

# **PRODUCT SPEZIFICATIONS**

Comarch Financials Enterprise



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# 1 Preface

The quality of software is determined by its functionality, security, easy operability and flexibility. Our claim is to have these attributes in place.

Comarch Financials Enterprise is a complete new development, representing a fully integrated solution in the Comarch ERP Enterprise ERP<sup>2</sup> system. The main purpose of the development of Comarch Financials Enterprise was to create a fully integrated solution.

In order to achieve the best possible integration of Financials in the architecture and in the business process logic of Comarch ERP Enterprise, the base of Comarch ERP Enterprise has been analyzed according to the requirements of modern Financials. Standard-compliant requirements have been implemented in detail in those areas where they are available for any Comarch ERP Enterprise user, and other requirements that apply only to the Financials have been implemented in the relevant framework.

The Financials have been implemented as an application with the support of the functionality of Comarch ERP Enterprise Release 5.0. This way, this new release of the solution can be further developed independently of the base and can be applied by users as an option (also gradually when redeeming other Financials solutions).

Due to the outstanding and award-winning software architecture of Comarch ERP Enterprise, the development could be focused entirely on the functional development. Thus, Comarch Financials Enterprise benefits from proven performance and scalability from the very beginning. All functions are developed in compliance with the ergonomics guidelines applicable for Comarch ERP Enterprise. The open nature of databases, operating systems and hardware platform is automatically also a highlight of the new Financials.

Full deployment of the system management, the ERP system output management and document management can lead only to one conclusion:

Comarch Financials Enterprise represents a complete "seamless" ERP solution for its users.

This product overview for Comarch Financials Enterprise is intended for both those employed in departments and organizers who are familiar with the software selection, as information about the important features.

We will be happy to present you the frameworks and applications and we want to invite you for a demonstration which will help you become more familiar with the Comarch Financials Enterprise and our company.

In case of questions about the descriptions or the scope of services, please do not hesitate to contact us or one of our partners.

You will find our contact details at the end of this document.

## 2 Base

The "Base" framework has a special role, combining common solutions and functions used by all frameworks. The "Base" framework is used for editing the generally valid master data. The "Base" framework is readily available in Comarch ERP Enterprise and contains such applications as, for example, Partners, Countries, Currencies, Exchange Rates or Payment Types.

For requirements of the new Financials for this central applications, it has been verified in any case whether they can be used in the Base or in the new frameworks. Therefore, certain considerable and also some minor extensions have been developed in the Base.

First of all, the deployment of requirements for the partner master has been adjusted to the partner concept of Comarch ERP Enterprise with its clear structures and multi-site capability. This way, it is possible to conveniently maintain partner master data, also for the special requirements of the Financial Accounting.

Therefore, the following functions are also obvious for Comarch Financials Enterprise:

- Unicode (i.e., characters for all common languages)
- Time zone independence
- Language independence Display, content and correspondence language
- Currently, one internal currency is possible
- Definition of diverse currencies with buying, selling and average rates
- Time-dependent objects and separate versionability of partners depending on the role
- Change information, voucher reference chains and status information
- Central creating and management of internal and external partners

Partner roles, e.g., customer, supplier, association, regulator, payment and dunning recipient, employee:

- Representation of internal and external structural organizations, complex association and corporation structures, with organizational units, departments, positions, etc.
- Partner relations, also additionally user-definable
- User-defined fields for each view
- Communication methods and connections
- Number range definitions
- Text modules and additional texts, formatted text notes
- Due date types, company calendar
- Terms and conditions

Authorization for roles and content-based authorizations

Thus, the "Base" framework constitutes the basis of the entire application also for pure Financials users.

## 3 Comarch Financials Enterprise

Comarch Financials Enterprise is divided into the following areas:

- [Financial Accounting](#)
- [Controlling](#)
- [Asset Accounting](#)

This chapter covers the general and common functions that apply equally for all areas.

### 3.1 Multi-client capability

Comarch Financials Enterprise is multi-client capable, being able to reflect multiple legally independent companies in parallel. The companies are maintained as financial organizations and can be pre-populated in all programs according to the user.

### 3.2 Fiscal years and posting periods

Fiscal years and periods are defined centrally for ERP, for the Financial Accounting, for the Controlling and for the Asset Accounting.

Comarch Financials Enterprise allows for variable controlling of posting periods, independently from the calendar year. Incomplete fiscal years can be set up as well.

For users whose fiscal year is identical with the calendar year, the posting periods from 01 to 12 correspond to the calendar months. Closing periods can be used for supplementary postings of an old fiscal year.

It is possible to post in multiple open periods and in multiple open fiscal years at the same time. It is not possible for the program to limit the open periods/fiscal years.

There are also tax periods in addition to pure posting periods. This way, it is possible to create a voucher in which the posting period and the tax period differ from each other.

### 3.3 Parallel accounting rules

Due to globalization of the financial and capital markets, unified accounting rules are a prerequisite for any future-oriented financials, especially for listed companies. Comarch Financials Enterprise allows for reflecting the national law and also other international accounting rules. Within the German accounting system, with the effect of the German Accounting Law Modernization Act, there is also a difference between the trade balance and the tax balance in some cases, due to which a different balance approach is required.

Activation of accounting standards allows for maintaining accounting rules in parallel according to various accounting regulations. You can decide for each accounting standard whether a transfer in Comarch Financials Enterprise should be performed and which depreciations should be transferred from the Asset Accounting to the relevant accounting standard. This way, it is possible as an option to maintain Controlling, in addition to the Financial Accounting and Asset Accounting, in parallel according to multiple valuations.



Furthermore, the values can be analyzed according to various classification principles. It is possible to define any number of balance sheet classification schemes and to optionally determine the profit and loss account according to the nature or function of expense method.

### **3.4 Languages**

The interface elements are currently available in German and English. Other languages are planned. In addition, Comarch ERP Enterprise offers comfortable tools for adjusting or translating the texts. This way, users can maintain content-related translations, e.g., account descriptions, cost center descriptions or descriptions for assets.

### **3.5 Country-specific functions and special features**

The Comarch Financials Enterprise Financial Accounting supports additional functions to reflect country-specific features for the following countries:

- Germany
- France
- Italy
- Japan
- Mexico
- Austria
- Poland
- Switzerland
- Czech Republic

Based on country-specific functions, special features can be controlled in the following application areas, for example:

- Payment transactions
- Posting-related and fiscal contents
- Advance turnover tax return
- Templates for voucher documents

### **3.6 Customizing**

It is required for the Financial Accounting, for the Controlling and for the Asset Accounting respectively, to apply settings for the individual needs of the company. For this purpose, the "Customizing" application is available.

### **3.7 Printout/file output**

In general, any list or any report can be printed or output in file from Comarch Financials Enterprise. Numerous regular file types are available for the file output (Excel, Word, CSV, PDF, HTML, XML, TXT, etc.).

## 3.8 E-mailing/fax

All forms, such as dunning letters, payment accompanying letters, bank collection accompanying letters, etc., can be basically e-mailed or faxed to customers and suppliers. Lists and reports can be also sent directly to internal or external addressees.

## 3.9 Export and import interfaces

Specific export and import interfaces support data export and import in Comarch Financials Enterprise.

### Export interfaces

Export interfaces allow complete data including identifications (business keys) to be exported and then imported by other Comarch Financials Enterprise systems. In addition, particular applications can be searched in order to limit the amount of data to be exported.

### Import interfaces

Import interfaces allow data to be imported. Post-editing of incorrect or incomplete data in the related application in Comarch Financials Enterprise is possible.

### 3.9.1 Export data

With the Business Integration Service, data can be exported from the databases of Comarch Financials Enterprise and imported into the databases. Exported data are written to the Knowledge Store as files. Data are read from there during the import. The available data types are: XML, CSV and XLS. The use of XML is recommended because any complex data can be saved in a single file, the file schema can be specified and checked, and integration of changes in the data model is facilitated. You can use the "Export data" application to start individual data exports. A data export is always carried out for a particular business entity. The set of data to be exported can be restricted in more than one respect. First, the set of attributes of the business entity that is to be included in the export is defined by a filter. Second, the set of business object instances to be exported is restricted by means of a search.

### 3.9.2 Import data

You can use the "Import data" application to start individual data imports. If data cannot be imported due to errors in the data, you can correct the data in the related application in Comarch Financials Enterprise and import the data in this manner.

For this, the system records all incorrect data in a file. This file can be corrected manually in order to then repeat the import. If the errors in the file to be imported are such that they cannot be corrected in the applications (for example, if a text was specified instead of a number for a numerical attribute), the error file must be corrected manually and then reimported instead of the source file.

## 4 Financial Accounting

### 4.1 Scope of services

The Financial Accounting is a focal point of the Financials, with the sub-ledger of the personal accounts reflected in addition to the general ledger. The Asset Accounting as another sub-ledger is managed in its own framework.

When developing the Financial Accounting, we attach great importance to seamless integration in the Comarch ERP Enterprise standard. For example, object accounts, tax codes, payment terms and other master data are provided as common and cross-application data structures. This way, no ERP-redundant data need to be maintained in the Financial Accounting. Activation of the Financial Accounting opens other controlling fields in the commonly used functions.

