

# Oracle FCCS Introduction

## Consolidation, Closing and Statutory Reporting

Let's Connect

EPM | CPM | CRM | Open Source | Data Analytics Consulting Experts



**FINANCIALS**



**WORKFORCE**



**CAPEX**



**PROJECTS**



**CRM**

**ORACLE**

Gold  
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[www.bispsolutions.com](http://www.bispsolutions.com)



BISP Solutions Inc. Is an IT consulting and service provider, specialized in Oracle EPM/BI technologies. Our primary objective is to use our expertise to offer best EPM/BI solution and being cost effective. We believe that working closely with customer and having detailed understanding of the business domain is the key to success.

## Key Focus

1. 10 + year old firm with Global Presence
2. Head quartered in India with Office in Florida, USA.
3. Oracle Gold Partner and ISO 2008:9001.
4. 20+ EPM implementations(Direct Customers and Partners).
5. Team of experts in EPM/ BI technology.
6. Certified EPM Consultants

## Our Clients

**CHAIN•SYS**

**snuvik**  
technologies

**GTS**  
GLOBAL TELE SERVICES

**INFORMATICA**  
The Data Integration Company™

**ADP**  
A more human resource

**ACCELERANT**

**THOUGHTFOCUS**

**turnitin**

**Tolaram Group**

**BARCLAYS**

**Colorcon**

**de facto**  
INFOTECH  
we make things happen

**TALENT**  
MAESTRO

**KPI**  
PARTNERS

**claire's**  
We Make Memories

**cts**  
Your Partner in  
Smart Solutions

**BCG**

**White Crescent Decor Works**

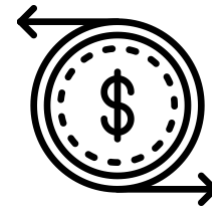
Preconfigured consolidation model makes it easy to meet global reporting requirements such as International Financial Reporting Standards (IFRS) and generally accepted accounting principles (GAAP), helping drive significant cost and time savings. Since it is cloud based, subscribers eliminate the need for server maintenance and software upgrades and patches.



## **Best Practice Consolidation Out of the Box**

### **Comprehensive and Complete**

1. Entire Close Process
2. Consolidation
3. Data collection
4. Reporting activities.



## **Transparent Reporting**

Financial consolidation data with prebuilt cash flow, balance sheet, and income statement lets you report with confidence.



## **Integration**

Built-in connectivity to core source systems such as ERP and others for consolidation and close needs.

- Simplified tablet user interface
- Native Dashboarding and analysis
- Predefined dimensions for detailed analysis
- Flexible application configuration with pre-built forms and reports
- Currency translations and FX adjustment calculations
- Automated cash flow
- Dynamic out-of-box calculations with limited need for customization
- Simplified Consolidation dimension for easy audit
- Business process task management and workflow
- Supplemental schedule data management

A nationwide departmental store in Mexico based in Culiacan, Sinaloa. which offers a wide variety of useful, attractive and accessible categories of products and services of leading brands.

Business Challenge	Solution	Results
<ul style="list-style-type: none"><li>• Uses Excel files to carry out the financial consolidation process, taking as a source the scales of each of the companies having different ERP systems.</li><li>• Multiple versions of files causing difficulties in consolidation and make it tedious job.</li><li>• Security and Integrity issue of data.</li><li>• Lack of automation of process.</li><li>• Manual report creation.</li></ul>	<ul style="list-style-type: none"><li>• Oracle FCCS implementation which includes:<ul style="list-style-type: none"><li>○ Ownership management.</li><li>○ Task management for closing activities.</li><li>○ Integration with trial balances.</li><li>○ Automation for periodic data load.</li><li>○ Security enabled system to ensure authenticity of user.</li></ul></li></ul>	<ul style="list-style-type: none"><li>• Integrated information of the different companies of the group and ensure a single version of information, reliable and that allows to increase transparency in the process at all levels of the group.</li><li>• Increased efficiency and quality in the generation of information and reports.</li><li>• Improve security and integrity in the process.</li><li>• Flexibility in updating the configured processes.</li><li>• Increased level of automation of the Consolidation process.</li><li>• Predefined financial and custom reports.</li></ul>

