

### Consolidation of Sub Ledgers: Fixed Assets

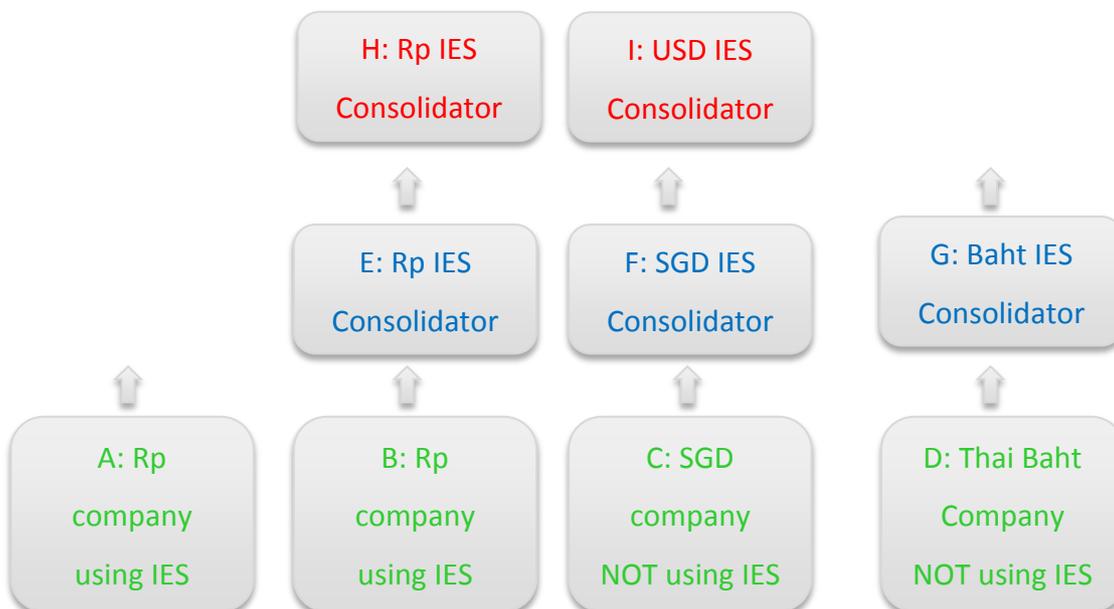
In addition to the GL Consolidation, our Reporting may also include reporting on selected Sub Ledger Consolidation. Here we will describe how we perform Sub Ledger Consolidation for Fixed Assets.

The end result that we are aiming for may look something like this: -

| Fixed Assets          |                 |               |              |             |               |            |                        |
|-----------------------|-----------------|---------------|--------------|-------------|---------------|------------|------------------------|
| Acquisition Costs     |                 |               |              |             |               |            |                        |
|                       | Open Bal        | Acquisition   | Additions    | Deduction:  | Reclassified  | Revalued   | Translated End Balance |
| Vehicles              | 100,000         | 10,000        | 1,000        | -850        | 500           | 120        | 110,770                |
| Buildings             | 200,000         |               |              |             |               |            | 200,000                |
| Furn & Fixtures       | 55,000          | 3,000         |              |             |               |            | 58,000                 |
| Equipment             | 75,000          |               |              |             | 1,500         |            | 76,500                 |
| <b>Total</b>          | <b>430,000</b>  | <b>13,000</b> | <b>1,000</b> | <b>-850</b> | <b>2,000</b>  | <b>120</b> | <b>445,270</b>         |
| Accum Depr            |                 |               |              |             |               |            |                        |
| Vehicles              | -80,000         | -1,250        |              |             |               |            | -81,250                |
| Buildings             | -50,000         |               |              |             |               |            | -50,000                |
| Furn & Fixtures       | -35,000         | -1,200        |              |             | -1,000        |            | -37,200                |
| Equipment             | -60,000         |               |              |             |               |            | -60,000                |
| <b>Total</b>          | <b>-225,000</b> | <b>-2,450</b> |              |             | <b>-1,000</b> |            | <b>-228,450</b>        |
| <b>Net Book value</b> | <b>205,000</b>  | <b>10,550</b> | <b>1,000</b> | <b>-850</b> | <b>1,000</b>  | <b>120</b> | <b>0 216,820</b>       |

In the above we note the following: -

- The final result may be arrived at by feeding from multiple business units in multiple Currencies and now presented as totals in currency IDR (Rp), our final Reporting Currency in this example
- In our final reporting, we may display values as positive even when they are negative, and this is a function of Report writing. In our example we are showing the actual values as in the double-entry Ledger.