The Comarch Financials Enterprise Financial Accounting includes the following functions, for example:

- **Modern and efficient creation of posting vouchers**
  - Individually definable transaction codes for controlling the creation
  - Creating and use of sample vouchers
  - Complete voucher split in a dialog
  - Separate accounting and tax periods
  - Automatic cancellation postings
  - Periodic postings
  - Automatic company clearing accounts
  - Direct supplying of the Controlling from relevant vouchers
  - Direct supplying of the Asset Accounting from relevant vouchers
- **Automatic processing of bank account statements**
  - Processing of standard bank formats
  - Flexible analysis of usage in the bank statement positions, also with the use of Regular Expressions (RegEx)
  - Automatic account assignment according to individual requirements
  - Direct processing option for not automatically assigned bank statement positions
- **Open items management**
  - Editing and representation of assets and receivables, also in association structures
  - Mixed accounts as well as one-time customers and one-time suppliers
  - Payment history and automatic debit transfer for domestic and international operations
  - Dunning based on individual rules
  - Clearing up of open items based on individual rules in the course of automated account maintenance
- **Automatic deferment postings**
  - Direct management in the system, without additional sub-ledgers
  - Controlling based on individual deferment rules
  - Freely definable duration of a period (e.g., for Fast Closing) up to n periods
  - Creation of deferment rules as soon as at the time of posting invoice vouchers to be deferred

- Automatic posting of the setting and the periodic resolutions for the deferment
  - Subsequent deferment of already posted values is also possible.
  - Cockpit for presentation and analysis of the composition of existing deferment balances
- **Currency revaluation based on various valuation approaches**
  - Revaluation of open items and general ledger accounts maintained in foreign currency
  - Creation of individual proposals for revaluation
  - Revaluation also in parallel currencies
- **Comfortable controlling of down payment processes**
  - Direct management in the system, without additional sub-ledgers
  - Flexible controlling of separate accounts for the financial identification with collective account profiles
  - Automatic tax re-invoicing
- **Integrative workflow for advance payments**
  - Direct transfer of payment receipts for automatic release of orders in ERP, waiting for advance payments
  - Reservation of open cash items for assigned orders
  - Automatic clearing of payments and assets when posting invoice generated from the order
- **Payment withholdings**
  - Direct management in the system, without additional sub-ledgers
  - Free definition of any withholdings
  - Flexible definition of assessment bases and withholding rates
  - Posting of withholdings alternatively for invoice or for payment
  - Automatic setting of withholdings as open items on the personal account of the withholding recipient
  - Calculation and posting of proportional withholding values in partial payments
  - Reporting withheld payments to the payment recipient and as feedback also to the relevant business partner
- **Account balancing in multiple internal currencies**
  - Direct and automatic conversion of all postings into company-specific internal currencies
  - Specification of time-dependent exchange rates for the currency conversion
  - Analyses per internal currency in the standard functional scope
- **Parallel account balancing according to HGB, IFRS, USGAAP and other guidelines**
  - Individual definition of the required accounting standards
  - Optionally separate postings for individual accounting standards possible
  - Analyses per accounting standard in the standard functional scope
- **Commercial Credit Insurance**
  - Direct management in the system, without additional sub-ledgers
  - Representation of contracts for blanket risks and individual insurance
  - Creation of internal insurance lists for limit monitoring
  - Provision of report data for the credit insurer
- **Dialog information system**

- Balances and transaction figures
- Open and cleared items
- Transaction history for open items
- Account postings
- Journal, also for multi-company vouchers
- Overview of voucher details
- Tax analysis
- Payment history
- Liquidity data
- Integrated export function to MS-EXCEL
- **Standard reports**
  - Open items personal accounts, also for group structures
  - Structural analysis for open items
  - Open item object accounts
  - Sums and balances
  - Created postings
  - Account posting items
- **Declarations**
  - Advance turnover tax return
  - Summary declaration
  - Declarations for state central banks
  - Declaration for payment balance
  - Data export for external audits as understood by GoBD
- **Freely definable reports**
  - Definition with use of lines and column schemas
  - Daily or monthly journals
  - Balance sheet with current account breakdown
  - Profit and loss account
  - Short-term income statement (BWA)

## 4.2 Master data

The master data available in Comarch ERP Enterprise, such as partners, object accounts, tax codes, payment terms, etc., have been extended by additional functions specifically for the Financials. In this product overview, brief reference is made to the important master data.

### 4.2.1 Partners (debtors/creditors)

All individuals and organizations are shown in Comarch Financials Enterprise as partners and entered with an identification only once, regardless of whether they appear in the business processes of inventory management and financials as customer, supplier or in another role.

Through settings within the partners, important specifications must be made under the "Financials" additional view for the Financial Accounting. On one hand, the partners are identified under this view as debtors or creditors. On the other hand, payment terms, payment profile, bank details and many other relevant controlling features are defined. Furthermore, special properties can be assigned, such as pseudo-partner to represent

one-time customers and one-time suppliers, mixed accounts or affiliations with an association. This results in very comfortable mechanisms for the user:

- Pseudo-partners are used as a collective account for those customers and suppliers with whom presumably only a one-time business relation will exist (one-time customers or one-time suppliers). You do not need to create separate partner master records for these customers and suppliers. If this "collective account" is posted, the postings must be supplemented with the address and bank details of the one-time customer or supplier during the posting process so that they can also be dunned or paid for.
- For mixed accounts representing debtor and creditor at the same time, there are comprehensive offsetting facilities available. Receivables and liabilities can be offset in dunning, in bank collection and in payment transactions. In the posting program, the debtor and creditor open items are shown and can be selected for clearing. The receivables and liabilities are also presented in the corresponding cockpit analysis for open items at the same time.
- For mapping of association structures a partner can be defined as an association. By reference to the partner marked as an association from other personal accounts, they can be assigned to the association as members. Payments, dunning letters or bank collections can be handled in this case via the association, as an option.

#### 4.2.2 Object accounts

Object accounts constitute the central account master of the general ledger. Object accounts are differentiated in various function groups based on account types, offset against with clearly defined tasks in the general ledger. Numerous account types include, but are not limited to:

- Collective accounts for assets and liabilities
- Opening balance accounts
- Financial accounts
- Tax accounts

Therefore, each account type in the various application areas of the Financial Accounting has specific controls assigned.

Furthermore, you can specify for each object account whether postings on this account should be forwarded to the Controlling or the Asset Accounting.

Companies, which have to reflect multiple firms in the Financial Accounting, are particularly supported by the data replication service that enables replication of object accounts from central maintenance into any firms. Here, it is up to you to decide which ones of the controlling features of object accounts should be replicated or not. You can also decide whether replicated data in the target firms can be changed or revised.

#### 4.2.3 Tax code

Various tax rates are differentiated by tax codes that must be entered for all postings with taxes. Within the tax code, the tax accounts, the tax percentage and the line item number are specified in the tax form, among other data.

Tax changes can be recorded early through entering a validity date.

#### 4.2.4 Transaction codes

Transaction codes are used for controlling postings. With transaction codes, the input fields and functions are affected when posting. Any number of transaction codes can be set up and thus, largely pre-defined account assignments can be defined for certain transaction code types of the company.

Every transaction code has a transaction type assigned. Based on the transaction type, the general type of posting is determined (e.g., invoice, credit note, payment, opening balance, etc.). Assignment of a transaction type to a transaction code results in fixed preassignments or controls in the transaction code master and specifies predefined processes for the posting program.

The definition of transaction codes is also used for simplifying the posting of certain vouchers. In the transaction code master, it is decided which fields in the posting dialog should be activated, preassigned, duplicated and/or protected.

### 4.3 Posting

Due to increasingly high requirements for the count and the complexity of transaction code types in companies, demands grow and the role of ergonomics in posting creation takes on importance.

Comarch Financials Enterprise optimally supports users to securely and quickly create all transaction code types. Application concepts, including optional operation of the complete application with the keyboard, support achievement of these high ergonomic objectives. Individual settings per user and transaction code type also contribute to comfortable and quick creation of vouchers.

In addition to numerous detailed functions, the basic functionalities described below are available as modules for professional posting creation.

#### 4.3.1 Basic processes

The following basic processes can be posted, among other processes:

- Invoice receipts, invoice issues and credit advices
- Payment receipts and payment issues
- Down payment requests and down payments
- Assignment and clearing of open items
- Nominal ledger postings
- Currency revaluations
- Manual opening balance postings

The following additional identifiers are available for transaction code types:

- Cancellation postings
- Deferred vouchers
- Sample postings

- Periodic postings

Depending on their identifier and their processing status, posting vouchers have a different status. The creator receives a current overview of the postings and their status at all times.

### 4.3.2 Validations

Basically, the posting program executed validity checks during creation. The master data used (accounts, tax codes, payment terms, cost centers, etc.) are verified for their validity and usability. Master data can be created or changed without having to leave the posting program. The update is applied immediately and the data are available.

### 4.3.3 Data update level

Vouchers released for posting are posted immediately and updated in the database. This way, all cockpits and reports always access a database that is as up-to-date as possible.

### 4.3.4 Currency accounting

Vouchers in foreign currency are posted both in foreign currency and in internal currency. Vouchers are created basically in the currency of issue or in the voucher currency. The currency conversion takes place automatically at the specified exchange rate or at a standard rate defined in the system. The standard rate is calculated according to the posting date.

In addition to the values in the internal or accounting currency, the values for all postings and open items are also maintained in the created foreign currency or voucher currency. For this, the currency rates used are also saved. As an option, for all postings, whether created in internal currency or in foreign currency, amounts are maintained for internal currencies to be used in parallel.

In addition to the amount in the internal currency, all displays and analyses for postings created in foreign currency indicate also the corresponding currency amount and the exchange rate.

In clearing of open items with payments or other vouchers, such as credit advice, for example, exchange rate differences are calculated automatically. The applicable exchange rate differences are posted automatically as profit or costs.

For valuation of foreign currencies required in the course of closing, there are functions available for currency revaluation (*refer to 4.11 Currency revaluation*).

Foreign currency accounts (e.g., bank accounts) are maintained both in the internal currency and in their specified foreign currency.

### 4.3.5 Split entries

Entries can be split due to various technical requirements. In addition to usual splitting of a voucher, e.g., to multiple accounts or cost accounting objects, splitting can also result



from other requirements. For example, parts of a voucher can be automatically added to the periodic deferment (*refer to 4.9 Automatic deferments*), or parts of a voucher can be posted directly for other companies (*refer to 4.14 Intercompany clearing*). In case of invoice documents, for example, you can also decide per part posting whether it is to be added to the cash discount calculation base or not.

#### 4.3.6 OI processing

For processing of open items in the course of OI clearings or payment regulations, comfortable dialog functions are available. Selection or assignment of open items is alternatively possible as individual assignment or as multiple assignment through specification of the corresponding search criteria. For this, freely definable search sequences specify which contents of the open items should be compared with the specified search criteria.

If the processing of a remittance advice cannot be completed, the postings can be saved in the system as "postponed postings." This option is generally available for all transaction code types.

The software supports automatic posting of discount and other freely definable deductions. Payment differences resulting from expired cash discounts are labelled. Minor payment differences can be alternatively written off automatically. For payment differences, remainders can be created on the individual affected open item, or alternatively, new open items for the amounts of the differences can be created.

#### 4.3.7 Withholdings

When posting invoices, data can be specified for withholdings to be applied for payment. The data can be pre-populated automatically through corresponding parametrization of the affected business partners and, as an option, can be individually overwritten. For payments and partial payments, the withholdings specified for the affected invoice are considered accordingly and posted automatically, if need be (*refer to 4.8 Withholdings*).

