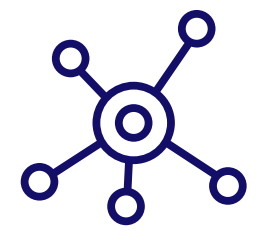
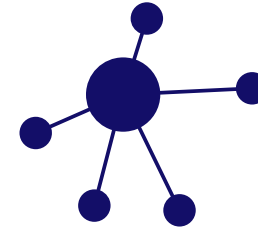
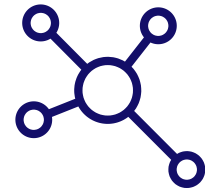

Account Reconciliation & Transaction Matching

CCH® *Tagetik* | partner

HAYNE
SOLUTIONS

Content



- Intro
- Account Reconciliation – the key balance sheet
- Typical pain points
- Main challenges to Finance and Shared Service Center (SSC)
- How can CCH Tagetik help?
- Benefits
- Customer stories

Month-end is the most stressful time for Finance



60% of finance functions suffer from the 'month end mountain'

“There are many causes of delays to the consolidation process, but the most significant is the wait for the last business unit to submit its data to the centre - Correcting data submission errors from subsidiaries runs a close second.”

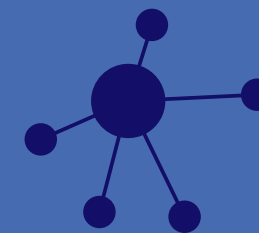
“..reliance on spreadsheets limits the visibility over the reporting and close process, which means delays accumulate before finance professionals are even aware there’s a problem”

Agility in Financial Reporting and Consolidation - Global Survey 2021 - FSN

Automation is increasing in importance

- The automation level of group accounting is still very weak
- Only 15% of respondent have fully automated intercompany reconciliation
- More repetitive and rule-based activities are seen as critical according to time and workload. 44% of respondent sees Intercompany Reconciliation as the most critical process in terms of processing time and effort

Source: BARC Study Account Reconciliation and Closing The Journey from Excel to Artificial Intelligence



Account Reconciliation – the key balance sheet control

A documented explanation and analysis of the ending balance of a general ledger account. It should explain what the balance is, why it is there, and whether it accurately reflects real life. And if the account does not reconcile, the issue needs to be investigated, recorded and resolved in a timely fashion.

OPERATING CONTROLS

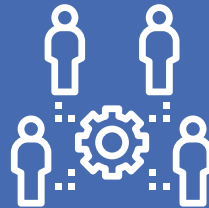


All Balance Sheet Accounts reconciled monthly

Is my balance sheet correct?



Structured review and approval process for strict financial control and management of OpCo's accounts



Segregation of duties

If not, what is being done to correct errors?



Support SOX 302 & 404 to demonstrate internal control effectiveness



Monthly checklists to ensure all reconciliations complete and approved

What is my balance sheet exposure?



