

# Automated Financial Reporting Version 3.5 Overview

*Improved user and administration capabilities*

## Executive Summary

Automated Financial Reporting is the standard for financial reporting at over 65% of the North American Caterpillar dealers. V3.5 of Automated Financial Reporting incorporates many enhancements for increased functionality, ease of use, and open architecture to support most accounting packages. V3.5 is also compatible with SQL compliant reporting engines such as Microsoft PerformancePoint, Reporting Services, and Excel... Plus Cognos and Crystal/Business Objects. Powerful dashboards are now available in SharePoint.

Gross Margin Accounts are now drillable and no longer have to be set up as a separate dimension. They fall in line with all other Operating Statement Accounts. Analysis is more robust with the inclusion of document level detail about vendors and customers that can be easily drilled to via Automated Financial Reporting's drill-through capability.

The measures are expanded and include new key quantitative measures such as % Actual Sales and GP Actual Sales. Through these measures, it is possible to drill to an actual Cost of Sales account and determine what percentage of sales a particular cost of sales account represents. Inclusion of Gross Profit Measures allows for easier margin analysis.

Administration of Automated Financial Reporting is improved through the integration of Advanced Computing's web-based product, EZ ADMIN™. Your administrator no longer has to plan trips around month-end closing, because Automated Financial Reporting can be administered from anywhere in the world with access to your server via EZ ADMIN™. The entire cube-build process can be automated. EZ ADMIN™ notifies your administrator via e-mail or text messaging regarding the success and/or failure of each job. EZ ADMIN™ then provides job step detail to resolve issues and rerun failed jobs. This eliminates the need to manually monitor the cube build process. EZ ADMIN™ is also compatible with Robot, Microsoft and Cognos schedulers to take advantage of off-hours processing, making the entire Automated Financial Reporting administration much more efficient. Event-driven scheduling is now available to maximize efficiency by updating Automated Financial Reporting cubes immediately following the General Ledger update. In addition, Chart of Accounts, Organization structure and maintenance parameters are updated via easy-to-use browser screens. EZ ADMIN™ also provides the ability to define alternate account hierarchies, allowing users to toggle between hierarchies when consolidating information following mergers and acquisitions.

V3.4 is driven by a SQL Server repository proven to optimize multidimensional and two-dimensional reporting. AFR's data model ensures a seamless transition when migrating to new accounting packages by enhancing reliability and stability through central storage and maintenance of the parameters needed to administer AFR. AFR's central data repository replaces the hotfiles and spreadsheets used in older AFR versions to reduce support effort and can eliminate the need to retrain users in a new reporting process if hierarchy structures are maintained after migration.

# Operating Statement

*"AFR works... the reports are always accurate."*  
 Don Erlanger—Cashman Equipment

The Operating Statement can be filtered by any combination of Account, Date, Company, Division, Cost Center, Department, Location, and Others (See text box below - right). Ranking stores by Operating Statement metrics such as Profit After Direct (PAD), Revenue, etc. is so easy, only the mouse is needed (no keyboard).

The example below is filtered for Current MTD & YTD information for all Departments at the Madison Store of Rockland Tractor. Then, drilled to the first level of detail for each account group. All account groups can be drilled to the account level. Transaction level detail is available for all accounts in the operating statement.