- **Custom Account Dimension**
  - To achieve clients COA reporting.
- **Currency Conversion**
  - To use multicurrency application using Ending, Average, and Historical rates.
- **Supplemental data Management**
  - For more granular information is required.
- **Custom Business Rules**
  - To calculate tax adjustments, minority interest, Retained earning calculation.
- **Custom Data Forms**
  - To manage overrides rates, change in equity
- **Data load from Trial Balance**
  - To avoid external dependency of data file transformation.
- **Dynamic sign flip during data load**
  - To define different behaviour of same account code from source for different entities.
- **Task Manager**
  - To define closing calendar and tasks in closing activity.
- **Ownership Management**
  - To define Consolidation, Holding, and Subsidiary entities concept.
- **Journal Templates**
  - To pass adjustments.
- **Financial Reports**
  - Comprehensive Income Statement, Statement of Financial Position, Cash Flow, Equity Changes
- **Custom Reports**
  - Intercompany reports, Other Group-by reports
- **Reconciliation reports**
  - To validate numbers between FCCS and Trial Balances

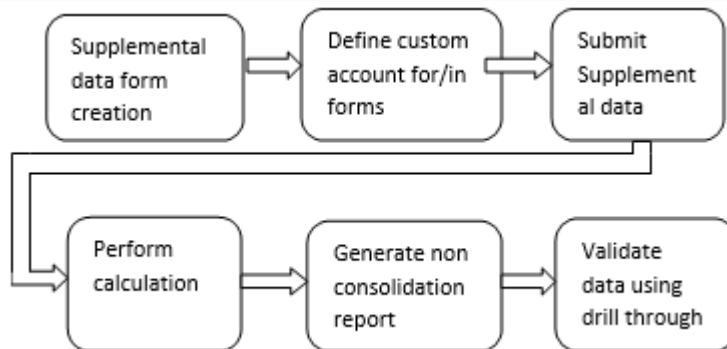
## Requirement

- Customer wanted to collect additional information for some accounts for financial analytics and disclosure. Approved numbers to be stored in a separate intersection for the tracking purposes.
- Also customer wanted to drill back to the source to view all the supporting details.

## Solution Proposed

- BISPSolutions proposed Supplemental Data Manager, which helps end user to organize, update, edit, and manage supplemental data, typically financial transactions. It is a robust ad-hoc data collection process useful for footnotes, disclosures, and supporting details.

## How it works?



## Solution Benefits

- Supplemental Data integrations makes your consolidation and business processes more effective and efficient.
- Using supplemental data manager, users can perform tasks such as:
  - Validation against general ledger.
  - Enter supplemental data in FCCS.
  - Calculations against data loaded from a supplemental data file.
  - “Roll forward” Reports generation and export in PDF, CSV, HTML, XLS, or XLSX format

## Supplemental data vs Journal and Direct Data Input

- Journal requires Debit and Credit both account simultaneously and need to follow lengthy process of journal posting.
- No drill down when use journal or direct input through data form.
- Journal adjustment requires all accounts to be present in account dimension hierarchy whereas in supplemental data, can define accounts in supplemental data form and not required to be physically present in Account hierarchy.
- Direct input using forms that ask for a large amount of unstructured information have generally causes issues during the financial close and consolidation process.

Customer got the access to a simple, straightforward interface that they can use to design flexible data models in order to collect complex financial information.

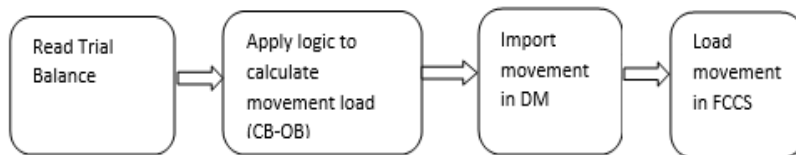
## Requirement

- Customer did not want to involve IT team for transformation of data file in standard loadable format.
- Numbers to be loaded for 23 entities and data files for these entities are sourced from 4 different source systems. Also each data source system has different account code format.
- Only data files were, trial balances getting exported from source for each entity. These trial balances were also having different number of columns containing Opening and closing balances as common for all entities.

## Solution Proposed

- BISPSolutions proposed to load data in FCCS directly from trial balance files by calculating difference of Closing and Opening balance and load a periodic movement number using Data Management tool.

## How it works?



## Solution Benefits

- No IT team efforts required for transformation.
- No additional effort required for transformation.
- Only one team was responsible for complete of end to end FCCS implementation.
- Data validation is quick due to FCCS implementation team has all transformation knowledge.
- No external dependency in case of change in data load process in future.

## Data Load From Trial Balance vs Data Load from Flat File

- Trial balance load implementation is complex, but validation of data quick due to Trial Balances are financial statements and verified.
- Flat file load is easy to implement, but require IT Team assistance whenever there is difference in data in FCCS from Source system and but matches with file.

