

**Hardware and Software**  
Engineered to Work Together



## Dynamic Financial Management

Oracle Financials: The Complete Solution for  
Financial Control, Growth, and Performance

Information-Driven Finance—  
Only from Oracle



Do you spend too much time on transaction processing and too little on decision support?  
Do you want to speed closing? Are you struggling to keep pace with regulatory changes?  
Do you need better enterprisewide visibility?

Today's fast-growing and dynamic organizations demand financial management solutions that can quickly adapt to changing business needs while helping them reduce costs, make smarter decisions, and continuously innovate. Oracle Financials, the financial applications in Oracle E-Business Suite, improves visibility, control, and efficiency while setting the foundation for good governance and consistent growth.

As part of Oracle E-Business Suite, Oracle Financials is a complete, comprehensive, and integrated suite of applications built on a standard financial platform with centralized components for business functions such as accounting, customer and supplier data, tax, payments, and intercompany accounting. Its integration with Oracle Fusion Governance, Risk, and Compliance enables it to deliver a more robust and automated internal controls environment across key financial processes such as order-to-cash and procure-to-pay. As a result, organizations are able to reduce errors, lessen employee fraud and abuse, and eliminate process inefficiencies that impact the bottom line. In addition, Oracle Financial integrates seamlessly with Oracle enterprise performance management applications to support effective financial planning, consolidation, and regulatory reporting.

Oracle's solutions work together to help companies accelerate financial processes, reduce fraud and errors, and free resources to grow the business. Oracle Financials can help you

- Establish global processes and gain global visibility into business operations
- Quickly accommodate changes to your business
- Enforce a single source of truth for accurate analysis and reporting
- Detect and respond to problems before they escalate or even occur
- Meet multiple reporting and regulatory requirements for a variety of industries and countries

**FACT:** 1,000 businesses that comply with Section 404 were surveyed: More than half reported that 80 percent of their key controls are still manual.

**Fact source:** *Compliance Week*, "404 Study Shows Little Automation Yet," November 2009



#### **CASE IN POINT: PENN COLOR**

Using a single global financial-management system from Oracle, Penn Color—a multinational manufacturer of pigment dispersions and color concentrates—obtained a consistent and global view of product information including formulas, manufacturing instructions, and raw ingredients and substitutions. As a result, the company was able to drive quality and efficiency improvements.

## Improve Operational Efficiency and Productivity

Oracle Financials helps organizations of all sizes, industries, and geographies increase efficiency and reduce back-office costs. It does so by employing standardized processes to enforce consistent business practices and by using automated processes and productivity tools to accelerate the close process.

### **Enforce Enterprisewide Standards and Consistency**

Offering configurable rules engines and centralized business functions, Oracle Financials helps finance organizations (especially those with shared services models) enforce enterprisewide standards and common business practices. Key to those processes are the following engines:

- **Centralized accounting engine.** A common accounting engine that is highly configurable and leveraged across Oracle E-Business Suite allows you to standardize your accounting policies, document them as user-defined rules, and distribute them across the entire enterprise—ensuring that everyone adheres to the same accounting standards. The rules you define are flexible enough to accommodate the creation of accounting entries based on virtually any transaction attribute. As a result, your finance staff can process transactions quickly—without worrying about how the entries are generated. In addition, you can define date-effective rules to anticipate changes in accounting treatment (such as proposed changes to U.S. GAAP and IFRS). And because the accounting engine is centralized, you need only update your rules in one place before deploying them across multiple subledgers—even third-party systems from applications as diverse as billing systems for telecommunications, core banking platforms, and claims systems for insurance companies.
- **Centralized banks and payments engine.** The centralized bank model provides a single access point for defining and maintaining internal bank accounts for use by multiple Oracle products. The centralized payments engine is used for both funds disbursement and capture to provide straight-through payment processing based on industry-standard protocols. Both the centralized bank model and payments engine dramatically increase the efficiency of your shared service centers because you can initiate a single payment run that spans multiple operating units, currencies, payment methods, and bank accounts.
- **Centralized tax engine.** A centralized tax engine and tax repository delivers consistent tax services to all Oracle E-Business Suite business flows. Tax content (such as jurisdictions, rates, and rules) is stored centrally and then used by the tax engine to calculate transaction taxes (sales, use, VAT, and so on) in a consistent and controlled fashion across business flows. The result: increased efficiency, fewer errors, and reduced tax compliance costs.