I/S - Income Statement												
All OS Accounts 1: Sample Tractor Company All Divisions All Departments 01: MADISON EQUIPMENT												
Cur MTD & YTD as of 2002:Dec												
	Current Month					Year To Date						
	Actual	% Act Sales	Prior Year	% PY Sales	Budget	% Bud Sales	Actual	% Act Sales	Prior Year	% PY Sales	Budget	% Bud Sales
<b>Sales</b>												
New Sales	2,176,448	58.33%	614,827	35.78%	2,157,397	52.81%	21,826,897	48.15%	17,100,411	47.58%	25,888,747	52.81%
New Rental Income	1,214,068	32.54%	833,596	48.51%	1,278,181	31.29%	14,120,484	31.15%	14,574,235	40.55%	15,338,160	31.29%
Used Sales	159,804	4.28%	29,583	1.72%	399,432	9.78%	4,026,615	8.88%	2,149,940	5.98%	4,793,175	9.78%
Used Rental Income	6,523	0.17%	106,850	6.22%	30,889	0.76%	2,108,429	4.65%	361,675	1.01%	370,672	0.76%
Revenue Service	113,665	3.05%	63,925	3.72%	140,267	3.43%	2,135,136	4.71%	1,015,361	2.82%	1,683,200	3.43%
Interdepartmental Serv	46,234	1.24%	49,684	2.89%	57,860	1.42%	791,733	1.75%	536,608	1.49%	694,320	1.42%
Dealer Exchg Assm	0	0.00%	13,082	0.76%	9,862	0.24%	140,494	0.31%	114,638	0.32%	118,350	0.24%
Outside Labor & Material	14,685	0.39%	6,921	0.40%	11,177	0.27%	183,589	0.40%	89,227	0.25%	134,130	0.27%
<b>Sales</b>	<b>3,731,426</b>	<b>100.00%</b>	<b>1,718,467</b>	<b>100.00%</b>	<b>4,085,066</b>	<b>100.00%</b>	<b>45,333,377</b>	<b>100.00%</b>	<b>35,942,094</b>	<b>100.00%</b>	<b>49,020,754</b>	<b>100.00%</b>
<b>Cost of Sales</b>												
New Sales	1,894,127	50.76%	499,212	29.05%	1,831,611	44.84%	18,077,429	39.88%	14,646,929	40.75%	21,979,314	44.84%
New Rental Income	1,027,850	27.55%	717,914	41.78%	1,086,454	26.60%	11,852,837	26.15%	12,290,166	34.19%	13,037,436	26.60%
Used Sales	150,135	4.02%	51,721	3.01%	357,092	8.74%	3,575,235	7.89%	1,844,919	5.13%	4,285,098	8.74%
Used Rental Income	2,955	0.08%	80,518	4.69%	26,256	0.64%	1,956,640	4.32%	293,002	0.82%	315,071	0.64%
Revenue Service	52,499	1.41%	21,920	1.28%	42,080	1.03%	776,229	1.71%	382,154	1.06%	504,960	1.03%
Interdepartmental Serv	17,144	0.46%	14,464	0.84%	17,358	0.42%	228,975	0.51%	167,058	0.46%	208,296	0.42%
Dealer Exchg Assm	0	0.00%	10,366	0.60%	8,087	0.20%	116,931	0.26%	93,250	0.26%	97,047	0.20%
Outside Labor & Material	10,640	0.29%	6,310	0.37%	8,968	0.22%	145,589	0.32%	71,159	0.20%	107,620	0.22%
<b>Cost of Sales</b>	<b>3,155,349</b>	<b>84.56%</b>	<b>1,402,424</b>	<b>81.61%</b>	<b>3,377,906</b>	<b>82.69%</b>	<b>36,729,866</b>	<b>81.02%</b>	<b>29,788,637</b>	<b>82.86%</b>	<b>40,534,842</b>	<b>82.69%</b>
<b>Gross Profit</b>												
New Sales	282,321	7.57%	115,615	6.73%	325,786	7.98%	3,749,468	8.27%	2,453,482	6.83%	3,909,433	7.98%
New Rental Income	186,219	4.99%	115,682	6.73%	191,727	4.69%	2,267,646	5.00%	2,284,069	6.35%	2,300,724	4.69%
Used Sales	9,669	0.26%	-22,138	-1.29%	42,340	1.04%	451,379	1.00%	305,021	0.85%	508,077	1.04%

- Available Dimensions**
- Customer
  - Market Segment
  - Product Support Segment
  - Seasonality
  - Vendor
  - Source of Supply
  - Sales Person
  - Alternate Currency
  - Make
  - Product Type
  - Machine to Serial #
  - Additional GL Chart of Accounts for mergers and FMRG reporting
  - Other
- Available Measures**
- Forecast
  - Other

## Proven Data Model

It is important for management reporting to tie back to the General Ledger (GL). The AFR repository is a dealer's reporting foundation since it is sourced from the GL and known to be accurate. The AFR repository is optimized for efficient and effective reporting via a data model proven at almost 65% of NACD dealers.

## Works with DBS, DBS(i) and Beyond

**Compatible with Most Financial Packages Including CODA, SAP, Lawson, and Microsoft**

Many dealers deploy AFR to improve their financial reporting before tackling the challenges of converting to a new Dealer Business System. They benefit from AFR while still under their current DBS and require little if any retraining under their new DBS because their cubes and reports do not have to change. The same benefits can be gained by deploying AFR prior to conversion from DBS or DBS(i) to your next Dealer Business System. No need to wait for the conversion. AFR will help you now and easily migrate with little or no retraining when you convert to any accounting package compliant with SQL queries.

## Annual Support Available

Clients no longer have to guess how much it will cost to stay current with the latest features from ACI. New features and software support are now available for a fixed annual fee that eliminates issues when converting to new operating systems and versions of accounting packages.

Contact Carl Salerno at 847/498-6660 or salernoc@advci.com for more information.

# Microsoft or Cognos Compatible

## SQL Server Analysis Services or Cognos 7 / Series 8

Automated Financial Reporting can be done with Microsoft SQL Server Analysis Server (SSAS) or Cognos V7 or Series 8 cubes. With SSAS, reporting can be done with Excel, PerformancePoint, or any tool compatible with Microsoft cubes. Cognos V7 cubes are compatible with PowerPlay V7, Analysis Studio, and PowerPlay Studio.

## Balance Sheet

The Balance Sheet can be filtered by any combination of Account, Date, Company, Division, Cost Center, and Location. This example has been filtered for all Years and all Divisions. Then, drilled to the first level of detail for Current Assets and Capital Assets. All account groups can be drilled to the transaction level within account for the selected period.

## Dashboard in SharePoint

AFR can be combined with operational metrics from disparate sources in the optional dashboard to empower management with accurate and timely updates of critical information needed to measure the pulse of the dealership. Sample financial metrics:

**Borrowing Base Availability** – Automated means of evaluating advances on inventory & receivables plus current debt to determine available credit line. Eliminates manual calculations and automatically provides current values whenever needed. Drill to Borrowing Base detail on which availability is based.