#### 4.3.8 Deferments

Costs and profits that are posted under invoice documents can be set directly in the periodic deferment. This is based on entered deferment codes which can be used for pre-populating runtimes and account assignments. Similarly, for already posted vouchers, settings can be also posted subsequently in the periodic deferment (*refer to 4.9 Automatic deferments*).

#### 4.3.9 Periodic postings

This function allows for definition of posting blocks that are created automatically at a later point in time. This can involve, for example, postings recurring on monthly or quarterly basis. Periodic postings are created directly in the posting dialog. The count of operations is defined individually. Periodic postings are used for deferments, quotations or for other recurring, regular processes. The due date monitoring of such postings is handled automatically by the program.

#### 4.3.10 Sample postings

This function can be used for saving a current voucher specifically as sample. This way, recurring and extensive postings with usually unchanged account assignment can be saved as sample for subsequent creating.

#### 4.3.11 Delete or cancel postings

Postings that are saved, but not posted yet, can be deleted. For postings with the posted status, cancellation postings can be generated automatically.

#### 4.3.12 Direct updating of Controlling data

If Controlling is used with posting on cost accounting objects in the Financial Accounting, the postings are immediately available in Controlling.

#### 4.3.13 Supply receipt box of Asset Accounting

If Asset Accounting is used with posting on an asset relevant account, the voucher is immediately transferred to the Asset Accounting and is available there in the "receipt box" for further processing.

### 4.4 Automatic Bank Postings (ABB)

With Automatic Bank Postings, you have access to a functional area in the Financial Accounting where you can analyze and automatically post statements of account of your banks according to your requirements.

#### 4.4.1 Adjustments

For identification of the type of individual transaction code types, banks usually provide a form of bank transaction codes in your statement data. The codes are used by ABB for initial analysis for all subsequent processes. Therefore, all bank transaction codes occurring in your bank transactions must be entered once as a master record.

For processing of individual line items of your bank account statements, you can create your individual rules in the form of posting definitions. They will be created per bank transaction code. Based on the posting definition, you can specify the data to be searched for within a bank statement position and how the data found should be used to create a posting. When analyzing or searching within the reason for payment lines supplied by the banks, you are supported by the use of Regular Expressions (RegEx) as search pattern.

#### 4.4.2 Process statements

When processing statements, you will initially start importing the data delivered by your banks. First of all, the data formats delivered are formally validated.

You can start an analysis for the imported statement data. The analysis checks the delivered bank statement positions automatically based on your individual posting definitions and creates preassigned posting blocks herefrom. All faults found in the statement data, for example, missing or incorrect invoice number information from your customers, result in flagging of the affected line item. The analysis of the statement data can be activated once again at any time. This way, you can create for example additional, new posting definitions and have them applied to the current bank statement.

All faulty posting line items can be manually edited and completed. For this, you have the standard functions of the posting dialog available directly from the ABB.

If all bank statement positions have completely assigned posting blocks, the bank statement can be released for posting. For this, all account assignments are transferred and automatically posted.

#### 4.4.3 Non-bank payment vouchers

In addition to import and processing of actual bank account statements, you have functions available, with which you can process also non-bank data, such as payment notifications through the ABB. You will specify the structure and format of the supplied data once with a master data function.

The import, the analysis and processing for the data defined in this manner are performed according to the rules described above.

### 4.5 Payment transactions (domestic, international, SEPA)

In Comarch Financials Enterprise, the following requirements are covered with one central software:

- Outgoing payments (SEPA credit transfer, international transfers, cheque)
- Direct debits
- Factoring

These functions are controlled via a payment cockpit. You can also create and revise payment proposals. The payment method is specified within this cockpit. Basically, all payment methods can be used for both debtors, creditors and for one-time customers and suppliers.

In the personal accounts, payment profiles are defined to individually release the possible payment methods. Direct debit mandates are also saved here. Preferred mandates are automatically pre-populated for sales quotations, sales orders and distribution orders or in the posting creation.

In the transaction banks, the payment methods applicable for this bank with clearing accounts, minimum and maximum amounts per payment, data carrier formats and cheque or bill document templates are specified.

When creating a payment proposal, the current account balance and the credit line of the selected banks are presented. Through specification of the available amount, you can

specify the maximum amounts to be provided or to be used for direct debits by the banks. Upon reaching of the available amount of a transaction bank, the system performs another regulation for the next specified transaction bank.

Personal accounts or single items can be excluded from payment transactions.

In general, all payment methods of the outpayment category (credit-side payment transactions) or the payment receipt category (debit-side payment transactions / direct debits) are possible in one proposal.

#### **4.5.1 Select due items**

If only specific personal accounts are to be regulated, considerable selections are available.

Based on the payment terms, the software calculates the discount or the due date for net payment of an open item and performs the regulation upon deduction of the discount. Not discountable items are proposed at the due date for net payment.

A proposal is created that can be directly edited. The determined open items are blocked for editing with other functions and cannot be changed in the meantime.

Alternatively or in addition to automatic determination of the invoices to be regulated, manual selection can be made.

Through selection of the corresponding open items in the dialog, the items are transferred to the payment proposal. Pre-payments can be also made without the need to previously post an invoice.

All personal accounts which cannot be taken into account due to the payment limit, are included in the proposal but not assigned to any transaction bank. Alternatively, the items blocked for regulation can be also shown.

For personal accounts that are both debtor and creditor accounts at the same time, open receivables can be cleared against the liabilities in payment transactions. Debtors whose credit is to be paid can be included through manual selection in a payment run. The same procedure applies in direct debits for creditors.

#### **4.5.2 Edit payment proposal**

In the course of proposal processing, all or individual line items of a personal account can be deleted or changed. The payment amounts and cash discount amounts, the transaction bank or the payment methods can be changed.

A proposal can be changed as often as you wish, as long as it has not been actually posted. When a proposal is deleted, all open items are released again and can be included in a new or existing proposal.

Multiple payment or direct debit proposals, e.g., from various employees responsible, can exist simultaneously and can be processed separately.

The data on the Z4 report (payments and direct debits into or from foreign countries from EUR 12,500) are pre-populated and can be edited.

### 4.5.3 Create payment accompanying letters

You can create payment accompanying letters in advance. If they are not created in advance or the proposal has been edited again after creating, the accompanying letters are created automatically during execution.

### 4.5.4 Execute payments and direct debits

You can choose to execute the entire payment proposal with one call up or to separate the payment files creation from the posting.

When payment files are created, the hard copy of the payment files, the data carriers and accompanying letters are created automatically. Depending on the setting in the payment profile, the accompanying letters are printed, sent by e-mail or by fax.

The software compensates the regulated open items with the posting and creates posting records against the money in circulation accounts.

### 4.5.5 Possible file formats

In the transaction banks, a file format can be defined per payment method. Currently, the following formats are supported:

- DE Foreign (DTAZV)
- DE SEPA Direct debit
- DE SEPA Credit transfer
- EPC SEPA Direct debit
- EPC SEPA Credit transfer

Country variants:

- Austria (SEPA payments / direct debits / foreign payments)
- Switzerland incl. ISO20022
- Italy incl. RIBA
- Cheque / bill form per payment method.

### 4.5.6 Output Z4 reports

The Z4 report data defined in the payment and direct debit proposals for payments to foreign countries and direct debits from foreign countries can be output from the payments cockpit as a file. The function collects all Z4 reports occurring in the specified month and saves them a file for transferring to the German federal bank.

### 4.5.7 Cancel payments

Posted payment proposals can be completely cancelled. Alternatively, single payments from a payment proposal can be also cancelled. In this case, an additional posting can be generated as an option for return debit note fees.

## 4.6 Dunning

For optimal coordination of dunning with your customers' requirements, we have placed a special emphasis on high flexibility and individuality in the controlling facilities.

In addition to debtors, open receivables can be also dunned towards creditors. This can involve regular personal accounts as well as one-time customers or one-time suppliers.

For dunning, you can use a hierarchy of up to nine dunning individually designed levels.

In order to be able to manage and approach various groups of partners in dunning in a different manner, you have dunning profiles available. You can define individual details for interest and charges per dunning profile and dunning level. Furthermore, you can specify such data as dunning tolerance days, minimum dunning amount and dunning interval on this level.

The text modules to be applied are created per foreign language. The texts are assigned to customers based on the dunning profile, the dunning level and the defined language. This way, you can optimally control the customer communication.

The dunning can alternatively display all items or only due items of a partner. Partners or single items can be excluded from the dunning run.

### 4.6.1 Select due items for dunning proposal

For creating a dunning proposal, extensive selections and optional sorting facilities are available. The software determines the open items to be dunned based on their due dates and under consideration of dunning tolerance days and dunning interval details. A dunning proposal list is created for all open items that can be dunned.

### 4.6.2 Edit dunning proposal

The dunning proposal is edited in the dialog. All line items of a personal account can be also deleted, similarly as changing and deleting of single dunning items.

After editing of a dunning proposal, the changed list of proposals can be printed again for control. A proposal can be edited as often as possible until its execution. When a proposal is deleted, all open items are released again and can be included in a new or existing dunning proposal. Multiple dunning proposals, for example created by difference employees responsible, can exist and be edited in parallel.

### 4.6.3 Create dunnings

If the execution of dunning was released for a dunning proposal, the dunning letters are created and the dunning levels are incremented. Depending on the setting in the dunning profile, the dunning letters are printed, sent by e-mail or by fax.

## 4.7 Association regulation

Association regulation means not a self-contained application, but rather a function complex of its individual functions, with embedded various functions of the Financial Accounting. With this solution, we support users in handling of central payments from individual customers for an entire customer group and also on the supplier-side, payments for invoices of a group of suppliers, to a central payee.

For development of individual functions in this subject area, in addition to mapping of receivables and liabilities in a regulation structure, the determination of payment deductions from term agreements is of primary importance. Here, you can set nearly as many individual deduction codes as you wish. For each deduction code, you can determine the calculation base, the tax procedure and the account assignment.

Under the account assignment requirements, you can post deduction amounts resulting from payment of items from old years on separate accounts. With this additional account assignment, you can reverse applied accruals for deductions from term agreements in compliance with the procedure with each payment. You can determine the term rates to be deducted on time-dependent basis on various regulation levels.

### 4.7.1 Map technical data structure

For all debtors and creditors who belong to an association, you can define a reference to their personal account and the individual identification number for the association.

