602,007,505.65**	**(258,662,262.49)**	**(3.92)**
50000-Total Cost of Sales	2,099,819,436.48	2,376,722,643.69	276,903,207.21	11.65
Gross Margin	**4,243,525,806.68**	**4,225,284,861.96**	**18,240,944.72**	**0.43**
52155-Total Employee Costs	1,027,322,256.76	1,023,311,157.77	(4,011,098.99)	(0.39)
52900-Other Operating Expenses	1,038,448,908.82	1,034,676,044.16	(3,772,864.66)	(0.36)
54000-Total Depreciation and Amortization	331,280,147.67	330,100,080.02	(1,180,067.65)	(0.36)
56500-Total Taxes	596,342,579.01	594,180,557.30	(2,162,021.71)	(0.36)
60000-Total Other Expenses	163,713,737.91	163,069,246.24	(644,491.67)	(0.40)
69001-Minority Interest	352,634,999.00	0.00	(352,634,999.00)	#ERROR
OPEXP-Total Operating Expenses	**3,509,742,629.17**	**3,145,337,085.49**	**(364,405,543.68)**	**(11.59)**
Net Income	**733,783,177.51**	**1,079,947,776.47**	**(346,164,598.96)**	**(32.05)**



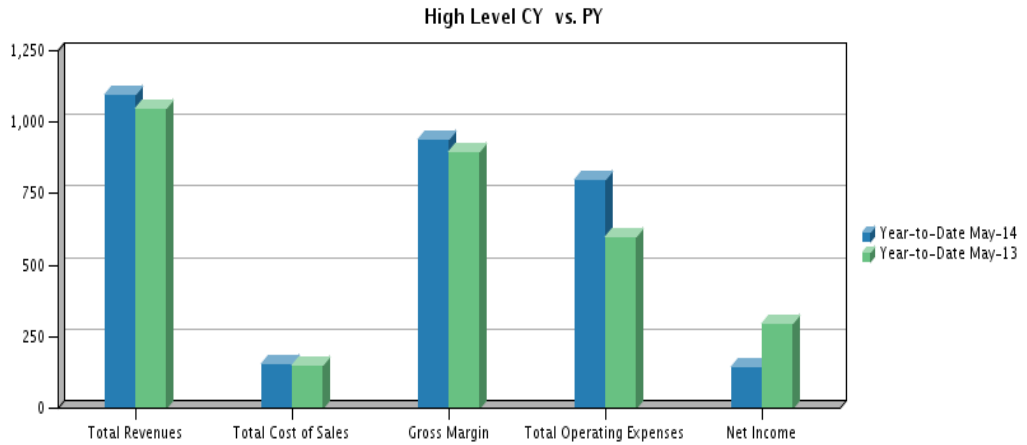
Income Statement (USD)
Y4EBS Test 4
Period Ending May-14

AccountingPeriod: May-14 Ledger: Y4EBS Test 4 Cost Center: Cost Center Intercompany: Intercompany Scenario: Actual Balance Amount: Period Activity Amount Type: Year-to-Date Currency: USD Currency Type: Total