## Increase Productivity

Oracle Financials takes advantage of highly automated business processes and sophisticated productivity tools to dramatically lower the costs of resource-intensive tasks. Rather than simply automate inefficient and ineffective processes, Oracle Financials automates entire business operations such as sales, finance, and purchasing by applying industry best practices and policies, removing manual tasks, and eliminating the need for re-entry of information.

Take, for example, internal requisitions processing: with Oracle Financials, this process can be completely automated. After an employee enters a requisition for supplies, the system routes it for approval and automatically creates a purchase order. It then uses the advanced shipping notice sent by the supplier to create a receipt and an invoice. Once the invoice is approved, it is automatically paid electronically. If the supplier also happens to be a customer, the system can automatically net the payables to receivables balances to eliminate unnecessary payments and reduce transaction fees and administrative costs.

Oracle Financials also can help you reduce training costs and increase efficiency via the following productivity features:

- Spreadsheet integration supports high-volume data entry within a familiar environment across finance functions such as journal processing, budgeting, reporting, and asset management.
- Imaging integration provides automatic scanning and intelligent document recognition of supplier invoices and employee expense reports and receipts. As a result, images are automatically routed to the appropriate finance personnel for faster completion, approval, and payment processing.
- Self-service portals allow finance professionals to shift administrative tasks to transaction originators—without losing control of the process. For example
  - **Suppliers** can use Oracle iSupplier Portal to negotiate contracts, view purchase orders, submit change requests, update delivery schedules, enter invoices, view payment status, and negotiate invoice holds—all without sending e-mails or making phone calls.
  - **Customers** can use Oracle iReceivables to view invoices and submit payments online.
  - **Department managers** can transfer assets using Oracle iAssets to ensure accurate ownership and location of the company's assets.
  - **Employees** can use Oracle Internet Expenses to enter expense reports and view the status of their submissions, while managers can use mobile devices (such as the iPhone) to approve expenses.



*“With Oracle E-Business Suite, we now have a platform that can support Penn Color’s global growth with consistent processes and a single source of truth for critical business information.”*

Chris Driscoll, Director,  
Information Systems,  
Penn Color

**FACT:** 79 percent of external stakeholders believe that companies' governance, risk, and compliance functions need to be enhanced.

**Fact source:** Ernst & Young, The Multi-Billion-Dollar Black Hole: Is Your Governance, Risk, and Compliance Investment Being Sucked In?, 2010



*"Experian takes data security very seriously. Oracle's governance, risk, and compliance solutions play an important role in helping us maintain our customers' trust."*

**Indrajit Ray**, Senior Software Manager, Experian Information Solutions

#### **ORACLE FINANCIALS BENEFITS-AT-A-GLANCE**

##### **Deployment**

- Deploy applications on premise, on demand, or in a combination of your choosing

##### **Implementation**

- Speed implementations with a faster time to value with Oracle Business Accelerators for midsize companies

##### **Integration**

- Easily integrate with existing applications and hardware investments through Oracle's open integration platform

### **Close Your Books Faster**

Used in concert with Oracle enterprise performance management applications and Oracle Fusion Governance, Risk, and Compliance, Oracle Financials helps organizations increase the accuracy of financial reporting while decreasing turnaround time. It does this by leveraging the following applications:

- **Oracle Hyperion Financial Close Management.** Providing centralized management of all period-end close activities, this application replaces checklists that have traditionally been maintained manually. With it, you can define, prioritize, and schedule close tasks and track their status using notifications and alerts. What's more, by using the central dashboard to monitor the close process, you can immediately act on errors and delays, as well as analyze processes.
- **Oracle Hyperion Financial Management.** Consolidating period-end balances from disparate general ledger systems, this financial application can also collect nonfinancial information. Its integration with Oracle Financials and Oracle Hyperion Disclosure Management provides eXtensible Business Reporting Language (XBRL) reporting to streamline the creation of financial filings to the SEC and other regulatory bodies. In addition, Oracle Hyperion Financial Management reduces "control risk" with audit trails, workflows, internal review and certifications, controls, and validations.
- **Oracle Fusion Governance, Risk, and Compliance.** Automating the financial close process, this solution helps organizations ensure maximum compliance with minimal effort. Automated transaction and control surveillance coupled with advanced pattern analysis reduce the chance of fraud going undetected or material misstatements appearing in financials. By spotting anomalies before they become material, Oracle Fusion Governance, Risk, and Compliance cuts the time and cost spent on errors and remediation, prevents risk escalation, and optimizes financial close.

