

## **FINANCIALS MANAGEMENT WITH SAP® BUSINESS ONE**

### MANAGE ACCOUNTING, CASH FLOW, AND BANKING TRANSACTIONS

#### **Integrated, Comprehensive Financials Management**

As your business grows, so do the challenges associated with managing its financials. Without an integrated and automated financials management solution, increased business complexity can overwhelm your existing financial and accounting processes, giving rise to inefficiencies and inaccuracies that can lead to missed opportunities and lost revenue.

The SAP® Business One application offers a complete and integrated set of tools to effectively manage and automate all of the accounting and financial processes in your growing company. As the core component of SAP Business One, financials management incorporates all key accounting processes, such as ledger and journal entries, accounts receivable, and accounts payable. The software automatically triggers accounting postings in real time when business transactions occur.

SAP Business One supports automatic tax calculations as well as multicurrency transactions. Posting templates and recurring postings further streamline and simplify your accounting processes.

With SAP Business One, you can manage cash flow, track budgets, and compare actual and planned figures at any time to get an accurate and up-to-date picture of your business. You can readily create profit or cost centers and then allocate revenue and expenses accord-

ing to distribution rules, which are customizable specifically for your business needs.

With the banking and reconciliation tools in SAP Business One, you can handle all your payment processing, including bank transfers, checks, cash, credit cards, and bank reconciliations. You can import electronic bank statements and automatically reconcile them. The reconciliation tool also allows you to quickly reconcile incoming and outgoing payments with vendor and customer invoices.

SAP Business One offers powerful reports, analytics, and tools to help you satisfy the financial analysis and reporting requirements of your business. With complete integration with every part of your business including sales, purchasing and inventory, you get a clear and complete overview of your business performance and ability to take quick actions.

#### **Accounting**

SAP Business One handles all your accounting transactions effectively and comprehensively. You can use its complete chart-of-accounts templates as they are or customize them based on your business requirements. Chart-of-accounts templates consider specific legal requirements for each country, such as segmentation or specific numbering, and thereby help ensure compliance with local laws and regulations. The application supports

The SAP® Business One application provides a reliable, integrated solution to streamline your financial operations. It automates your everyday financial tasks and integrates them with other business processes, such as purchasing and sales, in real time, resulting in faster transactions and improved cash flow.



## Financials Management Features of SAP® Business One

Accounting	Controlling (or Cost Accounting)	Banking and Reconciliation
Implement and adapt predefined chart-of-accounts templates	Define and manage budgets	Manage incoming and outgoing payments with cash, checks, electronic bank transfers, and credit cards
Manage accounting transactions such as journal entries, journal vouchers, recurring postings, and posting templates	Handle payment terms, customer reminders, and cash collections	Process bank statements and perform automatic reconciliation of your ledgers
Manage multiple currencies for accounts payable and accounts receivable	Manage direct and indirect expenses and revenues for multiple cost centers	Clear multiple accounts receivable and payable invoices automatically in batches
Create balance sheet, profit and loss, and other financial reports	Maintain distribution rules for automated revenue and expense allocation.	Print check batches and generate check and payment reports
Benefits		
Streamline accounting operations	Manage costs and improve profitability	Automate reconciliation
Expedite month-end closes	Forecast cash-flow accurately	Minimize payment roadblocks

multiple global financial reporting standards, currencies, and languages with 40 country-specific versions. For example, with SAP Business One, you can process and report transactions in multiple currencies including invoices, checks, statements, and much more.

SAP Business One integrates accounting journal entries and automatically updates them whenever relevant business transactions occur in the application. For example, a goods receipt posting will automatically create the necessary journal entry to adjust inventory levels and valuation as well as update corresponding expense accounts, if necessary. Any purchasing, sales, and inventory transactions in SAP Business One automatically trigger corresponding journal entries in real time without any additional manual entries or postings. For even greater efficiency, SAP Business One allows you to use recurring

postings and posting templates for transactions that repeat from period to period, eliminating redundant tasks and potential mistakes. You can also use journal vouchers to create multiple journal entries and then process these vouchers in batch mode, posting all entries simultaneously.

SAP Business One automatically calculates taxes, such as sales tax, value-added tax, and withholding tax, for each line item on each transaction, taking into account country-specific allocation and reporting requirements. It automates the computation and reporting of tax processes, enabling you to fully comply with legal requirements.

SAP Business One enables you to accelerate your month-end closes. The application automates business activities that lead to greater efficiency and fewer errors. It provides tools and

quick access to real-time financial information, reducing the time it takes to close your books at the end of every period.

### Controlling (or Cost Accounting)

SAP Business One provides intuitive features and reports that let you effectively manage cash flow and profitability for your business. It helps you optimize liquidity by accurately forecasting your cash flow and cash requirements and by giving you the power to efficiently handle payment terms, customer reminders, and cash collections. For example, you can set up workflow-based alerts in SAP Business One that notify you of any pending payments that may affect the cash-flow conditions of your business. Use aging reports in SAP Business One to get an analysis of outstanding receivables and liabilities for both your customers and

vendors, as well as how old the liability or receivable is. In addition, you can track customers who have not paid off their invoices, and you can generate automatic reminder letters depending on the extent of delay on the payment terms and the amount due.