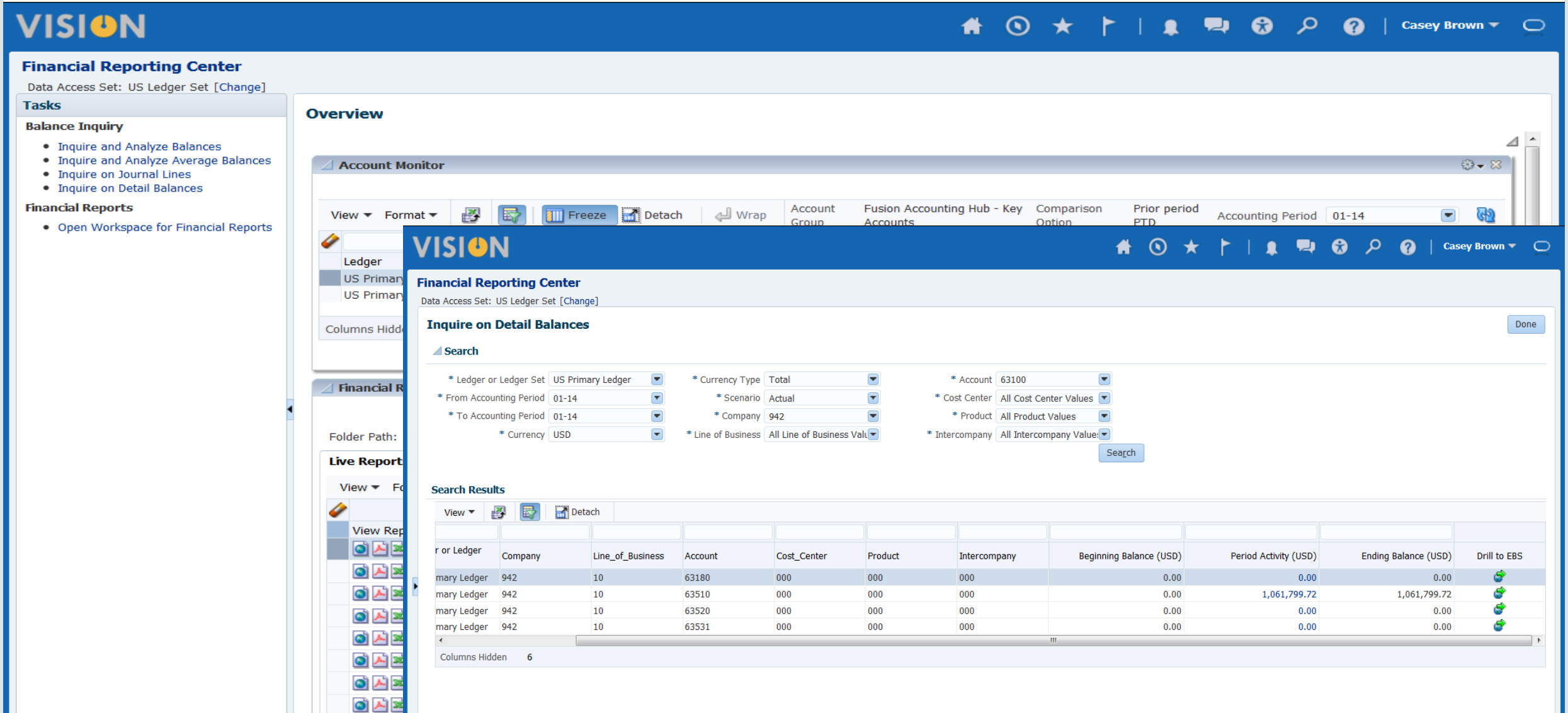
Page: Company

	Year-to-Date May-14	Year-to-Date May-13	$ Variance	% Variance
41000-Total Net Trade Revenue	1,100.00	1,050.00	50.00	4.76
REV-Total Revenues	**1,100.00**	**1,050.00**	**50.00**	**4.76**
OPEXP-Total Operating Expenses	157.00	150.00	(7.00)	(4.67)
Gross Margin	**943.00**	**900.00**	**43.00**	**4.78**
52125-Total Cost of Sales-Wine Revenue	799.00	600.00	(199.00)	(33.17)
COS-Total Cost of Sales	**799.00**	**600.00**	**(199.00)**	**(33.17)**
Net Income	**144.00**	**300.00**	**(156.00)**	**(52.00)**

