In this era of disruption, CFO’s digital agenda is focused on efficiency, standardization, simplification, process improvement with the purpose of bringing required decision support system and value creation, timely and accurate reporting, compliance and cost optimization. As digital has evolved, it has unlocked more utility and meaning than we ever imagined. We continue to invest, identify, research and develop new technology enabled services to enable our clients business function and support the overall digital agenda. Many of our recent digital solution innovations have been substantially developed and are available on a global scale considering the future of business.

Our services can help you solve the below questions on how to go digital:

- How to leverage technology for timely and accurate financial reporting?
- How to use digital tools to streamline policy management to ensure good governance?
- How to use technology to reduce manual intervention in invoice processing activities?
- How to support management to obtain strategic and actionable insights using data analytics?
- How to augment the skills of teams through reliable and high-quality e-learning content?

Finance being the key partner to the business, can offer value way beyond the traditional role of providing the standard set of financial reports. The C-suite can leverage these financial data to gain actionable insights.

Digital disruption is accelerating and is anticipated to impact all industries to varying degrees. Smart technologies would redefine industry and operating models. Automation would continue to replace manual work, while also creating new jobs and sectors. This automation is likely to help to aggregate and analyse vast amounts of data to generate new insights.

Some of our innovative solutions:

- Comprehensive Financial Reporting (CFR) Tool
- EY Smart Accounting & Analytics Module (SAAM)
- Policy Sphere
- Data Analytics
- EY Virtual Academy
- Lease Accelerator
Comprehensive financial reporting

Our Comprehensive Financial Reporting solution simplifies the process of creating financial statements through intuitive workflows and well defined templates. It drives standardization, speed and increased quality by utilizing standard chart of accounts, structured mapping and notes and disclosures support to enable consistent and repeatable preparation of financial statements over multiple versions and reporting periods.

<table>
<thead>
<tr>
<th>Key challenges faced by finance function</th>
<th>What is needed?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inconsistencies across divisions/units regarding financial close</td>
<td>Process automation to reduce manual intervention</td>
</tr>
<tr>
<td>No clear roles and responsibilities within the organisation</td>
<td>A robust organisation structure with defined roles and responsibilities</td>
</tr>
<tr>
<td>Manual spreadsheets</td>
<td>A smarter and more efficient financial close</td>
</tr>
<tr>
<td>Disparate data, time intensive, person dependent</td>
<td>Financial surprises with little decision-making insight</td>
</tr>
<tr>
<td>Lack of audit trail</td>
<td>A mechanism to integrate financial reporting, budgeting MIS and annual report</td>
</tr>
<tr>
<td>Financial surprises with little decision-making insight</td>
<td>A reporting structure that communicates to leadership and external stakeholders</td>
</tr>
</tbody>
</table>

The future

Automated financials preparation

Data/ Process flow for reporting

Inputs

- User inputs:
  - Company set-up and mapping standard chart of accounts
  - Inputs for disclosures/footnotes and policies
- Inputs from ERP:
  - TB upload
  - FCTR calculations
  - Inter-company/consolidation adjustments
  - Mapping of CoA with master FS template including notes to accounts
- Inputs from stakeholders:
  - Inputs from leaders, secretarial and other stakeholders for preparation of annual report

Data processing

- Populates values in FS including notes to accounts as per links defined
- Creates repository of adjustment entries to assist in audit trail
- FS numbers are rounded off in '000, millions as per user input
- Links all values in notes to accounts with BS P&L and cash flow statements
- Pulls all relevant accounting policies mapped to the given entities
- Processes all the adjustments required for preparing FS
- Processes cash flow from the cash flow master template
- Casting check on all values

Report generation

- Standalone financial statements
- Business responsibility report
- Board’s report
- Management discussion and analysis
- Report on corporate governance
- Monthly/Quarterly financial information

Reports available in

- Microsoft Word
- Excel
- PDF

A suite of solutions, offering you multifaceted benefits

- Multi-GAAP Functionality
- Multi-year/Multi-currency Functionality
- Automated Goodwill / NCI calculation
- Automated Consolidation Adjustments
- Automated segment Reporting
- Auto roll-forward of financial
- Enhanced Audit trail
- Integrated to Client’s ERP
EY Smart Accounting & Analytics Module (SAAM)

EY Smart Accounting & Analytics Module is a software application for processing invoices automatically. It makes the accounts payable process significantly more efficient through an exceptionally high degree of automation and uses AI that provides a high degree of flexibility for invoice formats and inputs that can be processed. The quality and automation of the application improves as the AI model processes more invoices.