When posting invoices, you can enter information concerning association membership for each voucher. The information includes mainly:

- The partner number of the association
- The identification number for the association
- An invoice list number
- A settlement group

If an association membership is defined in the partner master for the personal account posted with the invoice, these details are pre-populated automatically. However, you can overwrite them.

With this procedure, you have access to information on association membership for each individual voucher. You can also subsequently change the information through the change service for open items. This option is of essential importance in particular when changing association memberships. All other functions within the association regulation are based on details maintained in the open items.

### 4.7.2 Posting of bank account statements in dialog

When posting payments to an association account in a dialog, all open items assigned to the association will be automatically proposed to you for clearing. For selection of the items to be settled, in addition to the standard assignment mechanisms based on the invoice number or external voucher number, you can also specifically assign the open items of a specific settlement through entering invoice list numbers. For all assigned

items, the deductions to be settled are determined automatically and posted when releasing the payment voucher.

### **4.7.3 Payments, bank collections and dunning letters**

As described previously for dialog creation, all open items assigned to the association are selected automatically also for payment and collection proposals. However, you can basically exclude partners from the association payment. This exclusion is performed through a corresponding specification in the partner master. With this function, you can represent open items in an association structure, yet execute the payment directly to the association member.

Inversely, the same rules apply also for the dunning procedure. Here, basically all open items assigned to the association are selected. Similarly as in the area of payments, individual partners can be excluded from the dunning of associations with a corresponding flag in the partner master.

## **4.8 Withholdings**

This function complex offers a solution for management and settlement of payment withholdings that your company has to execute in the name and on behalf of third parties.

The functional scope covered extends from the definitions of various withholdings to be made through their timely and automatic posting to settlement towards the withholding recipients and the business partners affected by the payment reductions.

The main focus for development of the individual functions in this subject area is the high flexibility, which is required for reflecting often extensive calculation and settlement provisions.

Due to integration of all required components in the Financial Accounting, it is not necessary to maintain separate sub-ledgers for withholdings.

### **4.8.1 Adjustments**

The general control of whether withholdings must be recorded on the invoices of a business partner is performed through time-limited assignment of withholding codes in the partner master.

The withholding codes involve the data on a withholding that you define. Under the umbrella of the withholding codes, you can maintain other controlling data, such as the form of the settlement and the settlement basis, and supplement them with the account assignment features and information on the collection records. The entire complex of these master data is represented by the provided components of withholding codes, withholding types and declaration types with the following controlling features:

- Information on the assessment basis
- Time-limited collection records
- Account of the withholding recipient
- Optional account assignment via suspense accounts



- Payment term for the withholding
- Determination of the posting timestamp (at invoicing or at payment)
- Recipient details for reporting settlement data

#### 4.8.2 Post withholdings

If there are active settings for withholdings for a personal account, the target withholding will be calculated automatically and proposed for this account when creating invoices. The withholding amount can be still changed prior to posting the voucher, if needed. Depending on the settings for account assignment and the posting timestamp, one of the following posting variants can be initiated at invoicing:

- Closing posting of the withholding to an object account for withholdings, or directly to the personal account of the withholding recipient. This posting indirectly reduces the open item of the invoice. With this posting, the execution of the withholding is closed, so that it can be transferred to the withholding recipient or settled, if needed.
- Posting of the withholding as "parked value" to an object account with suspense account function. This posting indirectly reduces the open item of the invoice. The amount posted to the suspense account is available for balancing, for example in the sense of liabilities from withholdings to be paid. Subsequent payment for the original invoice results in time-delayed resolution of the suspense account, through transfer posting to the object account provided for withholdings or to the personal account of the withholding recipient.

When posting payments for an invoice with active, not yet posted withholdings or withholdings "parked" on a suspense account, follow-up posting is released automatically. The posting amount is determined here always in proportion to the payment amount. Depending on the settings for the withholding to be settled in each case, one of two possible posting variants is used:

- Closing posting of the withholding from the personal account of the invoice to an object account for withholdings, or directly to the personal account of the withholding recipient. This posting, together with the releasing payment, indirectly reduces the open item of the invoice. With complete payment for the invoice, the execution of the withholding is closed, so that it can be transferred to the withholding recipient or settled, if needed.
- Closing posting of the withholding from the suspense account for the withholding to an object account for withholdings, or directly to the personal account of the withholding recipient. With complete payment for the invoice, the execution of the withholding is closed and the suspense account is resolved, so that the withholding can be transferred to the withholding recipient or settled, if needed.

These posting runs involve inclusion of deductions from payment terms for proportionate calculation of the withholding amount.

#### 4.8.3 Reporting settlement data on withholdings

Declarations on settlement of withholdings are created via the central cockpit for declarations of the Financial Accounting. Based on your settings in the declaration types, the

data from the existing withholding postings are summarized into settlement packages. These data can be provided for the withholding recipient or the business partner affected by the withholding. The report data generated are provided as a document for automatic shipment or as a file for data exchange.

## 4.9 Automatic deferments

The function complex for automatic deferments is used for supporting you in these closing-relevant accounting processes. You can set up vouchers, for example, cost accountings, at the time of their creation and with specification of the release timeframe, entirely or partially in the periodic deferment. The deferments are then automatically resolved in the period you have specified.

It is not necessary to maintain additional sub-ledgers because you can resolve your deferment accounts through cockpit queries concerning periods and processes.

### 4.9.1 Adjustments

Through a central master data software, you can create a count of deferment codes that you choose. Based on information on the individual deferment codes, you can describe all controlling features required for automatic posting. The overview includes the controlling features for:

- The type of deferment. With this information, you can specify whether both the setting in the deferment and its resolution as automatic posting for a base voucher (e.g., invoice) should be generated. Alternatively, postings for resolution of a voucher set up manually in the deferment can be performed automatically.
- The deferment period in calendar months or in periods.
- The start time point for resolution of the deferment. This information is relative for the setting time point in the deferment.
- Smoothing of posting amounts. The difference amounts resulting from amount rounding can be assigned to the first or the last deferment period.
- Account assignment on deferment accounts. The accounts can be specified separately for deferment shares to be resolved during the year and after the year.
- Specification of a balance range to be selectively posted, if the deferment posting should be performed only under a specific balancing guideline.
- The authorization to overview the period information in individual cases.

In object accounts and in transaction codes, you have controlling features available for pre-populating deferment codes in posting dialog.

### 4.9.2 Post deferments

Deferment postings are resolved via the posting dialog. Here, you can assign the deferment code to be applied to a base voucher. The accounts and amounts to be deferred always result from part postings of the base voucher. Each part posting to be deferred must have a corresponding transaction code assigned.

There are two types of base vouchers. The first one includes regular vouchers (e.g., invoices) concerning costs or profit, with the performance-relevant amount of the voucher

directly and automatically set from the PL in the deferment. Postings for resolution are also created automatically for the period of the deferment.

In the second case, the amount to be deferred is posted through historical vouchers as costs or profit. The created base voucher itself represents the manual posting of the setting from the PL in the deferment. Only postings for resolution of the deferment in the specified period are performed as automatic posting.

## **4.10 Down payments**

For handling your down payment processes, you have integrated functions available, with which you can comply with the legal requirements concerning taxation and balancing without maintaining separate sub-ledgers. However, the inventory of your down payments can be verified at any time during the entire lifecycle, from the request for a down payment until its settlement under a final account, with full transparency.

### **4.10.1 Structure of the data to be controlled**

The financial control of down payments is performed predominantly through collective accounts for receivables and liabilities; in this area, separate accounts for requested down payments and for received or paid down payments are planned. For requested down payments, you are additionally required to create a separate balance sheet account, to be used for zero setting of the posted down payment requirements in the balance sheet. If you create your own object accounts for tax assessment bases, you can also correctly show the down payments in the tax declaration.

Posting of down payment requests results in open items on personal accounts, opening the lifecycle for the resulting down payments. In order to be able to differentiate these down payment request vouchers from other invoice vouchers for customers and suppliers, you have a separate transaction type available for creating in posting dialog.

### **4.10.2 Down payment requests**

In general, the creation of a down payment requires posting of a request for these funds. The posting is based on a separate transaction type marking the created open item as down payment request. In the course of posting a down payment request, you will specify the tax rates required for subsequent down payment, based on tax codes. However, they will not be posted at the time of the down payment request, but at the time of the down payment as such. The down payment request is posted against a balance sheet account set up specifically for this purpose. The receivables resulting from this voucher on the posted personal account is shown in the general ledger of a separate account receivable for down payment requests. The placement of the balance sheet account for down payment requests and the accounts receivable for down payment requests in the balance sheet together allows for balance-neutral disclosure of the posted processes.

### 4.10.3 Create down payments

All payment receipts and outpayments cleared within the open items for personal accounts on down payment requests lead to disclosure of down payments. For this, various automatic processes are resolved:

- Due to the fact that posted down payment request is used only for representation of requested funds, it is initially cancelled in the amount of the cleared payment. This way, the still open down payment request status remains visible at any time.
- In the next step of the automatic procedure, a new open item is created in the amount of the payment receipt. This open item is disclosed as down payment and represented as a sub-number for the original down payment request process. In the general ledger, the value of the down payment item is automatically posted on the specifically created receivables and liabilities account for down payments.
- Finally, posting of the taxes and assessment basis for the down payment takes place. This posting is based on the tax codes defined for this purpose in the down payment request and is executed on the object accounts you have created for the assessment basis.

### 4.10.4 Settle down payments

Down payments can be cleared directly in the course of posting of invoices or as subsequent processes, against invoice items. Such a clearing results always in a reduction of the open item of the invoice by the cleared down payment amounts. At the same time, the open items of the down payments are reduced by the cleared shares. In relation with this process, automatic postings for correct representation in the balance sheet for correct tax disclosure also take place:

- For correct disclosure of the existing inventory of receivables and liabilities, the automatic transfer posting of the cleared down payment shares is initially performed. This posting is performed from the receivables and liabilities account for down payments to the receivables and liabilities account for deliveries and services under the affected invoice.
- Due to the fact that upon posting of the invoice, the taxes to be actually settled are specified and posted, the assessment bases and taxes posted for the down payment are automatically cancelled. The amount for the cancellation corresponds to the amounts of the cleared down payments.

### 4.10.5 Analysis

Through posting of down payment requests and down payments on regular personal accounts of customers and suppliers, you can show the down payment and request inventories at any time with the existing standard analyses in the area of cockpits and reports. Most of all, however, you are able to take these processes into account also in regular dunning as well as in payment transactions.