Queries, issues and corrections are logged, aged and escalated, if required

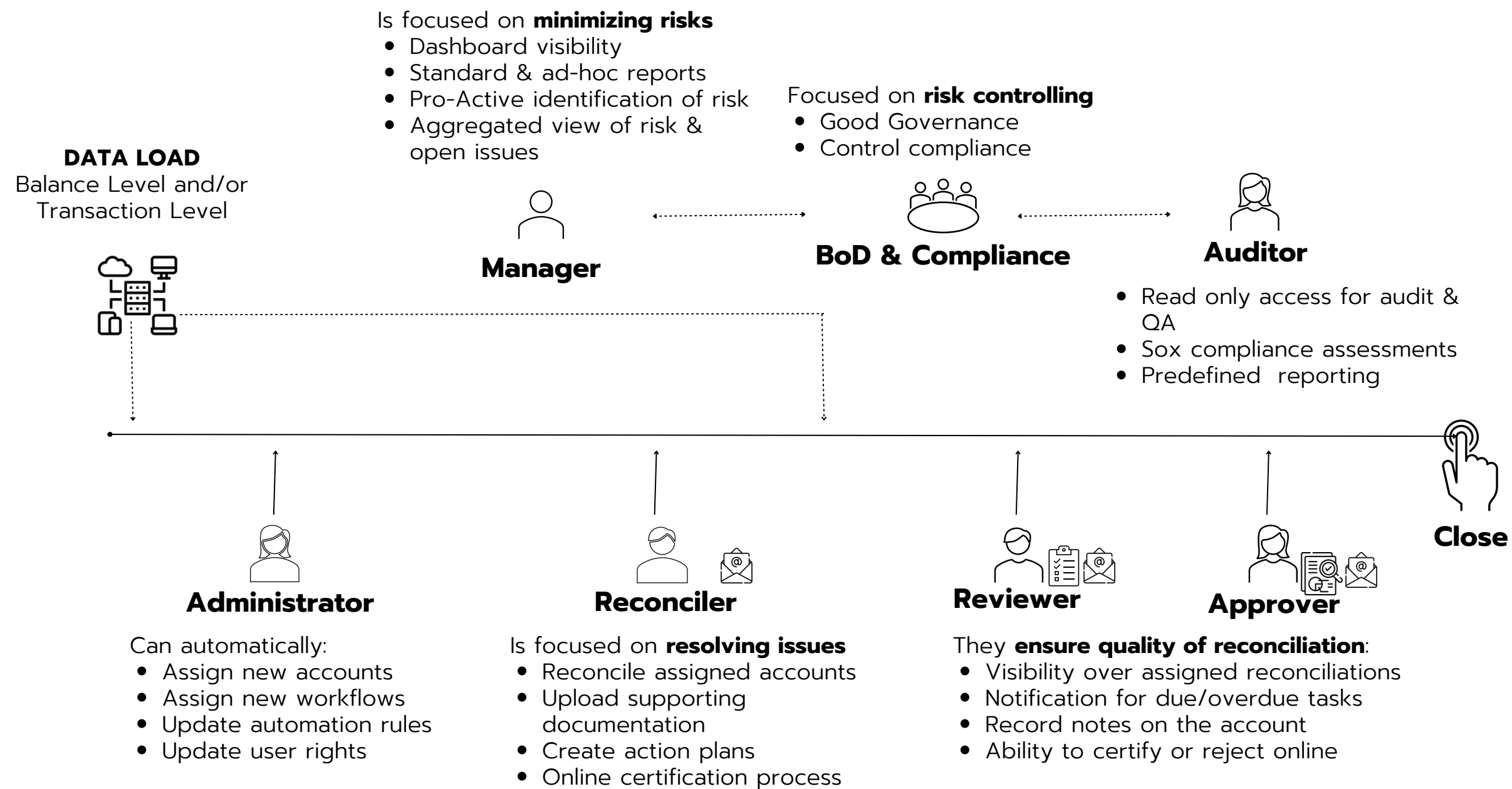
Account Reconciliation is a key phase of the Close

Verify that the account balances are complete and accurate:

- Compare the account balances with independent systems, third-party data, bank and credit card statements
- When discrepancies are found, investigate and take corrective actions like changes to journal entries to correct balance errors
- Collect and store information, analysis, and actions taken for audit purposes



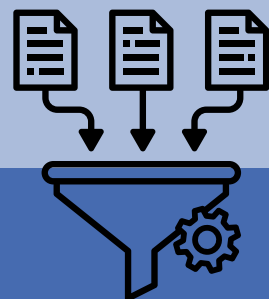
Account Reconciliation: A complex and risk process



Account Reconciliation Process

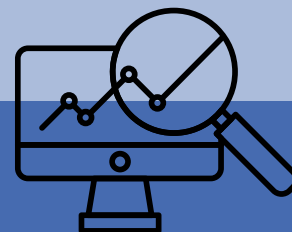
Data loading

- Extract transactions from Subledger (SL)
- Extract transactions from General Ledger (GL)
- Compare SL Balance with GL Balance