The tool uses different AI in the modules:
- AI-enabled OCR extraction and labelling of invoices – reduces delivery time and improves efficiency
- AI-enabled smart posting – predicts ledger account, value and line item description based on historical data
- AI-enabled anomaly detection serves as first line of defence from fraud

Features

- Al enabled OCR to read invoices and transform them into a structured standard format with minimal human interaction
- AI enabled accounting classifier to identify appropriate accounting treatment of processed invoices, including special invoice types such as licenses, CIP and refunds
- AI enabled posting records generation to identify the vendors, general ledger accounts, and tax keys of the processed invoices
- AI enabled review and validation checker to identify missing/wrong information and/or possible fraudulent invoices. Invoices with unusual patterns are flagged and sent for human verification

Approach

- Minimum 2,000 invoices
- Associated postings
- System of accounts with descriptions
- Cost centers with descriptions
- Data cleansing by EY (minimum one week depending on volume and quality)
- Pre-trained by EY to classify:
  - Leasing
  - Refunds
  - CIP
  - Prepayments
  - Licenses
  - Further samples of special accounting treatment may be provided by the client
- Increasing initial prediction accuracy requires parametrization of the model to individual company structures (one to three weeks)
- Prediction accuracy rises with data volume up to 97%
- 20% of uncleansed client data is used for training validation
- Inclusion of client specific validation patterns per plug and play possible for very small training data sets
- Output may be generated as a flat file or transferred directly to the ERP system

Invoice recognition | Special Accounting treatment | Smart posting | Review and validation | Posting

Ready Set Go...
EY Policy Sphere is a web-based SharePoint tool that can serve as a multidimensional central repository for policies, procedures, desk instructions, training, other related documents, governance and approval workflows.

Deploying new policies efficiently to all users globally
Consistent organization wide policies housed in a central repository
Reducing the cost of maintaining and updating policies and SOPs
Improved corporate governance
Facilitating user access to your policies and SOPs
Integrating the policies into existing internal control system

Entity functions are structured in....

1. Policies and procedures
2. Detailed user instructions
3. Processes and control matrix
4. Responsible stakeholders
5. Access rights

Multi-dimensional central repository for all organizational policies
Cross-references between all policies and linkage to external sites
Integration into existing internal control system
Structured content
Pre-defined content
Search
Access control
History tracking
Version control
State-of-the-art approval workflow
Content management system that contains various financial and operational policies and procedures
Web-based policy manual
Content development / updation support services can also be provided by subject matter experts from EY

Uses Microsoft SharePoint (no additional third-party software needed)

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Uses Microsoft SharePoint (no additional third-party software needed)
Data analytics helps to translate mass data into valuable insight around the entity’s operations and financial statements. Patterns that may be able to identify unexpected potential may emerge and this will help attain a higher level of insight and performance.

**Solution structure**

1. Your IT infrastructure
2. Your financial data
3. EY financial analytics solution

**Technology**
- Power BI, Tableau, Spotfire, Qlikview; integrated with ERP

**Content**
- KPI’s, visualizations and other metrics by experienced team

**Value**
- Application of analytics is driven by content competency, not by technological competency; only those who understand the content are able to apply analytical technologies effectively and successfully.

**Stakeholders: Promoters and CXOs**

1. **Identify**
   - The identify stage will help in setting the context, understanding client systems, pain points and finalize the scope and operating model
   - Define the timelines for analytics development
   - Define the project management protocols

2. **Design and develop**
   - Interview the process owners to understand the processes and identify the metrics
   - Define the business rules for the metrics and confirm the same with the management
   - Design and develop the Analytics engine covering data validation, transformation and processing

3. **Deliver**
   - Analyse the results and discuss with the process owners
   - Modify business rules, as needed to remove false positives, if any
   - Re-run the queries for final output
   - Discuss with management and agree upon action plan with timelines

4. **Sustain**
   - Conduct workshops to help the client view and interpret the dashboards
   - Build a sustainable model and provide analytics playbook which will be like a user manual that covers the work performed
EY virtual academy focuses on identification of emerging trends, industry skill gaps, and important updates to create high-quality e-learning course material to add real value. It supports skill augmentation through high-quality, insights-driven, well-researched content.

**Learning solutions features**

- Well structured flow
- Hands on experience
- Email query management
- Comprehensive coverage

**Deliverables**

- Notifications
- Activity tracker
- Hand-picked topics

**Assessments**

- Comprehensive coverage
- Hands on experience
- Email query management

**Presentations**

- 24 hours of recorded sessions
- Assessments
- Other relevant material
- Ask EY expert

**Certification courses**

1. IFRS, USGAAP and Ind AS
2. Financial modelling and valuation
3. Other certification courses
4. Advance analytics
5. Data visualization using Tableau
6. Blockchain technology
7. Finance for non-finance managers
8. Certificate in AI and ML in python

**Other relevant material**

- Presentations
- Certifications
- Other certification courses
- Ask EY expert

**EY India is now an Authorized Microsoft Learning Partner**
Lease Accounting is still a big challenge to our clients. Some struggle with the software selected, others with deficient ICFRs, high workload or poor processes to keep lease data up to date. Benefits from contract management, improvement of sourcing and automation of lease management processes is not yet on their radar.

