

# Finance in IFS Cloud



Leverage full financial capabilities to give you control of your business performance, manage your financial operations and serve your stakeholders efficiently

Rapid changes and a shift to globalized business operations pose several financial challenges with new obligations to both internal and external stakeholders. Increasingly, finance departments are expected to act as a business partner to the organization instead of being a transaction processing and controlling unit. Operational organizations, often spanning across companies, are becoming more demanding in having insight to financial performance both faster and by use of modern self-service-oriented reporting and analysis tools, rather than being served with fixed-format report packages by the office of finance on periodical level or on demand. All of this together sets high demands on automation of processes, minimization of manual intervention and use modern and efficient tools throughout the organization.

Finance in IFS Cloud is a complete financial offering for global business. It provides traditional financial capabilities for areas such as accounts receivable (AR), accounts payable (AP), general ledger (GL), fixed assets (FA), and financial close. It also provides more advanced and seamlessly connected capabilities for financial planning with full consolidation of balances at group level, reducing the need for external applications. All this is tied together with integrated reporting and analysis capabilities offering organization-wide insights across procurement, supply chain, CRM, manufacturing, etc. into financial performance and transaction related information. IFS Cloud's finance capabilities provide organizations and financial departments a range of automated capabilities for both transaction processing and management, as well as supporting full financial close all the way to consolidated balances.

Finance in IFS Cloud empowers your organization to have full financial and operations visibility in real-time, enabling better decisions to drive higher revenues.

## Benefits



### Efficiently connect data streams

Benefit from seamlessly connected and integrated components for transaction processing, minimizing additional integrations, data transfers and error handling.



### Save time and resources

Automated processing reduces manual tasks related to invoice management, payments and financial close. Ensure your finance department maximizes their time on critical tasks.



### Gain complete financial control and visibility

Drive efficiency, revenue, and margins in including full life-cycle control of projects and assets



### Data-driven decision making

Make smarter decisions with the power of interactive financial reporting and analytics.

## Key capabilities

### Accounting rules

Accounting rules offer a platform for defining the financial follow-up model together with a common set of rules for all financial transactions within IFS Cloud.

- Central management of rules and definitions
- Rules for automated production of financial transactions
- Rules for correct production of financial transactions
- Multi-company master data management
- Central management of tax definitions and rules
- Financial control with user-defined accounting structures and rules
- Security, traceability and segregation of duties
- Automated transfers and interfaces for loading external transactions.
- Automatically load/import different currency rates from service providers

### General ledger & parallel accounting

The general ledger is the very heart of the financial application, providing an efficient basis for many different reporting & analysis scenarios in a multi-company, multi-currency & multi-dimensional environment.

- Multi-company, multi-currency, multi-dimensional
- Balance queries and analysis views
- Transaction queries and analysis views
- Security for information access, parallel ledgers and currency
- Tax ledger supporting tax reporting
- Currency revaluation and period cost allocations
- Multicompany allocations and year-end routines

### Fixed assets

Fixed assets provide asset financial control of individual assets and asset structures over a complete life cycle until the asset is scrapped or sold. Fully integrated with the general ledger and accounting rules in IFS Cloud for automation of all posting transactions, the solution handles many types of depreciation methods. To accommodate accounting standards for leased

objects, the solution handles relevant accounting transactions for lease accounting.

- Asset values from acquisition and accumulated depreciations
- Depreciations according to selected method
- Parallel depreciation methods for parallel accounting
- Lease accounting based on accounting standards
- Intercompany operations and movements
- Automated posting and integrated transfer from projects.

### Accounts payables & receivables

(AP) handles the processing of all supplier invoices and supplier payments. It includes advanced rules for authorization and routing within the organization and automated matching of invoices with deliveries and purchase orders. (AR) manages customer invoices integrated with all invoicing sources. Customer claims are monitored and analyzed efficiently. Outgoing payments are managed with payment orders. Both ingoing and outgoing payments can be automatically processed and reconciled together by using electronic bank statements.

- Accounts payable and receivable balances and historical balances
- Central hub for all customer invoice types and automated matching of supplier invoices
- Monitoring of customer claims and credits and authorization of supplier invoices with rules
- Automated processing of payments and self-billing for suppliers
- CIS: Construction Industry Scheme solution. For UK customers only.

### E-invoicing

E-invoicing automates the sending of customer invoices and the initial processing of supplier invoices. Receive supplier invoices electronically from a service provider or a scanning service, minimizing the number of invoices needing manual registration.

## Project finance

The solution provides full and continuous financial control over a complete project life cycle. Tightly integrated with project management in IFS Cloud, project finance supports project managers in planning, executing, and financially controlling projects.

- Project balances stored independently, and project accounting connected to project plans
- Capitalization and revenue recognition rules
- Capitalization on account and project activity level
- Event-based revenue recognition and integrated revenue recognition forecasting
- Interactive project analysis and project financial reporting

## Cash planning

Cash planning supports the cash planning and currency hedging activities of an organization. Using information and plans already available in the application, the solution offers integrated reporting and analysis capabilities focusing on the short, medium and long-term on an enterprise or project level.

- Configurable and parallel plans for different purposes – short, medium and long-term
- Integrated and configurable system-based sources and additional manual sources
- Supports planning, reporting and analysis on project level
- User-configurable timescales for reporting and analysis of parallel/alternative scenarios

## Consolidation

Swiftly and seamlessly consolidate balances from reporting entities to support an efficient financial close process with group consolidation in IFS Cloud.

- Automated consolidation process with reported balances directly from general ledger
- Translation of local currencies and translation of values into common group chart-of-account
- Automated elimination of intercompany transactions, ownership relations and equity
- Parallel consolidation structures and consolidation of actuals and/or plans for different purposes such as legal or operational
- Additional accounting dimensions for reporting/analysis
- Journals for adjustments

## Financial reporting & analysis

Reporting capabilities ranging from regular tax reporting to supporting financial insights and control for internal and external stakeholders. Similarly, Financial reporting & analysis provides various internal reconciliation reports and detailed analysis.

- Pre-packaged information sources, analysis models and report templates
- Models integrated with accounting structures and definitions
- Use best-of-breed modern tools—Microsoft Excel and Power BI for interactive reporting and analysis accessible from the solution
- Analytical high-level reporting—Business Reporter in IFS Cloud
- Tax reporting from tax ledger