With budgeting features in SAP Business One, you can set up budgets in any currency, using various budget allocation rules defined, and then accurately track expenses. To make sure you stay on track, SAP Business One provides alerts that inform users whenever a transaction exceeds a defined budget limit, or it simply allows them to block transactions.

Using cost accounting, you can track departments, divisions, or various geographies separately to determine how much spending is being generated for various business purposes. SAP Business One allows you to manage direct expenses and revenues as well as indirect ones, such as administration, advertising, and financing costs that are spread across multiple business activities, by setting up distribution rules for automatic allocation of revenues and expenses.

SAP Business One also enables you to create a detailed profit and loss statement based on direct and indirect revenue and expenses as defined in the allocation rules. You can choose between annual and monthly display formats and compare the results for multiple periods.

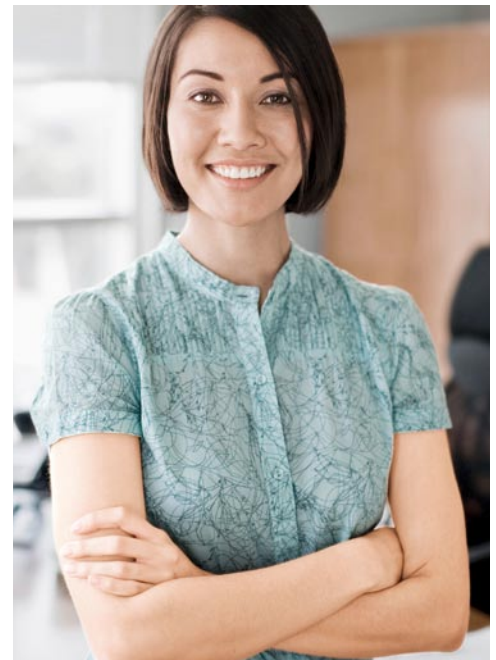
## Banking and Reconciliation

With the banking and reconciliation functionality in SAP Business One, you can automate and accelerate incoming and outgoing payments. The payment wizard allows you to clear multiple accounts receivable and accounts payable invoices in batch mode for checks and bank transfers. The payments are executed according to your selection criteria and payment methods (such as check, bank transfer, credit card, or cash), and then the journal entry transactions are automatically posted once the process is completed. With the bank statement processing feature of SAP Business One, you can also readily process external bank statements to generate incoming and outgoing payments and to reconcile your balance sheet accounts.

SAP Business One enables you to match payments that are not automatically reconciled, such as payments made “on account,” to open items either automatically or manually through its reconciliation engine. You can filter this engine by general ledger account or by business partner.

## Powerful Financial Reporting

SAP Business One provides a wide range of financial reports, such as balance sheets, profit and loss statements, profitability reports, multiperiod comparisons, sales and purchasing analysis, aging reports, and budget reports. With interactive drill-downs and “drag and relate” functionalities, you can click through the relevant data and get answers you need quickly.



“We can now acquire the information from restaurants in real time. SAP Business One, connecting directly with our bank online, enhances the efficiency of collections and payments. Precise daily and monthly data helps us a lot to make top-level strategic decisions promptly.”

**Yong-Kyu Choi**  
Vice President of Accounting  
Kraze International Inc.

Now that SAP Business One is fully integrated with Crystal Reports® software, an industry-leading reporting solution, the reporting and analysis of your financial data is even simpler, with intuitive, easier-to-use features for report creation, customization, and distribution across the company.

### Find Out More

For more information on how SAP Business One can streamline your company’s financial management, please see your SAP representative or visit [www.sap.com/sme/solutions/businessmanagement/businessone](http://www.sap.com/sme/solutions/businessmanagement/businessone).

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## Summary

The SAP® Business One application enables you to simplify and automate financials management. It provides a comprehensive and integrated set of tools that allows you to manage all the accounting and financial processes in your company.

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## Business Challenges

- Inefficient and error-prone accounting and financial processes due to duplicate data entries and lack of integration between financial data and key business functions, such as purchasing, warehousing, and sales
- Inadequate access to the full range of accurate financial information needed to complete month-end closings and make informed business decisions

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## Key Features

- **Accounting** – Automatically handle all key accounting processes, such as journal entries, accounts receivable, and accounts payable
- **Controlling (or cost accounting)** – Accurately manage cash flow, track budgets, and compare actual and planned figures
- **Banking and reconciliation** – Quickly process all reconciliations and all bank statements and payments by various methods, including checks, cash, credit cards, and bank transfers
- **Financial reporting and analysis** – Create a wide range of standard or customized financial reports from real-time data for business planning and audit reviews

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## Business Benefits

- **Streamlined financial operations** – Automate, integrate, and manage all the financial processes in your company with a single solution, eliminating duplicate entries and errors
- **Faster closing process** – Close your books faster with automated processes and ability to access accurate and timely financial information
- **Improved decision making** – Get a unified financial view of your business by integrating accounting data with sales, purchasing, inventory, and operational information

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## For More Information

Call your SAP representative, or visit us online at [www.sap.com/sme/solutions/businessmanagement/businessone](http://www.sap.com/sme/solutions/businessmanagement/businessone).

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