Why Lease Accelerator

1. Its internal controls and automated workflows enable completeness and accuracy of lease data over time. Pre-requisite for accounting compliance, effective contract management and lease cost savings.

2. Built-in equipment lease sourcing platform and equipment lease management functions helps to bring in efficiency thereby reducing cost.

3. It has a fully integrated Real Estate Lease Management application that enables us to provide comprehensive real estate management services to our clients around the globe. Demand for a lease accounting-oriented managed service and expand our market share.

4. It is easy to integrate into a high number of ERP-Systems, including SAP, Oracle, Microsoft Dynamics, Workday.

Modules

**Equipment lease sourcing service**

- Lease vs. buy analysis and proposal analysis to generate direct cost savings.

**Lease contract analysis**

- Analysis of leasing contracts and smart contract structuring will consider effects on KPIs and prepares audit-ready documentation for complex lease and service contracts.

**Data abstraction and data transfer**

- Significant drop of your cost to accurately and completely abstract lease data (AI / OCR data abstraction technology).

**Lease accounting**

- US GAAP, IFRS, Ind AS and IGAAP compliant accounting enabled by EY experts and technology.

**Equipment lease contract management**

- Substantial savings in equipment lease costs with end-of-term management and KPI reporting.

**Real estate lease contract management**

- Substantial savings in real estate lease costs with e.g. end-of-term management, KPI reporting, improved space efficiency, smarter contracts and/or regional contract bundling.

**Audit and compliance support services**

- Strong internal controls and EY experts lead to compliance and reduced audit cost. (SOC 1 & 2 reports available).

**Reporting**

- Lease Accelerator platform contains several reporting functionalities for external and internal reporting and is highly customizable.

**Benchmarking and forecasts**

- Scenario and cost analysis lead to precise forecast to avoid later adjustments with potential effects on management reporting.
Our offices

Ahmedabad
22nd Floor, B Wing, Privilon, Ambli BRT Road, Behind Iscon Temple, Off SG Highway, Ahmedabad - 380 015
Tel: + 91 79 6608 3800

Bengaluru
6th, 12th & 13th floor
"UB City", Canberra Block
No.24 Vittal Mallya Road
Bengaluru - 560 001
Tel: + 91 80 6727 5000

Ground Floor, 'A' wing
Divyasree Chambers
# 11, O'Shaughnessy Road
Langford Gardens
Bengaluru - 560 025
Tel: + 91 80 6727 5000

Chandigarh
Elante offices, Unit No. B-613 & 614
6th Floor, Plot No- 178-178A,
Industrial & Business Park, Phase-I,
Chandigarh - 160002
Tel: + 91 172 671 7800

Chennai
Tidel Park, 6th & 7th Floor
A Block, No.4, Rajiv Gandhi Salai
Taramani, Chennai - 600 113
Tel: + 91 44 6654 8100

Delhi NCR
Golf View Corporate Tower B
Sector 42, Sector Road
Gurgaon - 122 002
Tel: + 91 124 443 4000

3rd & 6th Floor, Worldmark-1
IGI Airport Hospitality District
Aerocity, New Delhi - 110 037
Tel: + 91 11 4731 8000

4th & 5th Floor, Plot No 2B
Tower 2, Sector 126
NOIDA - 201 304
Gautam Budh Nagar, U.P.
Tel: + 91 120 671 7000

Hyderabad
THE SKYVIEW 10
18th Floor, "Zone A"
Survey No 83/1, Raidurgam
Hyderabad - 500032
Tel: + 91 40 6736 2000

Jamshedpur
1st Floor, Shantiniketan Building
Holding No. 1, SB Shop Area
Bistupur, Jamshedpur - 831 001
Tel: + 91 657 663 1000

Kochi
9th Floor, ABAD Nucleus
NH-49, Maradu PO
Kochi - 682 304
Tel: + 91 484 433 4000

Kolkata
14th Floor, The Ruby
29 Senapati Bapat Marg
Daraz (W), Mumbai - 400 028
Tel: + 91 22 6192 6000

Delhi NCR
5th Floor, Block B-2
Nirton Knowledge Park
Gol, Western Express Highway
Goregaon (E)
Mumbai - 400 063
Tel: + 91 22 6192 6000

Pune
C-401, 4th floor
Panchshil Tech Park
Yerwada
(Near Don Bosco School)
Pune - 411 006
Tel: + 91 20 4912 6000

EY | Assurance | Tax | Strategy and Transactions | Consulting

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