# Financial Management with SAP Business One®

**SAP**

**The Best-Run Businesses Run SAP®**

# Integrated, comprehensive financial management

As your small business or midsize company grows, so does the complexity of managing its financials. While accounting-only software may have helped you get started, you need software that can take your business to the next level, automating everyday financial tasks and integrating them with other business processes. That software is available – in the SAP Business One® application.

You need an integrated solution to streamline all of the accounting and financial processes in your growing company, including accounts receivable, accounts payable, and posting of ledger and journal entries and recurring entries. As your business expands, the solution must grow with you.

It should support automatic tax calculations as well as multicurrency transactions. It should help you manage cash flow and fixed assets, track budgets, and compare actual and planned figures to give you an accurate picture of your business. It should offer powerful reports and data visualizations in dashboards. And it should be accessible anytime and anywhere from your favorite mobile device.

Powered by SAP HANA®, SAP Business One provides a reliable, integrated solution to streamline your financial operations, resulting in faster transaction processing and improved cash flow. Flexible and adaptable, the software is available on premise or in the cloud – the choice is yours.

ICAEW
ACCREDITED
SOFTWARE

SAP Business One®

# Capture all your financial information in a single, scalable solution

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Manage cash flow, track assets, and control budgets

Accelerate month-end close and enhance compliance

Streamline reconciliations, bank statements, and payments

Transform business planning and audits with sharper insight

Simplify management of multiple branches or business units

Maintain end-to-end control of your company's fixed assets

Handle all your accounting transactions effectively and comprehensively with SAP Business One (see the table on the next page). You can use its chart of accounts templates as is or customize them to match your business requirements. Because the templates incorporate country-specific legal requirements, such as segmentation or specific numbering, you can comply more efficiently with local laws and regulations. Wherever you conduct business, the application supports you with multiple global financial reporting standards and currencies, availability in 27 languages, and localization for 42 countries.

Transactions in SAP Business One automatically trigger corresponding journal entries in real time. For example, a goods receipt posting automatically creates the necessary journal entry to adjust inventory levels and valuation and updates corresponding expense accounts. You can configure primary accounts, using rules and priority, so the right general ledger accounts are used in each transaction. For transactions that repeat from period to period, recurring postings and posting templates simplify redundant tasks and eliminate the potential for errors. You can use journal vouchers to create multiple journal entries and then process these vouchers in batch mode, posting all entries simultaneously.

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### FINANCIAL MANAGEMENT FEATURES IN SAP BUSINESS ONE®

| Accounting | Controlling | Banking and Reconciliation |
|---|---|---|
| Implement or adapt predefined chart of accounts templates | Define and manage budgets | Manage incoming and outgoing payments with cash, checks, electronic bank transfers, and credit cards |
| Carry out accounting transactions, such as journal entries and vouchers and recurring postings | Handle payment terms, customer reminders, and cash collections | Process bank statements and perform automatic reconciliation of ledgers |
| Use multiple currencies for accounts payable and accounts receivable | Manage direct and indirect expenses and revenues for multiple cost centers, branches, and business units | 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 |
| Manage fixed assets throughout their lifecycle | Depreciate fixed assets using multiple methods | |

# Manage cash flow, track assets, and control budgets

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SAP Business One provides intuitive features and reports that help you run your business more profitably. You can optimize liquidity by accurately forecasting your cash flow and cash requirements and efficiently handle payment terms, customer reminders, and cash collections. For example, you can set up workflow-based alerts that notify you of pending payments that may affect your cash flow. In addition, you can track customers that have unpaid invoices and automatically generate reminder letters based on the length of delay, the payment terms, and the amount due.

Because SAP Business One runs on the SAP HANA platform, robust functionality and in-memory computing power take cash-flow forecasting to the next level of performance by including sales orders, purchase orders, down payments, recurrent postings, and other critical, cash-related transactions in real-time calculations.

Using multibranch cost accounting, you can track departments, divisions, or various geographies separately to determine how much spending is being generated for various business purposes. You can manage direct and indirect expenses and revenues, 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.

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The month-end closing process is crucial to all organizations. The goal is to compile accurate financial statements that management can use to make business decisions. SAP Business One accelerates the month-end close by automating business activities, thereby increasing efficiencies and reducing errors. You have quick access to real-time, reliable financial information, which further reduces the time it takes to close your books at the end of every period.