**Saved 8 weeks of IT Team efforts for transformation logic development, resulting cost reduction of \$20000 as soft impact**



## Requirement

- Customer was not comfortable to use FCCS provided prebuilt account dimension structure for the reporting and wanted to use their own account hierarchy.
- Numbers for some of the accounts were getting loaded from the source system and in FCCS Pre-built hierarchy those were getting calculated, which caused variance.

## Prebuilt Account Hierarchy

▲ FCCS_Balance Sheet	Balance Sheet
▲ FCCS_Total Balance Sheet-Traditional Approach	Total Balance Sheet-Traditional Approach
▲ FCCS_Total Assets	Total Assets
▶ FCCS_Current Assets	Total current assets
▶ FCCS_Long Term Assets	Long Term Assets
▲ FCCS_Total Liabilities and Equity	Total Liabilities and Equity
▲ FCCS_Total Liabilities	
▶ FCCS_Current Liabilities	Current Liabilities
▶ FCCS_Long Term Liabilities	Long Term Liabilities
▲ FCCS_Total Equity	Total equity
▶ FCCS_Owners Equity	Owner's Equity
▶ FCCS_Minority Interest	Non-controlling interest
▶ FCCS_CTA	CTA
▶ FCCS_Total Balance Sheet-Cash and NonCash	Total Balance Sheet-Cash and NonCash
▲ FCCS_Income Statement	Income Statement
▲ FCCS_Total Comprehensive Income	Total Comprehensive Income
▶ FCCS_Net Income(Shared)	
▶ FCCS_Total Other Comprehensive Income(Shared)	Total Other Comprehensive Income

## Solution Proposed

- BISP Solutions proposed to create custom account hierarchy with below limitations :
  - Pre-built dashboards/reports can not be used.
  - Require to define logics externally for some accounts.

## Custom Account Hierarchy

▲ Coppel_BS	
▶ 10000	Activo
▶ 20000	Pasivo
▶ 30000	Capital
▲ Coppel_IS	
▲ Res_Int	Resultado integral
▲ Util_Net_Part_Cont	Utilidad neta de la participacion controladora
▲ Util_Net	Utilidad neta
▲ Util_Ant_Imp_Util	Utilidad antes de impuestos a la utilidad
▶ Util_Brut	Utilidad bruta
▶ 60100	Gastos de Operacion
▶ 70100	Otros Ingresos de Operacion, Netos
▶ 70200	Gastos Financieros Retail
▶ 70300	Cambios en Valuacion de Valores
▶ 70700(Shared)	Usufructo de inmuebles
▶ 80000	Participacion en Subsidiarias
▶ 70600	Impuestos a la utilidad
▶ 90000	Participacion no controladora
▶ 90000(Shared)	Participacion no controladora
▶ 99991	Efecto por revaluacion de inmuebles
▶ 99992	Remediones de pasivos por beneficios definidos
▶ 99993	Impuestos diferidos
▶ 99994	Diferencias por conversion de monedas extranjeras
▶ 99995	valuacion de inversiones de capital

## Requirement

- Customer wanted system to calculate and adjust VAT and Income Taxes based on the logic as below

Identify how Net Taxes to be calculated and rollup based on receivable and payable amount ?

if receivable is bigger than payable

- ✓ Cancel the account balance VAT liabilities (20411)
- ✓ Accumulate the same account balance defined Active for setting 11003

if payable is bigger than receivable

- ✓ Cancel the account balance VAT Active (11003)
- ✓ Accumulate the same balance in the liability account defined for setting 20411

