

Consolidation

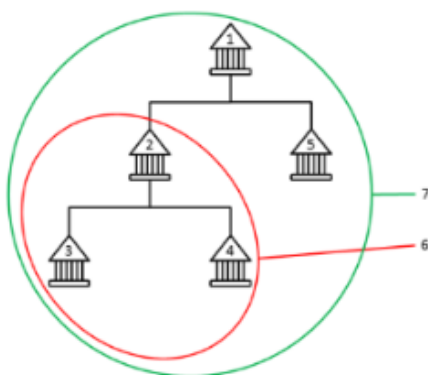
Consolidation is standard practice for drawing up an 'overall balance sheet' for a group. In this case, the individual financial statements for all companies (entities) in the group are taken as a basis, standardised and combined into one joint, consolidated financial statement.

For this purpose, all the transactions with counterparties outside of the group are included in the group analysis while all transactions between companies in the group are offset. This is referred to as 'consolidation' and the individual positions are no longer visible after totalling or aggregation.

The solution supports the necessary differentiation of intercompany deals and intra-company deals based on relationship of the counterparty of each individual deal or based on specific general ledger accounts.

The groups of individual companies involved in a consolidated financial statement is referred to as the 'consolidation group'. Since a group can consist of multi-level inter-related companies, several consolidation groups, which combine the respective subgroups, may exist in one group.

For example:



Depending on the implementation scenario of Jabatix, various ways of consolidation procedures are supported.

In case Jabatix generates debit/credit entries with help of the Accounting Rules Engine, consolidated positions for consolidation groups can be generated while eliminating intercompany deals.

In case Jabatix imports general ledger account balances from different companies, it can map these general ledger accounts to a consolidated chart of accounts depending on a definable rule set.

This concept mainly covers the following topics:

- Consolidation

Parameterisation of consolidation, information required at individual deal level (data mart L3)

- Reporting standards / data sets L3 and L6 / DataMart Handlers
- Consolidated reports

Data generation at company level, access to the consolidated level, itemisation and manual editing of reports

- Reference periods