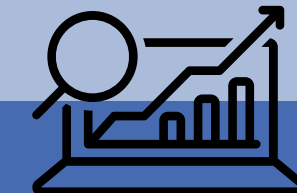
Analysis & reconciliation

- Detect the non-reconciling balances
- Identify the accounts that need to be reconcile
- Compare and reconcile based on thresholds patterns
- Review the methodology
- Collect transactional data
- Reconcile/Connect data
Identify unmatched transactions

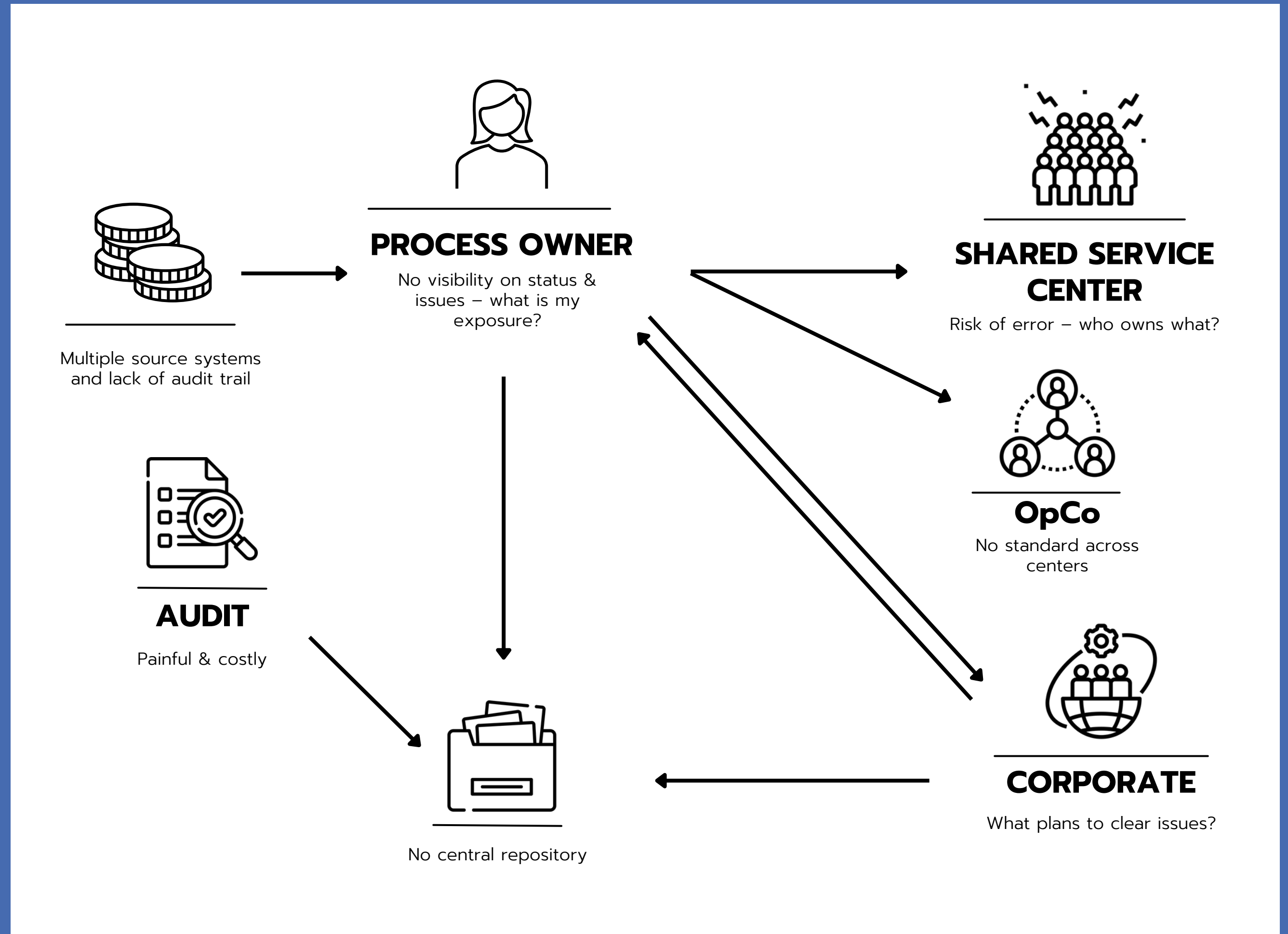


Adjustments & monitoring

- Determine if correction actions are needed
- Apply corrections
- Document and track the actions taken for audit purpose
- Closing the balances – prepare, review and approve



Typical Pain Points



Main Challenges to Finance and Shared Service Center (SSC)

- **No Centralised Repository** – data is across systems, there's no central software to capture/process, and Excel is inadequate