### **Enforce Compliance and Process Controls**

Although compliance with government regulations should produce more-accurate and transparent financial reporting, it can only take an organization so far. That's because without complete control over the processes through which financial information is derived, it's extremely difficult to achieve high levels of accuracy and transparency.

Together, Oracle Financials and Oracle Fusion Governance, Risk, and Compliance provide that complete control, enabling you to respond to each new compliance mandate as part of a comprehensive program based on repetitive, sustainable processes. By taking advantage of the combined solution, you can ensure compliance with multiple reporting and tax mandates, enforce your corporate policies at various levels, and reduce fraud and errors across financial channels.

## Comply with Multiple Reporting and Tax Requirements

Oracle Financials makes it easy for companies to comply with multiple accounting requirements in a streamlined and automated fashion. Multiple ledgers can be assigned to a legal entity to better meet statutory, corporate, regulatory, and management reporting needs. For example, the accounting entry for a supplier invoice can satisfy multiple accounting conventions (even if each requires a different chart of accounts, calendar, accounting standard, and currency combination).

To help organizations remain in compliance with a complex and ever-changing landscape of tax rules, rates, and jurisdictions, Oracle Financials provides a centralized tax engine that calculates all types of transaction taxes based on multiple criteria (for example, place of supply, ship-to address, parties involved, and other applicability rules). To enforce companywide tax policy, you can define rules centrally and then share them across multiple legal entities. All noteworthy tax information for each transaction is recorded in a central tax repository that can be used by management and tax authorities for auditing and reporting purposes. In addition, integration with external tax vendors (such as Vertex and Taxware in the United States) makes it easy to maintain country-specific tax data. The bottom line: by facilitating automated tax processing through a central integrated engine, Oracle Financials can make your finance organization more efficient while helping you reduce tax errors.

Oracle Financials also provides multicurrency and multilanguage functionality to satisfy the most demanding global financial requirements. By taking advantage of these capabilities, you can perform transactions in any currency and maintain an unlimited number of reporting currencies at multiple levels (including balance, journal, and transaction). Sophisticated currency management supports currency conversion, revaluation, remeasurement, and translation—all in accordance with local and international accounting standards.

## Ensure Policy Compliance

Oracle Financials provides a range of embedded controls to enforce compliance across the organization. These include

- Cross-validation rules for chart of accounts data (to prevent inaccurate account combinations)
- Centralized journal processing (to prevent inaccurate entries)
- Sequential document numbering (to meet legal requirements)
- Comprehensive approvals for a variety of transaction types (to enforce corporate policies across the enterprise)



## ORACLE FINANCIALS BENEFITS-AT-A-GLANCE

### Configuration

- Configure the system based on how your users work with configurable pages, menus, and prompts, and provide a flexible chart of accounts that supports up to 30 segments

### Financial and Management Accounting

- Manage your global finance organization from a single, integrated system and comply with multiple legislations, accounting standards, and policies concurrently in a single instance
- Accelerate decision-making with integrated business intelligence and market-leading planning, financial consolidation, and reporting solutions

**FACT:** Although data-driven decision-making is espoused by senior executives, formal governance policies or procedures to ensure the consistency, integrity, and accuracy of that data are rare.

**Fact source:** Economist Intelligence Unit, *The Intelligent Enterprise: Creating a Culture of Speedy and Efficient Decision-Making*, December 2009



**CASE IN POINT:  
LHA ASRA GROUP**

LHA ASRA Group, a leading U.K. housing and regeneration agency, implemented Oracle Financials to speed financial processing and strengthen analysis, reporting, and control. The results: no more manual processing and monthly accounts produced in 8 days rather than 15.

*“Oracle Financials has halved our month-end turnaround time.”*

**Balwant Basran,**  
Head of Financial Systems,  
LHA ASRA Group

You can also set quantity and price limits for invoice processing as well as implement two-, three-, and four-way matching to ensure that corporate policies are met, so you only pay for goods or services you ordered and received. In addition, you can require approval for any invoice or invoice line with a missing purchase order to control unplanned purchases. This automated approach reduces risk, enforces corporate policies and business rules, and simplifies auditing activities by making it easier to test controls.