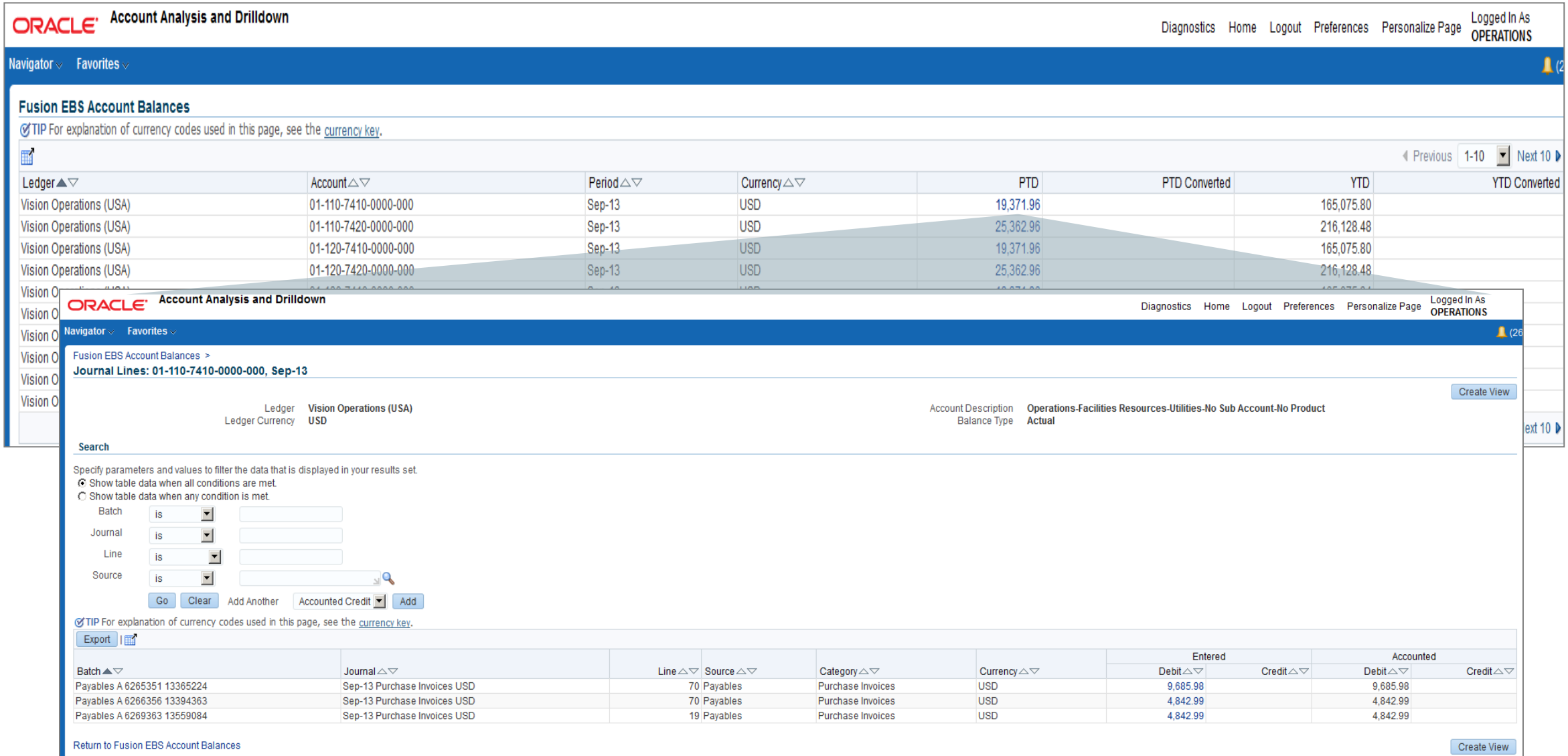
Export In Query-Ready Mode



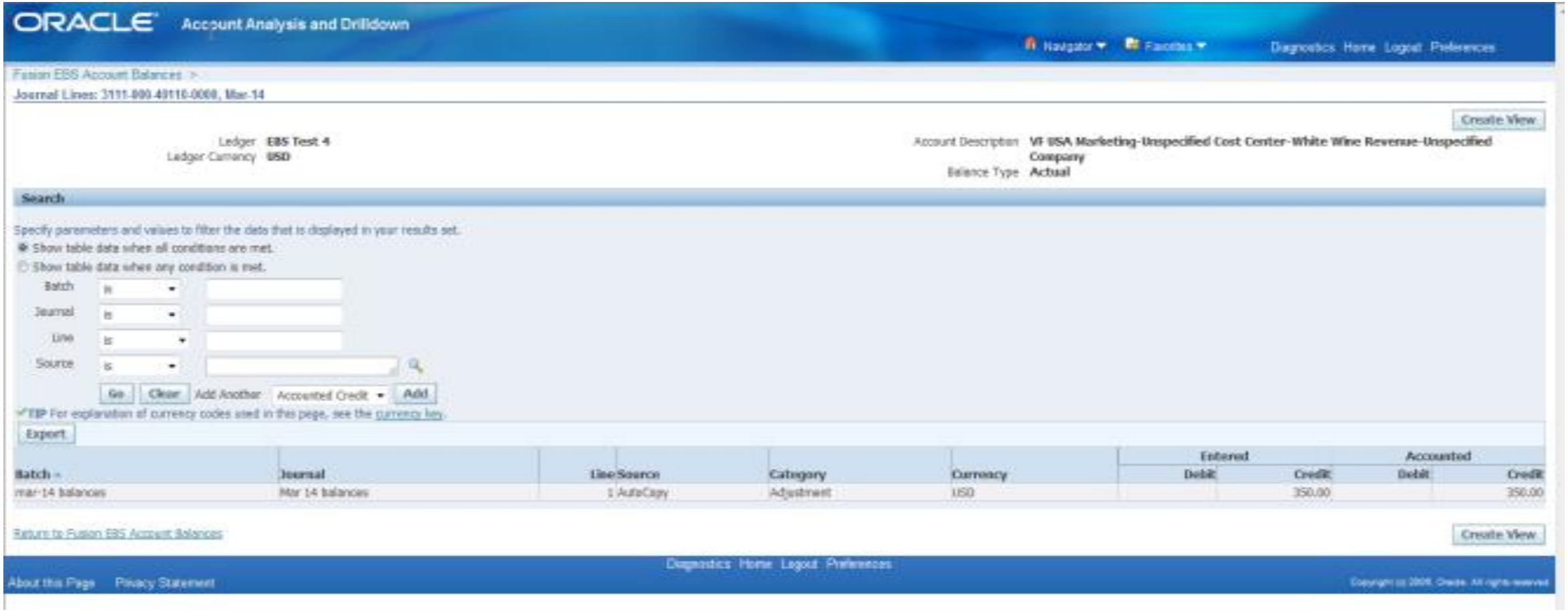
Drill to EBS from Detail Balances



Drill to EBS from Detail Balances



Drill all the Way to Source Detail



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Agenda

- Financial Accounting Hub Review
- Fusion Applications and Cloud ERP
- Fusion Accounting Hub
- FAH Reporting Cloud Service
- Q & A

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