**Covenant Calculation Metrics** with drill to calculation detail from which Covenant metrics were derived.

**Sales Activity by Area** for Current Month and YTD as compared to Prior Year and Budget. Monitor month to date activity enabling questions to be asked prior to end of month. YTD offers greater perspective.

**Days Sales Outstanding** for Current Month and Prior Six Months to measure collections in relation to receivables.

**Receivables** for percentage of current aging as compared to last three or four months to determine if any are sliding in wrong direction.

### Operational and Financial Metrics in SharePoint Dashboard

Click a Row Label to display reports and content specific to that metric.

The screenshot shows a SharePoint dashboard for Rockland CAT, titled 'ADVANCED COMPUTING, INC.'. The main content area is for 'Parts' and includes a table for 'Gross Margin' and a 'Trend Chart - Gross Margin'. The 'Gross Margin' table has columns for Actual, Target, Status, Time Reporting, and Person Responsible. The 'Trend Chart' compares Actual - Summary, Budget Act, and PY Act over 12 periods. To the right is an 'Operating Statement' table with columns for Account Dimension Ac., Actual - Sum., Act % Sales, Budget Act, PY Act, and PY % Sales.

Account Dimension Ac.	Actual - Sum.	Act % Sales	Budget Act	PY Act	PY % Sales
SALES	22,416,271	100.00%	19,263,201	22,815,756	100.00%
COST OF SALES	15,471,075	69.02%	13,321,546	15,805,386	69.27%
GROSS PROFIT	6,945,196	30.98%	5,941,655	7,010,370	30.73%
EXPENSES	5,137,142	22.92%	4,868,595	4,867,292	21.33%
PROFIT AFTER DIRECT	1,808,055	8.07%	1,073,060	2,143,078	9.39%
CORPSTRIND		0.00%		4	0.00%
PROFIT BEFORE TAX	1,784,367	7.96%	1,390,566	2,416,362	10.59%
TAX EXP	792,260	3.53%	632,423	989,828	4.34%
NET INCOME	992,107	4.43%	758,143	1,426,534	6.25%

*“AFR is an efficient and flexible means of obtaining operating statements. The response time is as quick as advertised, and Excel pivot tables make statements intuitively easy to manipulate for beginners, and open numerous possibilities for more experienced Excel users.”*

Tom Black—Patten Industries

## V3.5 Specifications

### V3.5 Includes\*:

- Operating Statement Reports
  - Primary Operating Statement
  - Direct Expense Analysis
  - Indirect Expense Analysis
  - Statement by Account
  - Rolling 12 Months
  - PAD by Department
  - Trend Analysis
  - Default Cube Exploration Format
- Balance Sheet Reports
  - Summary Balance Sheet
  - Account Detail
  - Total Liabilities
  - Current Liabilities
  - Non-current Liabilities
  - Total Assets
  - Current Assets
  - Equity
  - Inventory
  - Long Term Debt
  - Default Cube Exploration Report
- EZ ADMIN™ for Automated Financial Reporting
- Mapping and loading of data from designated library to Automated Financial Reporting's repository
- Operating Statement cube build
- Operating Statement Detail cube build
- Balance Sheet cube build
- Validation of pre-formatted reports
- Integration of up to 15 user security classes/groups
- One day of training (travel expenses not included)

### Additional Analysis Options Available from ACI

- Sales
- Parts, Service, and Warranty
- Vendor Spend
- Human Resources

### System Requirements

- Pentium III PC or higher with 1-2 Gb of RAM, 40 Gb of hard drive space, a dedicated IP address and access to the Internet
- Microsoft Windows 2000 or higher with Internet Information Services (IIS)
- Microsoft Office 2000 or higher—Excel 2007 recommended if viewing Microsoft SSAS Cubes
- Microsoft SQL Server 2000 or higher for PowerPlay Cubes and Microsoft SQL Server 2005 Enterprise recommended for all capabilities in Microsoft SSAS Cubes
- PC Anywhere
- Cognos PowerPlay 7.3 or higher (desktop and admin) and Impromptu 7.3 or higher (admin only)
- IBM Client Access 5.2 (AS/400 - i5 only)

\* V3.5 specifications assume access to customer data required for cubes and report features.

**For more information, please contact:**

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## Available Financial Modules

### Aged Receivables and Payables

Enables clients to analyze outstanding receivables by customer or organizational unit. In addition, flag type dimensions quickly identify outstanding receivables by specific attributes such as Document Date Greater than 120 Days, Customers Over Their Credit Limit, etc. Trend Analysis is included in the Aged Receivables module.

### Dashboard

Empower management with accurate and timely updates of critical information needed to measure the financial pulse of the dealership. See Page 3 for details.

### Administration Outsourcing

As Business Intelligence benefits expand, so does the need for competent administration. Many clients supplement in-house administration with ACI's experience. Remote VPN access allows ACI to efficiently do everything from custom development to routine cube updates and platform installations/release upgrades without travel expenses.