- **No Standardisation Across Centers** – the use of different processes leads to a lack of control
- **Lack of Segregation of Duties** – SSC, Finance and others each own a piece of the process without clarity and the proper standard
- **High Risk of Error** – disparate source systems and lack an audit trail cause data duplication and manual effort
- **Lack of Transparency and Visibility to Data** – Without a centralised repository, and lack of a standardised process, Finance does not have the transparency and visibility to the data, the issues, or the resolution, to ensure that next month the issue does not reoccur
- **Costly and Time-Consuming Audit** – With a lack of transparency and controls, the Audit process is more time consuming and therefore expensive

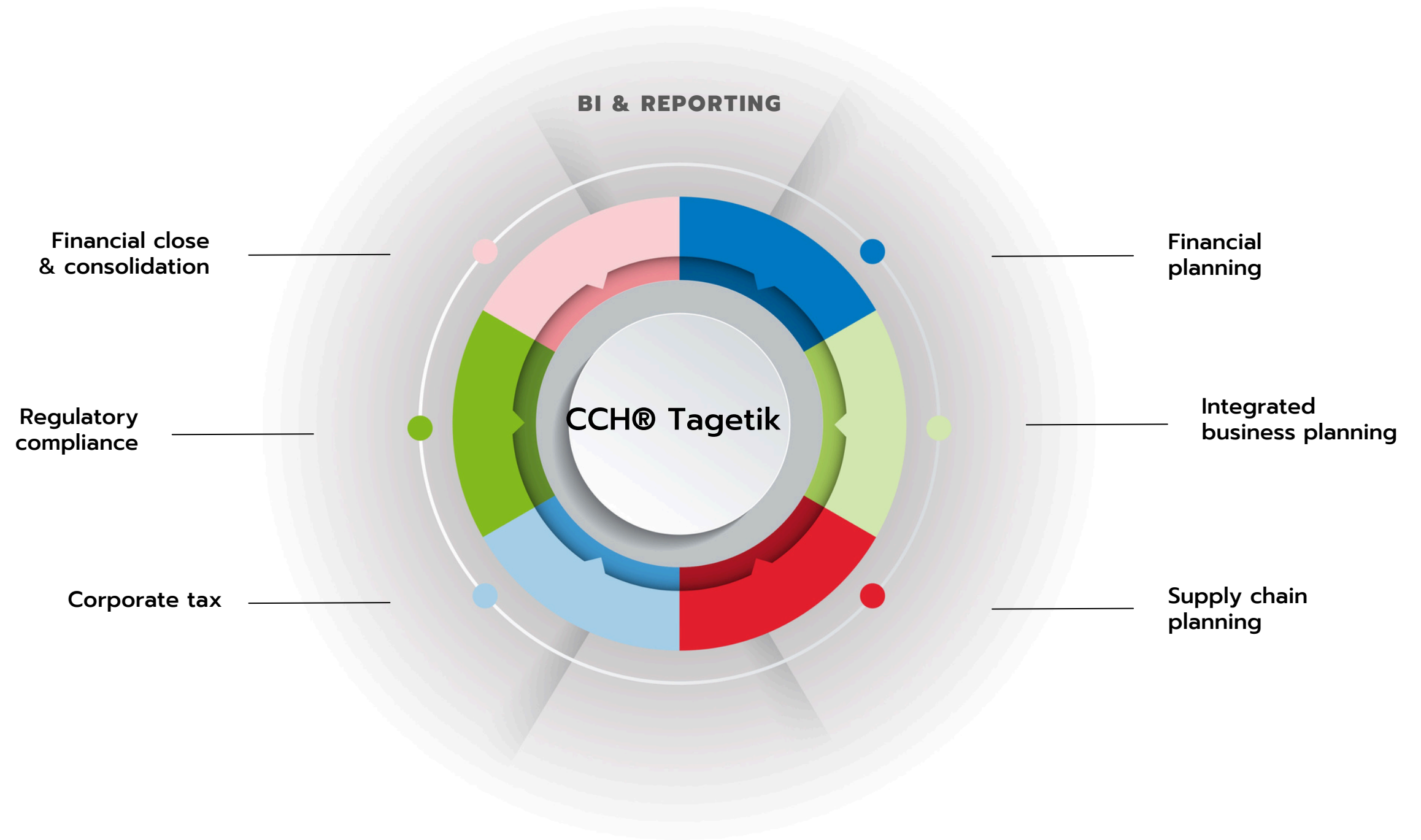
What do these challenges mean in numbers?