## 4.11 Currency revaluation

With the currency revaluation functions, you can evaluate the receivables and liabilities maintained in foreign currency and the foreign currency amounts of your funds in a simple and comfortable manner, according to the current exchange rates. The evaluation can

be basically performed with two methods. On one hand, you can specifically perform revaluation of individual accounts or open items in posting dialog with a separate transaction type. On the other hand, you have a cockpit application available, with which you can evaluate all inventories of a currency in one operation, based on revaluation proposals.

To create a proposal for revaluation, you have the cockpit with various controlling options available. This way, based on setting for the valuation guideline, you can specify here whether the inventories should be evaluated according to the highest or the lower value principle. You can apply this setting separately for debtors, creditors and object accounts. You have also controlling features available, with which you can, for example, include open items that must not be revaluated under the valuation guideline as informative line items in the proposal, with a special flag. As a mandatory feature, you have other miscellaneous selection features available for limitation of the accounts and items to be valued.

The revaluation of open items is always performed for the revaluation period that you specify. It is up to you to decide whether you wish to execute the revaluation for your primary internal currency or whether the valuation should be performed in one of the parallel currencies that you maintain. In the latter case, you can report already valued inventories in a corporate currency that you maintain.

The determined revaluation profits and revaluation losses are posted on object accounts that you created specifically for this purpose. The posting procedure may involve two basic posting cases:

- If a valued open item does not show any transactions in a period subsequent to the revaluation period, the exchange rate difference posting takes place once in the new revaluation period. The effect corresponds to a subsequent exchange rate update until the present time of the day.
- If a valued open item shows transactions in a period subsequent to the revaluation period, in addition to the exchange rate difference in the revaluation period, its cancellation is also performed automatically in the following posting period. The reason for this is obvious if you mind the example where an item was cleared in the following period. A revaluation profit or revaluation loss posting cancelled in a manner differing from the one described would result in a balance-related reopening of the already cleared item. Here, the general rule applies that the valuation of foreign currencies should be performed as soon as possible in the course of closing postings.

Similar procedure is applied in general and independently from existing entries, if you perform the currency revaluation not for your primary internal currency, but for one of parallel currencies that you defined. The exchange rate difference postings are in this case also always immediately and automatically cancelled in the following period.

## 4.12 Cleaning up of open items

Maintenance of accounts for customers and suppliers is a usually labor-intensive area of the Financial Accounting. If the tasks cannot be performed on a regular basis, a backlog will often occur, resulting in extra work, which is particularly undesirable at the time of annual financial statements. With the function for cleaning up open items, you will re-

ceive a powerful aid, significantly facilitating a regular overview and processing of the existing inventories in open items. The purpose here is always to clear debit and credit items that communicate with each other and to write off unrecoverable minor or remaining amounts.

For performing the cleaning up work, you have a cockpit available for facilitating creation of processing proposals. You can view the proposals and edit them, if needed. This way, you can easily remove single line items proposed for clearing or write-off from the proposal. The result of cleaning up is either clearing of multiple open items against each other or write-off of existing minor or remaining amounts of open items.

In order to support you optimally when creating such processing proposals, you have access to extensive selection options, allowing you to limit the cleaning up activities to a certain range of specified accounts and/or to a range of specified range of open items. In addition to usual, direct selections through generic specification of account numbers and open item numbers, you have also a number of other specifications available for limiting data. Some of them are:

- Employee responsible in charge of the account
- Amounts
- Date of open items
- Maturity
- Dunning block reasons
- Consider mixed accounts

The cleaning up involves three different types of processing. It is up to you to decide which procedure should be applied for the cleaning proposal. The following procedures are available:

- **Debit-Credit Assignment**  
This procedure is used for clearing open items with the same balance, but with difference debit-credit-codes. Thus, it always involves mutual clearing of exactly two open items. This way, you receive a separate assignment clearing process for the entire proposal per cleared item pair.
- **Zero balance assignment**  
This procedure is used for checking whether the sum amount of the selected items of an account or a mixed account equals zero. If this is the case, all affected items are subjected to mutual clearing or assignment clearing.
- **Write-off**  
If open items are not to be cleared, but rather open items are to be written off within set amount limits, you should choose this procedure. Other than in the case of the first two mentioned procedures, this procedure results in performance-related postings.

The selection entries you make can be saved and thus called up at any time for future cleaning up runs. This way, you are able to perform maintenance work also on a short-term basis according to proven rules. This way, regular processing of the open item inventory, for example, preceding dunning runs, can result in greater efficiency of editing these downstream runs.

### 4.13 Commercial credit insurance

With the functions for commercial credit insurance, you can create declarations for the commercial credit insurer as well as monitor and analyze your receivables with reference to limit violations. Due to integration of data on insurance contracts and insured customers, it is not necessary to maintain additional sub-ledgers.

With the central master data function for commercial credit insurance, you can disclose your existing insurance contracts for monitoring. The contracts include agreements on insurance flat, on individual risks and on insurance exclusions. For each insurance contract, you can define, in addition to the periods and insurance limits, also references to the master data to be used for defining the scope of the contract:

- Own organizations, whose customer requirements are covered by a contract
- The countries covered by the scope of the insurance contract
- The customers insured under the contract

In general, it is possible to create multiple companies for one contract as insured organizations. The limit monitoring and declaration is focused in this case on the total receivables of a customer for all defined companies.

For facilitated maintenance of the customer insurance relations, you have functions available, with which you can automatically add customers based on their country. Unintentional multiple assignment of customers to insurance contracts is excluded through existing controls and detailed dialog messages.

For creating the insurance messages, you have the cockpit application available. With the cockpit, you can receive a transparent overview of detailed values for a message. In addition, based on definitions of report, you can create other internal analyses for your commercial credit insurance. Based on these analyses, you can gain a current overview of your receivable inventories at any time, with a view of their insurance, and further analyze data concerning issues, such as:

- What kind of receivables are there before the beginning of the insurance?
- What kind of receivables emerged after the expiry of the insurance?
- What kind of receivables exceed the agreed credit dates?
- What kind of receivables exceed the agreed amount limits?

### 4.14 Intercompany clearing

With the integrated function for intercompany clearing, you can create vouchers, with postings for accounts in various own companies. The main focus here is the posting of central payments and the related clearing of open items in the affected companies. This applies both for manual creating of payments and for posting of financial transactions through Automatic Bank Postings (ABB). In addition to the core task for central payments, with the function for intercompany clearing, you can post parts of the costs or the profit within one voucher directly in companies, differing from the company of the original voucher.

#### 4.14.1 Data to be controlled

For each relation to be reflected between two companies, the possible clearing directions in the sense of sender-recipient relations are set up as master record. For each of the master records to be created, you can specify whether only company payments or also multi-company posting of other vouchers is acceptable. As additional detailed control, you can supplement the relation data with details specifying which ones of your transaction codes should be released for creating intercompany clearing postings.

Other details within these configuration data for company relations apply to account assignment of the intercompany clearing postings to be performed automatically. For each of the two affected companies, an account should be defined here for posting of receivables or liabilities towards the other company. If not only company payments are to be posted, you can specify here also accounts for posting of other recharged costs as well as revenues from recharging.

In addition to representation of the costs to be posted, details on the tax codes to be applied should be also provided in the case of recharged costs / revenues. For this, the corresponding pairs of tax codes are maintained, consisting of a tax code in the posted source company (e.g., VAT) and a counterpart in the target company (e.g., input tax), respectively. The tax rates for the specified tax codes can differ from each other.

#### 4.14.2 Post multi-company payments

Posting of company payments is an integrated part of standard posting creation. If a company has established sender relations with other companies of the corporation, you can additionally access also the open items of all corporate companies allowed due to the relations, in the course of allocation of open items. In addition to the usual allocation of the items to be settled, no other details are required for correct posting of the voucher.

Upon release of the voucher, the necessary postings between personal accounts and company clearing accounts are performed automatically.

#### 4.14.3 Post other multi-company vouchers

These vouchers are usually supplier invoices, the costs of which should be completely or only partially passed on to one or more companies within the corporation, other than the payee. These vouchers are created through the regular transaction codes of the posting dialog.

If a company has established sender relations with other companies of the corporation, you can make account assignments directly on object accounts in the corporate companies allowed due to the relations, in the course of creating voucher line items.

Upon release of the voucher, the necessary postings for the costs passed on, the revenues from cost transfer, the value added taxes, as well as receivables and liabilities towards companies of the corporation are created automatically.



## 4.15 Advance payment

The Comarch ERP Enterprise system offers integrated workflows allowing for the use of posted payment instruments to release waiting orders, especially for online trading companies.

The workflows provide automatic processes for the following applications:

- Incoming payments are credited to a personal account through operation on account:  
in this case, the payment is transferred to Comarch ERP Enterprise under consideration of the created item on account and under application of the order numbers of the customer, if any. If required, after validation of a specified set of rules, the relevant orders are automatically released for delivery.
- Validation of free amounts for clearing open items in the Financial Accounting:  
for all clearings created in the Financial Accounting for open items, it is verified whether this involves funds provided on account, which are already assigned to an order in Comarch ERP Enterprise. If this is the case, clearing can be made only in the amount that has not been assigned to orders yet.
- Clearing of invoices with payments made in the Financial Accounting:  
for posting of invoices from Comarch ERP Enterprise with a reference to advance payment orders, payments already posted in the Financial Accounting are automatically cleared against the created invoice. Here, payment differences can be also written off automatically if you have defined this in advance.

With the use of these special processes, you have highly efficient functions available for extensive automation of the tasks related with advance payment transaction.

## 4.16 Accounting standards

With the accounting standards, you gain access to a function complex, with which you can represent your accounting in a comfortable manner, in parallel, in line with various accounting regulations. The procedure applied does not require creating of additional object accounts for technical reasons, which is often the case with other solutions.

Creation and use of the accounting standards is possible at any time and uncomplicated. For each accounting regulation that is to be represented, you will create a correspondingly names accounting standard. Through a one-time operation of balance building, the already existing values are transferred to the new, additional accounting standards.

From this time on, all posting data of the Financial Accounting and the Controlling are automatically updated also for the newly created accounting standards. This way, you receive immediately the figures per accounting standard in the cockpit and report analyses. This means that without further specific processes, all accounting standards represent initially the same values.

Therefore, only the contextual differences need to be posted, which result from the application of various accounting regulations for certain transaction code types. In order to post these differing values or shifts in value, you can assign a specific accounting standard to the individual general ledger postings upon creating. Postings with specification of

the accounting standard are updated only within this accounting standard that you specified.