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. With automated computation and reporting of tax processes, you can comply fully with the legal requirements of each country where you do business.

Localizations for 42 countries simplify tax calculations, streamline reporting, and optimize legal compliance.

# Streamline reconciliations, bank statements, and payments

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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. Payments are executed according to your selection criteria and payment method, such as check, bank transfer, credit card, or cash, and then journal entry transactions are posted automatically once the process is completed.

You can process external bank statements to generate incoming and outgoing payments and to reconcile your balance sheet accounts. In addition, you can use a reconciliation engine to match payments that are not reconciled automatically, such as payments made "on account," by opening items either automatically or manually and filtering by general ledger account or by business partner.

Enhance the efficiency of collections and payments by connecting directly with your bank online.

# Transform business planning and audits with sharper insight

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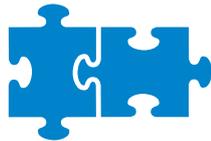Accelerate month-end close and enhance compliance

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To make sure you stay on track, you can set up budgets in your local currency using various budget allocation rules and then accurately track corresponding expenses. Alerts can either inform users whenever a transaction exceeds a defined budget limit or automatically block transactions that exceed limits. You can create a detailed profit and loss statement based on direct and indirect revenue and expenses as defined in the allocation rules. And you can choose between annual and monthly display formats and compare the results for multiple periods.

A wide range of financial reports are available, such as balance sheets, profit and loss state-ments, profitability reports, multiperiod comparisons, aging reports, and budget reports. Using interactive drill-down and drag-and-relate functionality, you can click through the relevant data and get the answers you need.

Because SAP Business One is powered by SAP HANA, your business reporting is transformed. In addition to using the reports and dashboards that are standard with SAP Business One, you can also run multi-dimensional analyses on live data. As a result, you have sharper insight into the bigger financial picture before making business-critical decisions.

# Simplify management of multiple branches or business units

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Maintain end-to-end control of your company's fixed assets

Different business units of your company may have different reporting needs but may share users, business partners, customers, and other master data. Maintaining multiple systems or databases for different business units is inconvenient and may cause data inconsistency. Multibranch capabilities in SAP Business One enable you to use a single database when working across branches.

With its multibranch capability, you use one instance of SAP Business One to:
• Handle the key financial processes for different business units or branches
• Create and maintain separate documents such as invoices for separate business units
• Manage bank transactions with centralized payment capability
• Carry out legal and financial reporting for each business unit

Reduce complexity with a single database and a single instance of SAP Business One across all your business units.

# Maintain end-to-end control of your company's fixed assets

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**Maintain end-to-end control of your company's fixed assets**

With fixed assets data maintained in item master data, you can track fixed assets through their lifecycle, depreciate as needed, or transfer to other cost centers when necessary.

You can plan the depreciation of your fixed assets using popular depreciation methods such as straight line period control, declining balance, or multilevel. Depreciation can be calculated with the monthly base. You can appreciate a fixed asset by creating a manual depreciation document or perform a fixed asset revaluation.

SAP Business One enables you to purchase and sell your fixed assets using documents such as an accounts payable or accounts receivable invoice, a credit memo, or a reserve invoice. You can change the asset class of a fixed asset by creating a transfer document. In addition, you can apply more than one set of accounts to a fixed asset, so that the asset value and transactions can be posted to more than one accounting area at the same time.

Eliminate the guesswork of managing your assets with integrated, flexible software for depreciations and fixed asset management.

# Realize bottom-line benefits with an integrated solution

SAP Business One is a comprehensive, integrated solution that helps streamline your financial operations. You can:

- Accelerate transactions and improve cash flow by automating your everyday financial tasks and integrating them in real time with other business processes, such as purchasing and sales
- Get an accurate picture of your business with better cash flow management, and stay on top of actual versus planned figures with budget tracking
- Maintain control of your fixed assets throughout their lifecycle
- Enhance the efficiency and accuracy of credit card collections and bank reconciliations through direct, online connections with financial institutions
- Compile up-to-date financial statements to support business decision making by reducing the time it takes to close your books at the end of every period
- Comply swiftly and fully with the legal requirements of each country where you do business
- Meet your company's fiscal responsibilities by streamlining the computation, payment, and reporting of taxes
- Satisfy the financial analysis and reporting requirements of your business and make better top-level strategic decisions with powerful analytics



Simplify your accounting and financial processes and make more profitable decisions – with comprehensive financial management tools.

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