90 subsidiaries x **500** accounts to reconcile monthly
= **45,000** reconciliation/month

540,000 reconciliations to be tracked and matched at the Group level each year



**Empowering
you to
ELEVATE
your
Business**



Strategic & financial intelligence platform

Data integration

Open & extendable

Cloud & On-premise

Financial & operational insights

Ai-based predictive intelligence

Configurable Workflows

Connectivity

Accelerate your Close with CCH Tagetik

Accelerate and streamline complex close and consolidation requirements across multi-GAAP/IFRS with our end-to-end solution.

CCH® Tagetik consolidates real time financials from multiple books in a single system for a faster, compliant close and consolidation.

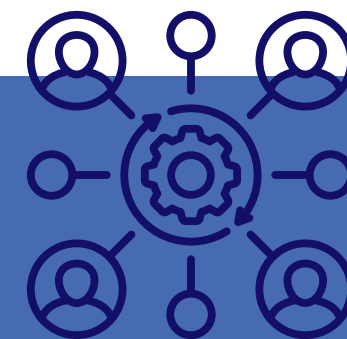
Account Reconciliation ▶ **Transaction Matching** ▶ **Local Close** ▶ **Group Consolidation** ▶ **Financial Reporting** ▶ **Disclosure & Tax Reporting** ▶ **iXBRL filings**

CCH Tagetik Account Reconciliation & Transaction Matching

Extending our close solution, **CCH Tagetik Account Reconciliation & Transaction Matching** creates consistency across all accounts by harmonising data company-wide. Instead of spending hours investigating a discrepancy, our pre-packaged solution flags high risk items instantly, automating account reconciliation and freeing you up to work on value-added tasks.

Implement quickly, eliminate errors and get complete control with intelligent transaction matching, detailed audit trail, and a mandatory approval workflow. With our AI-powered matching capabilities you'll improve productivity and make account reconciliation a hop, skip, jump of reconcile, review, and resolve.

Accelerate your close, with **Account Reconciliation, Transaction Matching, Consolidation, Reporting** and **Disclosure** in one trusted unified solution.



CCH Tagetik Account Reconciliation & Transaction Matching

Accelerate your Close

Our pre-built solution automatically matches transactions, reconciles accounts, provides alerts, and templates to standardise processes. Harmonise data company-wide by connecting all data in a single trusted platform.



Intelligent transaction matching

Streamline and automate high-volume reconciliations. Our AI based predictive matching, together with the rule-based engine, leverages the platform's intelligence for automated and optimised matching to eliminate errors and increase efficiency.