## Business Rule Code

```
/*Calculating Net Taxes*/  
Fix("No Intercompany", "Periodic", "Coppel adj")  
"11003"(  
  IF(@var(("11003"->"Mvmts_11000"->"FCCS_Managed Data" + "11003"->"FCCS_OpeningBalance"->"FCCS_Managed Data"), ("20411"->"Mvmts_20400"->"FCCS_Managed Data" + "20411"->  
    "FCCS_OpeningBalance"->"FCCS_Managed Data")) >= 0)  
    "11003"->"Mvmts_11000" = ("11003"->"FCCS_OpeningBalance"->"Coppel adj" * -1) + ("11003"->"Mvmts_11000"->"FCCS_Managed Data" + "11003"->"FCCS_OpeningBalance"->"FCCS_Managed Data"  
    ) - ("20411"->"Mvmts_20400"->"FCCS_Managed Data" + "20411"->"FCCS_OpeningBalance"->"FCCS_Managed Data");  
    "11003"->"Mvmts_11000"->"FCCS_Intercompany Eliminations" = ("11003"->"Mvmts_11000"->"FCCS_Managed Data" * -1);  
    "20411"->"Mvmts_20400"->"FCCS_Intercompany Eliminations" = ("20411"->"Mvmts_20400"->"FCCS_Managed Data" * -1);  
    "20411"->"Mvmts_20400" = ("20411"->"FCCS_OpeningBalance"->"Coppel adj" * -1);  
  ELSE  
    "20411"->"Mvmts_20400" = ("20411"->"FCCS_OpeningBalance"->"Coppel adj" * -1) + ("20411"->"Mvmts_20400"->"FCCS_Managed Data" + "20411"->"FCCS_OpeningBalance"->"FCCS_Managed  
    Data") - ("11003"->"Mvmts_11000"->"FCCS_Managed Data" + "11003"->"FCCS_OpeningBalance"->"FCCS_Managed Data");  
    "11003"->"Mvmts_11000"->"FCCS_Intercompany Eliminations" = ("11003"->"Mvmts_11000"->"FCCS_Managed Data" * -1);  
    "20411"->"Mvmts_20400"->"FCCS_Intercompany Eliminations" = ("20411"->"Mvmts_20400"->"FCCS_Managed Data" * -1);  
    "11003"->"Mvmts_11000" = ("11003"->"FCCS_OpeningBalance"->"Coppel adj" * -1);  
  ENDIF;  
ENDFIX
```

## Requirement

- Due to custom account hierarchy use there are some accounts for which logic needs to be defined externally.
- Write business rule to calculate Minority Interest and investment in subsidiary.

## Business Rule Code

```
/*Calculating Investment in subsidiary for each entity based on ownership percenatge*/
FIX("FCCS_Local GAAP", "Periodic", "No Intercompany", "FCCS_Managed Data", "MP_Inv")
    "Mvmts_30100" = "30100_Capital Social" -> "Mvmts_30100" * "FCCS_Percent Ownership" -> "FCCS_Entity Consolidation" -> "FCCS_No Movement" -> "S_CE-GCMEX";
    "Mvmts_30200" = "30200" -> "Mvmts_30200" * "FCCS_Percent Ownership" -> "FCCS_Entity Consolidation" -> "FCCS_No Movement" -> "S_CE-GCMEX";
    "Mvmts_30300" = "30300_Utilidades retenidas" -> "Mvmts_30300" * "FCCS_Percent Ownership" -> "FCCS_Entity Consolidation" -> "FCCS_No Movement" -> "S_CE-GCMEX";
    "Mvmts_30400" = "30400_Otras cuentas de Capital" -> "Mvmts_30400" * "FCCS_Percent Ownership" -> "FCCS_Entity Consolidation" -> "FCCS_No Movement" -> "S_CE-GCMEX";
ENDIFX

/*Calculating Participación no controladora (minoritario)*/
FIX("FCCS_Local GAAP", "Periodic", "No Intercompany", "FCCS_Mvmts_OtherFinancingActivities", "FCCS_Intercompany Eliminations")
    "30500" (
        If(@ismbr(@list("[CE-GCMEX].[CE-FATMEX]", "[CE-GCMEX].[CE-INMCDVMEX]")))
            "30500" = ("30100_Capital Social" -> "Mvmts_30100" -> "FCCS_Managed Data" -> "FCCS_Entity Total" + "30200" -> "Mvmts_30200" -> "FCCS_Managed Data" -> "FCCS_Entity Total" + "30300" ->
                "Mvmts_30300" -> "FCCS_Managed Data" -> "FCCS_Entity Total" + "30400" -> "Mvmts_30400" -> "FCCS_Managed Data" -> "FCCS_Entity Total" - "MP_Inv" -> "FCCS_Managed Data" ->
                "FCCS_Mvmts_Subtotal" -> "FCCS_Entity Total");
        ENDIF;)
ENDIFX
```

- We follow AGILE approach with periodic check points to validate approach and output.
- Use of Custom build requirement gathering template.
- Create a very detailed Project Plan and assign time lines to each step.
- Design decision slides for foundational and design decisions and assumptions.
- Establish Milestones for project delivery and perform SIT and UAT at each one.
- Client validation, approval and signoff required for successfully achieving a milestone.
- Internal Project Manager with technical expertise assigned to the project.
- Active collaboration with client throughout the Life cycle of the project.

# Any Question?