This procedure applies equally for creating automatic general ledger postings, for example, deferment postings. Here, you can decide whether deferment postings should be relevant equally for all accounting standards or only for one specific accounting standard.

As a general rule for postings from the Asset Accounting, they are always performed specifically for a certain accounting standard. The accounting standard to be posted is assigned in the Asset Accounting through depreciation areas. Thus, through the use of various depreciation areas in the Asset Accounting, you can automatically determine the complete depreciations per accounting regulation and post them in the Financial Accounting.

## 4.17 Parallel currencies

Particularly in the course of consolidated financial statements, you can encounter the requirement to report the figures of your companies in a currency other than their internal currency. Conversion of the analyzed internal currency values into the report currency per cutoff date is time-consuming and requires recalculation for any change of figures.

With the functions for maintaining parallel internal currency values, you can access already converted values in a currency that you choose, at any time and for any posting status. All relevant cockpits and reports display your figures both in their primary accounting currency and in parallel currencies you have defined.

The activation of these functions requires several steps. First, you have to specify in your company master data which currencies should be maintained as parallel currencies for your accounting currency. You should also define the currency rates that should be used for converting the parallel currencies into their accounting currency. In the second step, you need to release the conversion of all existing values into the new parallel currency (currencies). Upon completion of this first conversion, the conversion for future vouchers will be performed directly in real time with their posting.

In combination with the function complex for accounting standards, the parallel currencies constitute a secure base for your consolidated financial statements.

## 4.18 Finance Controlling

The Finance Controlling is a function package, with which you can view and analyze both historical and future cash flows. The data can be viewed always on a time axis that you define. At any point in time on this axis, the liquidity-relevant totals are represented on the object account level. A detailed analysis of the represented totals can be broken down to individual vouchers.

### 4.18.1 Adjustments

The control settings for the Finance Controlling are mainly represented by two components. In Customizing, you can apply all general settings for the behavior and for updating of the liquidity data. At this level, you can control:

The range of the time axis for representing future liquidity levels

- Consideration of maturities, payment history and deductions
- Consideration and exclusion of open items with special features, for example, with specific dunning levels
- Consideration of purchase orders, sales orders or distribution orders
- Account assignments for representing processes that have not been posted yet, for example, open distribution or purchase orders

In addition to the basic settings in Customizing, you can control mainly the analysis-related assignment of accounts on the level of object accounts. The assignment is based on freely definable classification structure for cash inflows or payment receipts as well as cash outflows or payouts. For tax accounts, such as input tax and value added tax, there are additional possibilities for representing tax payment charges and their maturity.

#### **4.18.2 Database**

Current cash flows are calculated and updated automatically in the course of daily postings on monetary accounts, for example, banks or cash. In addition to these postings, which offer historical views of credit and debit, the liquidity data also include inflow of posted invoices, open ERP orders, entries from the invoice receipt book as well as other data, such as tax balance. These data are projected to the probable date of their liquidity-effect, based on your settings, and represented on the time axis.

#### **4.18.3 Analysis**

For the data analysis, you have cockpits available, which allow for analyses on summed levels in the same manner as the analysis of individual liquidity-relevant posting processes.

### **4.19 Payment balance**

With the payment balance functions, we support you in terms of declarations that must be created under the EU regulation on Community statistics concerning balance of payments, international trade in services and foreign direct investment. With the functions, you can define service codes and then assign them to individual postings or part postings. You are also supported by control mechanisms, with which you can specify on the object account level and in relation with tax codes whether and which service codes are to be applied. The postings created with services codes can be provided periodically for the declaration to the recipient sites, through a specifically designed output process.

### **4.20 Reports**

Reports are variable, with a free selection of the selection criteria, sort order and summary. Reports are output in printed form or as file output for further processing, for example, for electronic declarations. Many common file types are available for this purpose (MS Excel, MS Word, CSV, PDF, HTML, XML, TXT, etc.).

The following standard reports are available, among other reports:

- Created postings
- Posting journal
- Accounts and statement of account
- Sums and balances for debtors, creditors, object accounts
- Open items for debtors, creditors, object accounts
- Revaluations of open items
- OI structural analyses
- Advance turnover tax return
- Summary declaration
- Reports on tax reconciliation
- Reports on commercial credit insurance
- LZB declaration

For the reports, numerous “definitions of report” can be defined. In a definition of report, the selection of data, their sort order and totaling are specified. The definitions of report are saved, thus being available for future reports.

In Comarch Financials Enterprise, it is not only possible to analyze using previously described standard reports, for which the basic structure is largely preset. In addition to these reports, you can also create your individually defined reports.

For these reports, you can specify the column structure based on individual column schemas. The row structure is based on individual row schemas. Within the report definitions, the defined column and row schemas can be combined to always new analysis designs. Application areas for defined reports are:

- Balance sheet with current account breakdown,
- PL
- BWA

## 4.21 Information cockpits

In order to optimally support provision of information and reconciliation tasks and in order to meet the requirement for comprehensive, immediate and up-to-date information on all processes of the accounts, various cockpits are available. The cockpits are distinguished by a high flexibility in their query and output features. You can customize the scope of the required selection entries, the available columns, the column structure of the query results, as well as attributes for sorting, grouping and totaling. The customizations applied can be made available on various levels, from single user to system-wide use.

The analysis functionality of the cockpit covers the complete dataset of the Financial Accounting. This way, you can retrieve data analyses and data requests at any time and in the most up-to-date form. An extract of the most key data pools includes:

- Single entries executed
- Open and cleared items including their history
- Account balances, account transaction figures and turnover
- VAT data
- Deferment data

With the cockpits of the Financial Accounting, you receive effective instruments for valuation and controlling of your company.

## 4.22 Closing/opening

Closing tasks include mainly opening of settlement periods, such as periods and financial years, or provisional and final closing of the periods.

In the settings for financial years, you can specify whether the balances of the previous year should be automatically carried forward when creating a new financial year.

### 4.22.1 Posting in multiple financial years

If, after carrying over of the balances carried forward into the new financial year, posting still takes place into the old financial year, the software automatically corrects the balance carried forward of the new fiscal year. For subsequent postings in old fiscal years, there are supplementary periods available. You can post in multiple open financial years in parallel. The opening balances will be then corrected over multiple years.

# 5 Controlling

## 5.1 Scope of services

The Controlling area covers, in addition to the classic cost center and cost unit accounting, also the cost accounting approach to projects, operational units and other freely definable dimensions (such as customer, sales representative, item, region). All common cost accounting methods, such as full cost accounting and direct costing, breakeven analysis or marginal planned cost accounting, can be considered here. The Controlling functions are supplemented by numerous features for the planning and budgeting area.

### 5.1.1 Subsystems

- Cost center accounting
- Cost unit accounting/calculation
- Project controlling
- Sales controlling/customer-level contribution margin analysis
- Profit center accounting

### 5.1.2 Cost accounting systems

- Breakeven analysis
- Actual cost system for full costs/direct costs
- Marginal planned cost accounting
- Flexible planned cost calculation
- Activity-based costing

- Information types
- Possible for all accounting standards
  - Cost types:
  - Fixed, variable
  - Direct costs, structure costs
  - Revenues, costs
  - Rates, ratios, reference values, quantities
  - Cost type classifications, dimension classifications

### 5.1.3 Postings

- Postings can be transferred from any legacy systems via external interfaces into the Controlling.
- Transfer of postings from the Financial Accounting and the Asset Accounting is an integral part of the Controlling in Comarch Financials Enterprise.
- In addition, postings can be also created manually.
- Postings can be generated automatically from primary postings:
  - Calculative
  - Division into fixed/variable
  - Quantities

### 5.1.4 Planning and budgeting

- Any number of plan variants is possible, estimates per mandate and fiscal year
- Revaluation of planned values
- Automatic plan proposals and manual post-editing
- Automatic budgeting, calendarization, consideration of periodic fluctuations
- Planning of direct costs, outputs, production and sales quantities

### 5.1.5 Secondary costs (cost allocations and activity allocations)

- For actual, budgeted, planned costs or revenues
- Within a subsystem, e.g.:
  - Cost center to cost center
- Among subsystems, e.g.:
  - Cost center to cost unit
  - Project to customer or process to customer
- Cost allocation according to step ladder procedure and iterative clearing
- Activity allocation according to reference values and/or transfer prices
- Overhead calculation
- Secondary cost valuation, repeatable at any time

### 5.1.6 Reports

- Actual/budgeted/planned comparisons for any periods
- Freely definable calculation formulas
- Freely definable reports with support of row and column schemas for all dimensions

- List of individual items
- Multi-level breakeven analyses
- Operating income statement
- Sales controlling, customer-item analyses

## 5.2 Master data

In addition to numerous master data of Comarch ERP Enterprise, the Controlling uses also its own master data. In this product overview, brief reference is made to the important master data.

### 5.2.1 Optional Dimensions

Optional dimension is the generic term for cost centers, cost units, projects, customers and up to 16 other terms. According to the definition in the dimension type, the Controlling can have up to 20 subareas, which you can define according to your organizational structure and your analysis requirements:

- Cost center accounting
- Cost unit accounting
- Project accounting
- Customer accounting
- And up to 16 other freely definable areas.

With the classifications typical in Comarch ERP Enterprise, optional dimensions can be organized and structured for analyses. You can activate up to five classifications per optional dimension and financial organization.

### 5.2.2 Cost types

Cost types are used for dividing the arising data in the Controlling according to their own nature ("How much is it?," "What kind of revenues?," "How much?," "What price?"). Various cost types can be used, depending on the perspective: costs, revenues, quantities, rates, ratios.

The cost types are defined in the master data. In the general information on cost types, it is defined for which business area the cost types should be applicable (Controlling, Financial Accounting, Asset Accounting, ERP).

In other information, it should be defined, for example, to which cost type they should be assigned (costs, revenues, quantities, ratios, rates) and whether they are plannable or postable. The cost class is used for specifying whether overhead costs or direct costs, fixed or variable costs are involved.

With the classifications typical in Comarch ERP Enterprise, cost types can be organized and structured for analyses. There are five classifications available per cost type and financial organization.

### 5.2.3 Transaction codes

Transaction codes are used for controlling manual postings in the Controlling. With transaction codes, the input fields and functions are affected when posting. Any number of transaction codes can be set up and thus, largely pre-defined assignments can be defined for certain transaction code types of the company.