Take Control

Get confidence by controlling the account reconciliation process every step of the way. Ensure all contributors follow a set workflow, approval and signoff process that you can easily certify.



Key Benefit



Standardization

- Data harmonisation & global standard
- Consistent methodology across centres
- Single database for all reconciliations & tasks



Efficiency

- Automated low value tasks & activities
- Resources focus on value-add tasks
- High risk accounts reconciliated in advance
- High risk items highlighted for prompt resolution



Visibility

- E2E financial close full transparency
- Monitor KPIs, KRIs, SLAs, open items and bottlenecks
- Auditable data and processes



Control

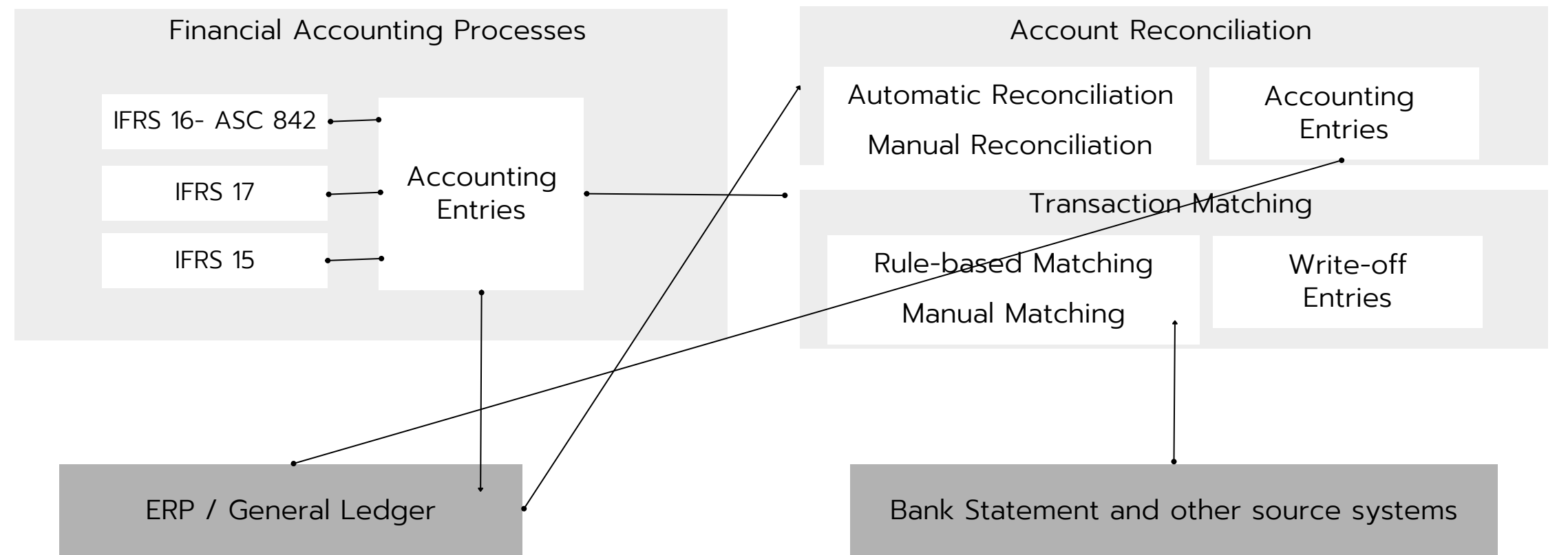
- Data integrity & audit trail
- Proactive controls with rigorous rules and policies
- Full ownership to the accounts
- Balances reconciled & reviewed
- Reduce potential write-offs

CCH Tagetik Intelligent and Strategic Platform is powered by the Analytic Information Hub