### Reduce Fraud and Error Across Financial Processes

In the aftermath of the global financial crisis, regulators and shareholders alike are on the lookout for corporate corruption. As a result, organizations need better ways to protect themselves against brand-damaging fraud and costly processing errors—all of which have an impact on working capital and bottom-line performance. Having visibility into potential process vulnerabilities and ensuring that controls are in place to help mitigate these risks can greatly reduce cash leakage and errors.

Oracle Financials and Oracle Fusion Governance, Risk, and Compliance deliver advanced detection and analysis tools that continuously audit and monitor transactions and controls across key financial processes. Violations and anomalies often missed by traditional sampling methods are revealed using forensic audit techniques, and preventive controls in Oracle E-Business Suite granularly enforce business policies down to the field level. Together, Oracle Financials and Oracle Fusion Governance, Risk, and Compliance help you

- **Detect fraud and errors.** Automated controls and advanced analytics detect incidents missed by traditional methods, preventing escalations and minimizing losses.
- **Improve security.** Preventive process controls are embedded within Oracle E-Business Suite for an added layer of security that’s transparent to users.
- **Continuously audit and monitor processes.** Continuous monitoring of both transactions and controls automatically tracks and audits system configuration changes, segregation-of-duty conflicts, and management overrides.

### Increase Visibility and Drive Performance

Together with Oracle enterprise performance management applications, Oracle Financials allows organizations to accelerate planning and forecasting, create meaningful reports, and gain enterprisewide visibility into financial performance.

### Accelerate Planning and Forecasting

Oracle Financials and Oracle enterprise performance management applications enforce closed-loop processes for planning, budgeting, transacting, and measuring results. Oracle Hyperion Planning adds budgeting and forecasting capabilities to the mix, making it easy to monitor revenues and expenses against budgets, and sales against forecasts.

## Create Meaningful Reports

Oracle's easy-to-use reporting tools allow nontechnical users to create professional-quality reports of all types. Operational reports leverage Oracle's enterprise reporting server, Oracle Business Intelligence Publisher, which provides the flexibility to customize XML-based report layouts within a Web browser or via familiar desktop tools such as Microsoft Office and Adobe Acrobat. As a result, end users can create report formats, change font colors, and add columns and logos from their own templates. Supported report formats include XML, PDF, Excel, and standard text.

For financial reporting, users can define reports directly from the transactional accounting system—mixing and matching reusable, interchangeable report components to create new financial and management reports in seconds. To create reports based on consolidated results from disparate financial systems, Oracle Hyperion Financial Management includes a production report writer that produces boardroom-quality presentations in a variety of formats (including HTML, PDF, and Microsoft Office).

Organizations can distribute these reports to authorized users as either live data or static snapshots of data at specific points in time—without burdening users with the mechanics of the process. Users can view the reports as a spreadsheet or via a standard Web browser—and they can dynamically change report selections and refresh results. All reports support a variety of output options, including XBRL, text, PDF, HTML, and spreadsheet, and users can drill down to the underlying transactions.

In addition, Oracle Business Intelligence Applications use prebuilt analytic reports and dashboards to provide summarized reporting on operational metrics (including key performance indicators on revenue, expenses, daily sales outstanding (DSO), profit margins, and more). These reports provide up-to-the-minute information to help managers at every level identify the right markets, the right customers, and the right product mix to sustain profitable growth. By storing summary data and transaction details in a single system—accessible via real-time, role-based executive dashboards—managers can quickly identify the root causes of problems and take appropriate action.

All Oracle applications use a unified data model that provides a single definition of customers, suppliers, employees, and products. This data model also delivers a single storage point for all information—including transactions, business intelligence, financial assets, and more. As part of Oracle E-Business Suite, Oracle Financials offers tight integration with other Oracle applications, including Oracle enterprise performance management applications; Oracle Fusion Governance, Risk, and Compliance; and Oracle Business Intelligence Applications. The result: increased visibility into all facets of the enterprise, and smarter decisions thanks to better information.