Every transaction code has a transaction type assigned. Based on the transaction type, the general type of posting is determined (e.g., value, quantity, price, ratio, etc.).

The posting category defined in the transaction code controls the general process in the posting program (basic entry, reversing entry, split posting).

Assignment of a transaction type and a posting category to a transaction code results in fixed preassignments or controls in the transaction code master and specifies predefined processes for the posting program.

The definition of transaction codes is also used for simplifying the posting of certain vouchers. In the transaction code master, it is decided which fields in the posting dialog should be activated, preassigned, duplicated and/or protected.

### 5.2.4 Data types

The data type is used for dividing the data into actual data and planned data. This way, actual data and planned data in any number of planning variants can be managed on cost types and optional dimensions.

The data types used are user-specified. For each data type, it should be specified whether actual data or planned data will be managed on the data type. In addition, individual data types can be blocked for normal processing if they are populated internally in the system for certain functions. Data types can include, for example:

- 100 = actual data
- 200 = budget data
- 210 = planning variant 1
- 220 = planning variant 2
- 230 = forecast

You can define per data type, which optional dimension, which period and which data can be used for posting of the data type.

### 5.2.5 Fiscal years and posting periods

Fiscal years and periods are defined centrally for ERP, for the Financial Accounting, for the Controlling and for the Asset Accounting in the Base framework (see chapter 3.2 [Fiscal years and posting periods](#)).

## 5.3 Posting

The posting function is a central application in Controlling.



Transfer of postings from the Financial Accounting and the Asset Accounting is an integral part of the Controlling. Customer and supplier invoices, inventory movements and production reporting can be transferred from the ERP directly to the Controlling. Postings from any legacy systems can be transferred via external interfaces into the Controlling. In addition, postings can be also created manually.

All postings, whether created manually or transferred from legacy systems, are subject to the same validation and posting process.

A primary functional objective was to organize posting creation flexibly. With the settings of transaction codes, creation of postings can be adapted to highly individual requirements.

Postings can be generated automatically from primary postings:

- Division into fixed/variable
- Calculative postings (any count)
- Quantity entries (any count)

### **5.3.1 Validations**

Basically, the posting program executes validity checks during creation. The master data used (cost types, optional dimensions, data types, etc.) are verified for their validity and usability. Master data can be created or changed, without having to leave the posting program. The update is applied immediately and the data are available.

### **5.3.2 Data update level**

Due to the fact that the posted vouchers are immediately updated in the database, the display and analysis programs can be always used with current data.

## **5.4 Planning and budgeting**

The planning process supports any count of planning variants. Thus, it is possible to develop various planning scenarios in parallel. The planning process in the Controlling is based on the Controlling balances. As a rule, the existing balances are used for modifying the planned values for the future and for defining them anew according to their objectives. Other than for posting, the planning dialog displays comparative data supporting the user in the planning process.

At the beginning of the planning process, the first planning proposal is usually created automatically. Possible sources include:

- Actual values or other planning variants
- Any differing source periods
- Global or detailed surcharges and deductions
- With or without secondary costs

### 5.4.1 With seasonal curves

Automatic creation of a planning proposal is followed by detailed planning with the use of the planning application. The application can be also used for changing already existing planned data or for manually creating completely new planned data.

### 5.4.2 Data update level

The planned data are first placed by the planning application into a work file. Following confirmation from the user, the transaction data of the Controlling are updated and are then available for display and analysis software.

### 5.4.3 Deferments

The planning process is designed for up to two optional dimensions (e.g., cost unit with customer, cost center with project, customer). For creating of planned data for more than two optional dimensions, the posting dialog is available.

## 5.5 Secondary costs (cost allocations and activity allocations)

Secondary costs are understood as cost and activity allocations that have not resulted from a primary posting.

Secondary costs occur, for example, when internal activities are created, in case of cost allocations or general "calculations." A specific example for cost allocations is splitting of the monthly lease costs according to a predefined distribution key among the involved cost centers.

Possible distribution keys include fixed reference values or percentages, reference values defined for optional dimensions or reference from transaction data of the Controlling.

For internal activity allocations, reference values can also be defined or calculated from optional dimensions or transaction data. The same applies for the price to be determined.

### 5.5.1 Secondary cost runs

Secondary costs are determined for a secondary cost run in each case. Every run can have any number of line item records that are processed in a fixed sequence and build on each other. In every line item record, extensive processing details are specified.

Secondary cost runs can be repeated as often as you wish, because previously generated data can be deleted again. Secondary costs do not modify primary postings. For secondary costs, debit and credit postings are always generated as a rule. Clearing of debit postings through corresponding reversing entries is of particular interest for reconciliation. However, credit posting can be excluded, if needed.

### 5.5.2 Data update level

Secondary costs are updated immediately in the database. Therefore, the display and analysis software can always provide up-to-date information.

## 5.6 Reports

Reports are variable, with a free selection of the selection criteria, sort order and summary. The following analyses are available in Controlling:

- Controlling postings
- Balances
- Daily balances
- Variance analyses

For the reports, numerous "definitions of report" can be defined. In a definition of report, the selection of data, their sort order of data and totaling are specified. The definitions of reports are saved, thus being always available.

Comarch Financials Enterprise offers not only the standard reports described above, for which the basic structure is largely preset. You can also create your individually defined reports, differing from these reports. These individually defined reports consist always of a definition of columns and a definition of rows. Within the "Defined reports output" application, you can then combine definitions of columns and rows as well as the periods to be analyzed for the printout. Examples for defined reports are:

- Cost distribution sheet (period/cost center comparison)
- Cost center report/plan/actual comparison
- Any calculations
- Project overviews

In general, every report can be output as file. All common file types are available for this purpose (Excel, Word, CSV, PDF, HTML, XML, TXT, etc.).

## 5.7 Cockpits

In order to optimally support the often time-consuming search, clarification and reconciliation tasks and in order to meet the requirement for immediate and up-to-date information on all processes, various cockpits are available. The cockpits consist of a query pane and a work pane. The query pane contains search fields that you can use to determine the searched data records based on selected criteria. The query pane can display data as a list.

The following cockpits are currently available:

- Cockpit for transaction data in the Controlling
- Cockpit for posting runs in the Controlling
- Cockpit for created postings in the Controlling
- Cockpit for cost types
- Cockpit for dimension transfer
- Cockpit for secondary cost processing

## 5.8 Closing/opening

There is a central software available for the annual statement and opening of new fiscal years, which is used for the Financial Accounting, for the Asset Accounting and for the Controlling.

Closing tasks include mainly opening, provisional and final closing of posting periods. The same applies for complete financial years.

# 6 Asset Accounting

## 6.1 Scope of services

The Asset Accounting constitutes another fully integrated part of the Financials. It is so flexibly structured that it meets the international requirements even without adaptation.

- Integration of the Financial Accounting and the Controlling
- Maintenance of various valuations per asset (parallel account balancing according to HGB, IFRS, etc.)
- Definition of planned assets for investment planning
- Value handling of actual and planned depreciations
- Simulation of development of the assets in future financial years
- Maintenance of insurance and replacement amounts
- Posting program for receipts, repostings, value corrections, master data changes or issues
- Transfer of all relevant processes to the Financial Accounting and to the Controlling (e.g., depreciations, scrapping, value corrections as well as calculative depreciations and interest)
- Adjustment of cockpits to individual information needs
- Variable design of reports in terms of sorting and totaling

## 6.2 Integration of the Financial Accounting and the Controlling

The mailbox function in the Asset Accounting guarantees secure workflow management for all transaction code types from the Financial Accounting. This means that all processes that are posted in the Financial Accounting on asset relevant accounts, including cash discount and discount deductions from payment processes, proceed to the voucher mailbox of the Asset Accounting.

For transaction code types that are released in the Asset Accounting, such as depreciation and interest calculations, dispatches (calculation of book profits and losses), etc., there are direct interfaces available for transfer of the actual or planned values to the Financial Accounting and to the Controlling.

## 6.3 Master data

In addition to numerous master data of Comarch Financials Enterprise, the Asset Accounting uses also its own master data. The most important master data of the Asset Accounting will be briefly presented here.

### 6.3.1 Depreciation areas

Depreciation areas are needed for valuation of the assets according to various legal and business requirements. It means that for every depreciation area, individual valuation and depreciation methods can be used. Therefore, it is necessary to specify an accounting standard per depreciation area.

Depreciation areas are also helpful for controlling the transfer of postings to the Financial Accounting and to the Controlling. Furthermore, a posting period can be defined in a depreciation area, until the software automatically calculates the depreciations and interest for the period for each newly received asset.

### 6.3.2 Depreciation groups

Depreciation groups can be used for restricting the use of depreciation methods in the asset master. For this purpose, several depreciation methods are summarized into one depreciation group. This depreciation group can be assigned to one depreciation area or one depreciation group. When maintaining an asset, the affiliation of the entered depreciation method with this depreciation group is verified.

### 6.3.3 Depreciation classes

Depreciation classes are needed for differentiating and analyzing scheduled or unscheduled losses of value of the assets after ordinary, special or partial depreciation.

### 6.3.4 Depreciation methods

Depreciation methods are the central factors within the Asset Accounting. They are used for calculating depreciations.

Depreciation methods meet various requirements resulting from statutory provisions and from business requirements. The central function – the calculation of depreciations – has been designed in a flexible manner in order to meet the requirements of various conditions:

- Depreciation methods contain parameters for controlling calculation steps. For example, you can set the base value and the calculation formula for the depreciation. Other parameters allow for linking multiple depreciation methods with their changeover conditions that are verified at time points that can be set.
- For declining depreciation methods, factors for determining depreciation records and the maximum count of allowed records can be defined.
- Depreciation schedules allow for definition of scaling for adjusting the depreciation records, depending on the period.

- Depreciation groups allow for grouping several depreciation methods. This way, the use of depreciation methods can be restricted when maintaining assets.
- All depreciation types can be combined in any manner.
- The depreciation requirements can be changed at any time through automatic correction of the depreciation values.

### 6.3.5 Asset groups

The asset groups are used for dividing and analyzing the assets. Furthermore, for the purpose of simplification of asset maintenance, a lot of basic information (e.g., depreciation method, useful life, optional dimension, location, etc.) are saved within the asset groups as default values. These control and posting characteristics that are required for an asset are then used as default values when creating new assets.

### 6.3.6 Asset master

The asset master constitutes the central table of Asset Accounting. Here, new assets are created, existing assets are changed or deleted. The information saved here constitutes the basis for calculation runs and analyses of the Asset Accounting.