Financial processes

Analytic Information Hub

Closing Process



Load and harmonise data - on demand or on a scheduled basis

Review and approve matches - analyse results and approve

Run matching process - via rule based or automated fuzzy logic

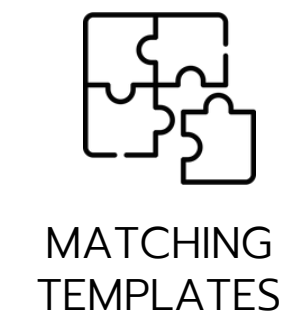
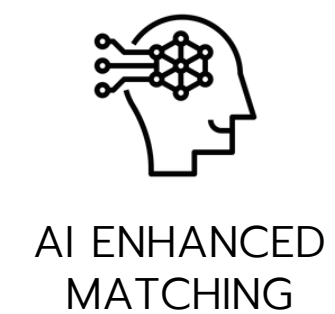
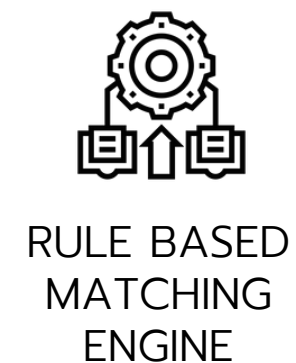
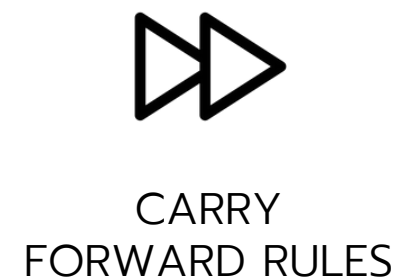
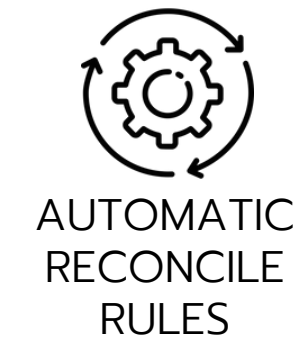
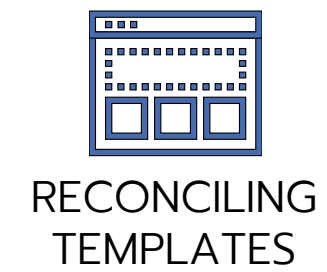
Manual matching - search unmatched transactions and fix

Analyze result - out of the box, configurable dashboards

Load to Account Reconciliation - send data to the next phase

Account Reconciliation & Transaction Matching

Key Capabilities



Business value for multiple roles

CFO

VALUE - Accelerate the end to end Close and meet Compliance

PAIN POINT

- Close Cycle Time
- Containing Costs & Saving Time
- Audit Risk

HEAD OF ACCOUNTING

VALUE – Automate, speed up manual processes with a centralised solution

PAIN POINT

- No automated solution, very time intensive
- Impacts Time to Close
- No audit trail, lack of transparency

HEAD OF COMPLIANCE

VALUE - Monitor risk, ensure internal control for compliance at group level

PAIN POINT

- Manual effort for control and testing
- Lack of Governance
- Time spent to manage audit

CIO

VALUE - Data lineage and tracking within one single open solution

PAIN POINT

- Multiple IT systems to manage
- Time and resources to adapt inflexible systems to evolving business needs

CASH RECONCILER

VALUE - Speed up operations with a hands-on solution

PAIN POINT

- Manual, time-consuming tasks
- Difficult to manage multiple data
- Lack of details and supporting docs

SHARED SERVICES

VALUE – More efficiency and control with standardisation across centers

PAIN POINT

- Process discontinuity
- Manual data migration
- Different systems across centers
- Unclear ownerships

AUDITOR

VALUE - Ensure internal control and minimise risk of error

PAIN POINT

- Need to involve reconcilers during audit
- Lack of data transparency
- Time spent to manage audit

CONTRIBUTOR R2R

VALUE - User-friendly, quick to learn and automated software

PAIN POINT

- Work peaks and manual effort
- Increasing daily tasks
- Difficult communication