## ORACLE FINANCIALS BENEFITS-AT-A-GLANCE

### Financial Close Management

- Accelerate the close process and increase the accuracy of financial reporting
- Eliminate third-party solutions or offline collection methods for producing XBRL-compliant reports and sustainability reports

### Asset Lifecycle Management

- Improve visibility, tracking, and control throughout the entire asset lifecycle
- Streamline and automate asset operations as assets grow

### Credit-to-Cash Processing

- Reduce DSO and receivables risk with configurable collections strategies
- Increase customer satisfaction with alternative communication options

### Procure-to-Pay Processing

- Reduce spending on goods and services and streamline procurement processing
- Improve supplier/partner relationships and drive policy compliance

### Cash and Treasury Management

- Manage financial risk and maximize investment returns
- Forecast liquidity and measure current and future cash flows

### Travel and Expense Management

- Expedite expense report processing
- Increase employee productivity and satisfaction with self-service expense reporting and credit card integration



## An Integrated Family of Products

As a key component of Oracle E-Business Suite, Oracle Financials offers a future-proof system that can help companies of all sizes, industries, and geographies meet evolving business needs. Oracle Financials—together with Oracle enterprise performance management applications and Oracle Fusion Governance, Risk, and Compliance—provides a tightly integrated finance function that automates and streamlines financial processes to improve visibility, enforce control, and increase operational efficiency.

### ORACLE FINANCIALS BENEFITS-AT-A-GLANCE

#### Budgeting and Planning

- Reduce cost of ownership by deploying a single planning solution that's integrated with Oracle Applications and Oracle enterprise performance management applications (sharing a common interface, reporting tools, and a single point of maintenance)

#### Governance, Risk, and Compliance

- Facilitate financial control and corporate governance with a holistic approach to compliance and risk management

#### Performance Management

- Drive pervasive intelligence across the enterprise by linking strategic, financial, and operational management processes

Financial Business Process	Oracle Products	
Financial Control and Reporting	Oracle General Ledger* Oracle Advanced Global Intercompany System* Oracle Financial Accounting Hub Oracle Hyperion Financial Close Management	Oracle Hyperion Financial Management Oracle Hyperion Disclosure Management Oracle Fusion Governance, Risk, and Compliance
Financial Governance and Compliance	Oracle Fusion Governance, Risk, and Compliance	
Planning, Budgeting, and Forecasting	Oracle Hyperion Planning Oracle Hyperion Public Sector Planning and Budgeting	
Business Intelligence	Oracle Financial Analytics	
Procure-to-Pay Oracle	Payables* Oracle Payments* Oracle Imaging and Process Management Oracle iSupplier Portal	Oracle iProcurement Oracle Governance, Risk, and Compliance Controls Suite
Credit-to-Cash	Oracle Receivables* Oracle Payments* Oracle Credit Management* Oracle Advanced Collections	Oracle Loans Oracle iReceivables Oracle Governance, Risk, and Compliance Controls Suite
Asset Lifecycle Management	Oracle Assets* Oracle Property Manager	
Cash and Treasury Management	Oracle Cash Management* Oracle Payments* Oracle Treasury	
Travel and Expense Management	Oracle Internet Expenses Oracle Governance, Risk, and Compliance Controls Suite	

*Note: Asterisk indicates financial products that are bundled with Oracle Financials*

## Lifetime Support and Applications Unlimited

With Oracle E-Business Suite, your technology investment is protected through a comprehensive, well-defined product roadmap, backed by Oracle's Lifetime Support and Applications Unlimited programs, which include these benefits

- Customer-driven enhancements to product lines
- Ongoing upgrade innovations
- Lifetime support and no forced migrations
- Upgrade path to next-generation applications



#### CONTACT US

Please visit [oracle.com/us/products/applications/ebusiness/financials](http://oracle.com/us/products/applications/ebusiness/financials), or call +1.800.633.0738 to speak to an Oracle representative.

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**ORACLE®**

**Oracle Corporation**

WORLDWIDE HEADQUARTERS  
500 Oracle Parkway  
Redwood Shores  
CA 94065  
U.S.A.

**WORLDWIDE INQUIRIES**

**Phone:**  
+1.650.506.7000  
+1.800.ORACLE1

**Fax:**  
+1.650.506.7200

[oracle.com](http://oracle.com)



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