For various legal and business requirements, any depreciation areas can be created for every asset. On one hand, fiscal and calculative depreciation options can be imagined, but also depreciation options according to other financial reporting standards are feasible, such as UKGAAP, IAS or US-GAAP, for example.

The individual assets are differentiated based on asset numbers.

The asset master contains a number of fields for information and control of postings:

- Depreciation method
- Useful life
- Replacement amounts
- Depreciation regulation in the first useful year (first year convention, pro rata, complete annual depreciation)
- Depreciation regulation in the last useful year
- Rounding rules
- Imputed interest
- Insurance sector
- File attachments (images, descriptions, etc.)

### 6.3.7 Asset locations

The location identifies the spatial assignment of an asset. This can be, for example, a company, a department, a warehouse or a room. Specification of a location is mandatory. After posting the asset, the location can be changed only by means of reposting. Furthermore, in the course of analysis, assets can be divided, selected and summed up according to locations.

### 6.3.8 Account assignments

Account assignments are used for finding accounts when generating posting records for the Financial Accounting. Account assignments are to be performed for various amount types, such as, e.g., for normal depreciation, for current value depreciation or for dispatches for book profit or loss. In these account assignments, object accounts are to be specified, on which the values will be subsequently posted automatically in the Financial Accounting.

The account assignments can be defined on various levels. They can apply equally to all depreciation areas and all assets or they can be maintained individually, e.g., per asset group or per stock account.

### 6.3.9 Cost type assignments

Cost type assignments are used for finding accounts when generating posting records for the Controlling. Cost type assignments are to be performed for various amount types, such as, e.g., for calculative depreciations or interest.

The cost type assignments can be also defined on various levels and this way, they can be valid for depreciation areas or can be assigned to only one specific asset.

### 6.3.10 Transaction codes

Postings within the Asset Accounting are controlled with transaction codes. This includes in particular:

- Transaction codes used for creating receipts and issues from the assets.
- Transaction codes used for repostings, e.g., reclassifications to a new site or a new cost center.
- Transaction codes used for department corrections, inventory account repostings and apportioning (inventory count, split).
- Transaction codes used for activating assets under construction.
- Transaction codes used for posting current value depreciations and appreciations in accordance with tax law.

Furthermore, various fields can be activated in the transaction codes for the posting dialog and valid value ranges can be defined for the input. All transaction codes must have a transaction type assigned. Based on the transaction type, the basic functions and controls for a transaction code are controlled.

### 6.3.11 Fiscal years and posting periods

Fiscal years and periods are defined centrally for ERP, for the Financial Accounting, for the Controlling and for the Asset Accounting in the Base framework (see chapter 3.2 [Fiscal years and posting periods](#)).

## 6.4 Posting

Posting in the Asset Accounting is used for recording dynamic data of assets, such as value changes and master data changes.

All operational processes in the lifecycle of an asset, such as addition of acquisition costs, issue of an asset, change of the useful life or a change of the inventory account are only possible by posting of an asset voucher. The transaction code selected at the time of proceeding to the posting dialog and the transaction type defined there determine the appearance and the further course of the posting dialog. Through selection of the corresponding transaction code, all transactions can be created or reflected:

- Additions, partial additions
- Subsequent activations
- Reductions, appreciations
- Repostings
- Disposals, partial disposals
- Activation of assets under construction
- Depreciation type change
- Book value corrections
- Depreciation suspension
- Inventory count split
- Repairing costs
- Activity declaration
- Addition of data transfer
- Cancellations
- Allocation of hidden reserves and their subsequent resolution
- Transfer of investment allowances

The "Posting" cockpit delivers a comprehensive overview of the created postings and their status information. The vouchers themselves cannot be edited, but other actions can be called up from the application. They allow for a multiple selection for posting or cancellation of vouchers as well as proceeding to the posting dialog for the purpose of creating a new voucher. As a result, the "Posting" cockpit is a predestined tool for obtaining an overview of the edit status of vouchers and for transferring these vouchers selectively for further processing.

## 6.5 Planning and simulation

Investment planning is possible in the Asset Accounting through maintenance of planned assets. On the planned assets, the probable acquisition costs can be created and afterwards, the depreciation values as well as imputed interest for future periods can be determined. These data are available for successor systems, such as the Controlling, the purchase or the financial planning. After launching of investments, the planned values can be compared with the actual values.

For existing assets, simulation calculations can be performed. This allows for performing calculations for the future as preview or development values of the existing assets. The determined depreciation values, replacement amounts, insurance amounts and imputed interest can be also transferred to the Controlling for planning purposes.



## 6.6 Calculate depreciations/interest/simulation

In the "Periodic settlement" cockpit, the calculation of depreciations and calculative interest is started. By selecting the category:

- Settlement run
- Planning run
- Simulation run,

you decide whether depreciations are calculated with actual assets or planned assets and whether a simulation should be generated. The simulation run does not create any postings.

If automatic calculation of the depreciation and interest was initiated through the depreciation area, the settlement run basically does not need to be started.

## 6.7 Transfer of postings for the Financials and the Controlling

The "Sending vouchers" cockpit is used for representing individual, multiple or all outgoing vouchers and their status information ("Ready for transfer," "Posted," "Cancelled," etc.). The vouchers as such cannot be edited. You can call up other actions from the application. The actions allow for multiple selections for the transfer to the Financial Accounting or the Controlling. As a result, the "Sending vouchers" cockpit is a predestined tool for obtaining an overview of the edit status of outgoing vouchers and for transferring them selectively for further processing.

## 6.8 Insurance/replacement amounts

The "Insurances" application is used for creating master data for insurance contracts. One or more insurances can be assigned to every asset, and one insurance can apply to multiple assets.

Furthermore, replacement amounts for insurances can be calculated. The replacement amounts are also necessary as a base amount for determining of the calculative depreciation.

The insurance values and replacement amounts are determined and saved (usually) on annual basis. This takes place via a proprietary valuation run. This valuation run is repeatable and overwrites the existing data with the current values. The values from past years are preserved and can be called up both on-screen or as list analyses.

## 6.9 Additional functions

### 6.9.1 Allocation of acquisitions

New allocations are used for simplifying creation and posting of assets. Through allocation of acquisitions, multiple assets can be created with the same properties (e.g., pur-

chase of 20 computers at the same price) and the corresponding receipts should be immediately posted. The settings are used from the asset group defined in the new allocation.

### 6.9.2 Asset mass data change

Asset mass data changes are used for executing a large number of identical changes of assets and depreciation methods in the assets through corresponding postings. It is also possible to selectively create mass dispatches. The affected assets can be restricted with a range of selection criteria.

### 6.9.3 Copy depreciation area

When copying a depreciation area, the master data (depreciation area and assignment of the depreciation area to the asset master) as well as the transaction data (asset vouchers, transactions and balances) are copied to the target depreciation area, which immensely simplifies creation of new depreciation areas.

If the target depreciation area does not exist yet, it will be created. Afterwards – depending on the selection – the target depreciation area is defined in the selected assets. For the second call up, the selected assets are supplied with transaction data. Only transaction data for open fiscal years are copied; the values for closed fiscal years are created as migration transaction (no asset voucher).

For copying, numerous parameter settings are possible, which apply to assets, depreciation areas, the related processes and processing modalities, in order to precisely specify the required copy.

A protocol will be created, in which you can view and check the relevant data.

## 6.10 Reports

Reports are variable, with a free selection of the selection criteria, sort order and summary, and they can be saved. The following reports are available, among other reports:

- **Assets analysis**  
Delivers information on the development of assets in a report. This includes representing, starting from all acquisition costs, the receipts, the issues, repostings and appreciations of the fiscal year as well as the accumulated depreciations. In general, the assets analysis is printed for a financial year until the specified posting period.
- **Asset chart**  
The Asset chart report is used for outputting a comprehensive, current overview of master data, asset transactions, annual and periodical values of one or more assets in one report. The application allows for selecting the assets to be analyzed according to diverse selection criteria. You can select individual information blocks (e.g., only master data) and specify the depreciation areas to be analyzed.
- **Balances Assets**  
The Balances Assets report is used for representing the accumulated values of assets, limited to a freely chosen posting period, in a report.

- Depreciation comparisons  
With this analysis, the accumulated values of two depreciations areas can be displayed in form of a comparison in one report.
- Asset transactions  
This analysis is used for outputting all posting transactions performed for as asset in one report. Due to free selection according to diverse selection criteria, e.g.:
  - Acquisition lists
  - Disposal lists or
  - Reposting lists can be created.

## 6.11 Cockpits

Similarly as in the Financial Accounting and the Controlling, there are integrated cockpits available also in the Asset Accounting, providing comprehensive and current information on all processes of the Asset Accounting. The cockpits are distinguished by a high flexibility in their query and output features. You can customize the scope of the required selection entries, the available columns, the column structure of the query results, as well as attributes for sorting, grouping and totaling.

The analysis functionality of the cockpit covers the complete dataset of the Asset Accounting. This way, you can retrieve data analyses and data requests at any time and in the most up-to-date form, and start additional actions, if needed.

Some common and central cockpits are:

- The "Cockpit: Asset Accounting" provides a comprehensive, up-to-date overview of totals, individual, annual and periodic values of assets. In this application, you can view all data of the Asset Accounting, e.g., book values, depreciations made, interest, etc., up to transactions.
- The "Cockpit: Periodic settlement" is used for calculating the AfA and interest.
- The "Cockpit: Posting" delivers a comprehensive overview of the created postings and their status information. As a result, the "Posting" cockpit is a predestined tool for obtaining an overview of the edit status of vouchers and for transferring these vouchers selectively for further processing.
- The "Cockpit: Sending vouchers" is used for overview and for transferring data to the Financial Accounting and to the Controlling.
- The "Cockpit: Incoming vouchers" is used for representing individual, multiple or all incoming vouchers and their status information. The vouchers as such cannot be edited. You can also call up other actions from the application. As a result, the "Incoming vouchers" cockpit is a predestined tool for obtaining an overview of the edit status of incoming vouchers and for transferring them selectively for further processing.
- And other cockpits

## 6.12 Closing/opening

There is a central software available for the annual statement and opening of new fiscal years, which is used for the Financial Accounting, for the Asset Accounting and for the Controlling.

Closing tasks include mainly opening, provisional and final closing of posting periods. The same applies for complete financial years.

# CONTACT

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