From the above, we make observations from the illustrated Business Units and IES Datamarts: -

- Units A, B, C and D (green) are operating Business Units or Companies, where A and B use IES and C and D do not. These Units can all be on separate servers at different geographical locations or some or all can be on the same server, it matters not.
- E, F and G (blue) are Consolidator Datamarts on the IES Server where we process the Consolidations, and even in this case we can still be on the same server, but possibly it is a separate server at Group HQ.
- H and I (red) are final Consolidation and Reporting Consolidator Datamarts. In our example we will only use H for Rupiah Reporting, but we are simply showing that an unlimited number of final Consolidation Datamarts in any Currencies can be provided.
- A Consolidator Datamart can be either a 'feeder' for further Consolidation or a final Reporting Consolidator or both, while the Business Units (green) are only feeders to 1 or more or any number of Consolidators.

For our case study, we aim to do a Group Consolidation at H (Rp.). We have four companies in our Group, two of which are using IES with base Currency Rp, and we have 1 operating a different Accounting system with base currency SGD, and finally we have the 4<sup>th</sup> company not using IES with a base currency of Thai Baht.

Wherefore, we will get Trial Balance type of results from the Fixed Assets sub ledgers at each of the 4 companies and these will be exported to Excel or CSV. We will then upload A and B to E, C to F and D to G in order to get the results into Consolidator format in the respective currencies. Once this has been achieved, we can easily perform a Group Consolidation at H (Rp) which will automatically be processed by the system as H consolidates from E, F and G, all into Rp. At H, we will do our Consolidated reporting for the Group in Rp. (Bearing in mind that this case study is only 1 example, and of course different permutations are possible, we are just doing the case study to understand how to use our Consolidator.)

#### The TB Results from the 'feeder' Business Units

The Business Units must produce Fixed Asset results at a selected Period, and the result we need is this: -

Asset Group no, Mapper, Name, Open Balance AQ, New Acquisitions AQ, Additions AQ, Deductions AQ, Reclassified AQ, Revalued AQ, Adjusted AQ, End Balance AQ, Open Balance AD, Acquisitions AD, Additions AD, Deductions AD, Reclassified AD, Revalued AD, Adjusted AD, End Balance AD

Asset Group no and Name: Is the Asset Group no and Name in the Business Unit. We will not use it in the Consolidator at all but it is useful for the Operator to have this when producing and verifying the results that will be used in the Consolidator upload.

Mapper: Is the Destination Account in the Consolidator where we upload.

Note: 'AQ' refers to Acquisition Costs section, and 'AD' refers to Accumulated Depreciation section, and both sections have values for Open Bal, ... , End Bal.

Open Balance: Is Beginning Balance.

Acquisitions: Value for new Acquisitions (AQ), and for (AD) is only stated for Assets acquired as part of new Business Units by acquisition.

Additions: New Capitalisation excluding Re-valuation.

Deductions: Disposals by Sale or Scrapping.

Reclassified: Assets moved to new Categories.

Revalued: Gains and Impairment on Revaluation.

Adjusted: Asset Adjustment / Translation.

End Balance: Beginning Balance + Acquisitions + Additions – Deductions + Reclassified + Revalued + Adjusted.

Notes about mapping: -

- (1) In the IES feeder Business Units, mapping is provided at Asset Group level.
- (2) For feeder units that do not use IES, there may be a memo or other field at Asset Group level that can be used to indicate mapping and then included in the exported CSV result, but if not at all available, then the Operator will open the result in Excel, and include the required mapping column before uploading into IES Consolidator.

Notes about our Fixed Assets in the Consolidator Chart: -

- (1) Our Fixed Assets consolidated values will live in the Consolidator GL, in a special 'Z' Ledger which is excluded when reporting on our GL Consolidations. (Note that our Fixed Assets are treated as Balance Sheet values for Beginning Balance and End Balance, whereas the analysis values (the others) are treated as Period movement values.)
- (2) In our consolidated reporting, in our case study we report in Rp, and we have no need in reporting to differentiate between the feeder currencies. Therefore, we can design our Chart very simply with 1 Account for each Asset Group, but if a need should arise to differentiate the feeder Currencies, then we can insert additional Accounts in the Chart to accommodate this.

For example:-

Z-1001010 Vehicles

Z-1001020 Buildings

Z-1001030 Furniture and Fixtures

Z-1001040 Equipment

'Z' denotes the 'Z' Ledger while '-' is simply masking (presentation).

'100' could be Department flag, and '1010', '1020' and '1030' in the examples can be Cost Centre flag.

This regime is not fixed, it is simply an example of how to keep it simple and be able to satisfy our needs in selection criteria for reporting, because in this example of chart structure for Consolidated Fixed Assets we will be able to produce the required Reporting results.

We further note that while at E, F and G mapping is required for the Consolidation performed at H or I, there is no mapping required at H or I.