

Office of Finance Suite



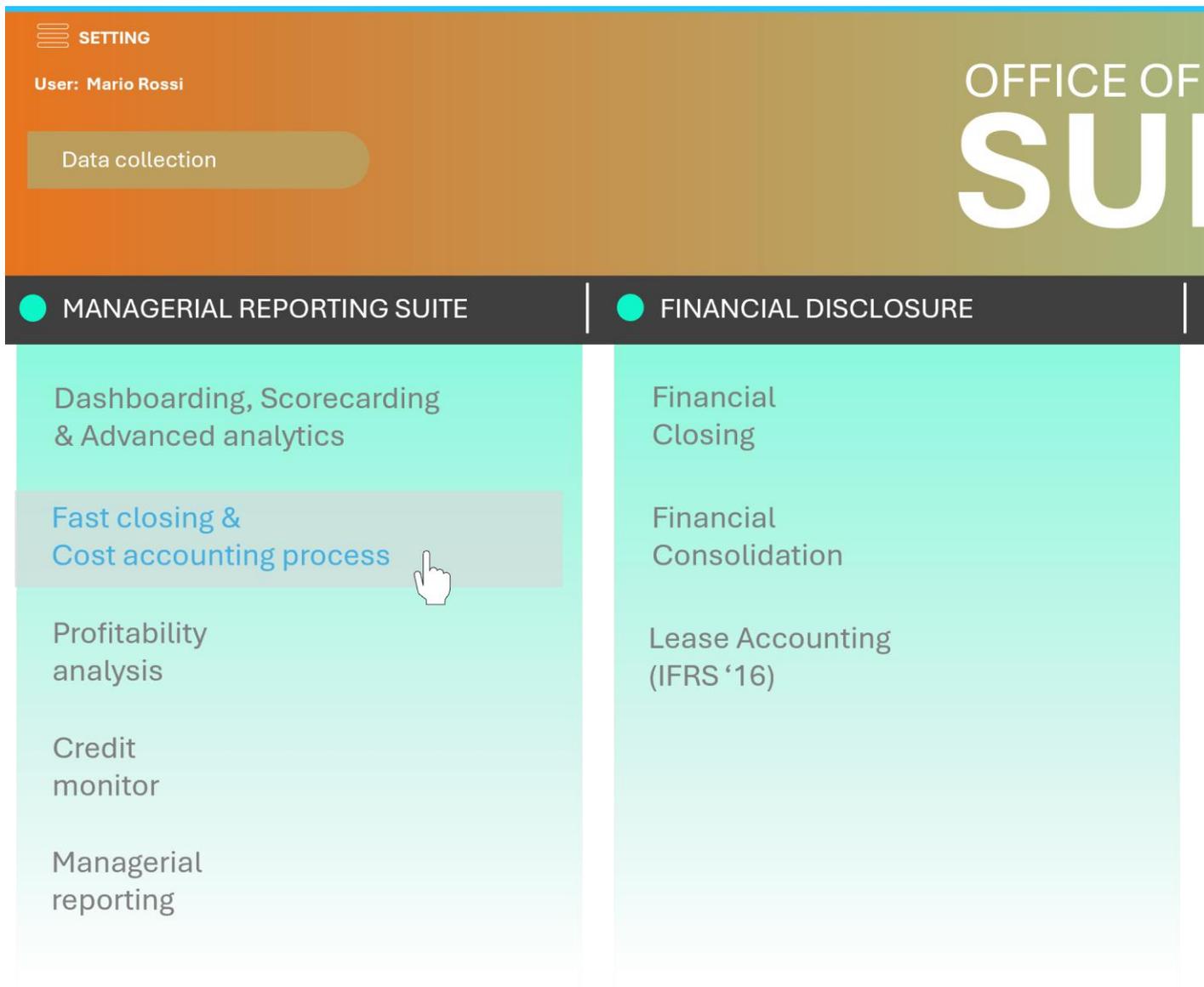
K.Group
Orange Company

orangecompany.biz

// Best practices

SUITE

K.Group supports the work of the **finance office** by streamlining various processes, making them collaborative, monitoring task progress, increasing data quality levels, and freeing up resources dedicated to information production in favor of higher value-added analysis and planning activities.



// THE BEST PRACTICES FOR THE EFFECTIVE AND EFFICIENT MANAGEMENT OF FINANCE PROCESSES

Tailor-made Models

K.Group’s approach has always been that of **XP&A** (Extended Planning & Analysis), where the principles of FP&A are extended to incorporate the operational data from the different areas that generate financial results into the planning processes.

FINANCE
SUITE



● PLANNING BUDGETING & FORECASTING | ● NON FINANCIAL DISCLOSURE

Rolling
Forecast

P&L
Budget

Capex Plan &
Leasing

Cashflow
planning

Integrated
Business Planning

ESG
Reporting & Planning



MANAGERIAL REPORTING SUITE

Dashboarding, Scorecarding & Advanced Analytics

Summary and balanced views of the **main KPIs** for performance analysis and monitoring of company objectives.

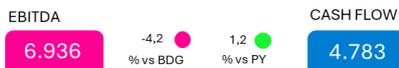
SALES - YTD

L4L TOTAL



P&L

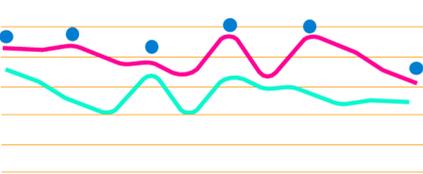
| Chanel | DOS | ECOMM & OUTLET | CY (K) | % | vs PY | vs PY % |
|-----------------------|-----|----------------|--------|--------|-------|---------|
| Net Sales | | | 19.420 | 100% | 1.628 | 9,19% |
| Sales Full Price | | | 13.420 | 69,38% | 849 | 6,76% |
| Discount Sales | | | 5923 | 30,62% | 779 | 15,14% |
| REVENUE | | | 19.343 | 100% | 1.628 | 9,19% |
| Cost of Good Sales | | | 10.341 | 53,46% | 1.164 | 12,69% |
| STANDARD GROSS MARGIN | | | 9.002 | 46,54% | 464 | 5,43% |
| Depreciation | | | 2.067 | 10,68% | -837 | -28,83% |
| GROSS MARGIN | | | 6.936 | 35,84% | 1.301 | 23,09% |



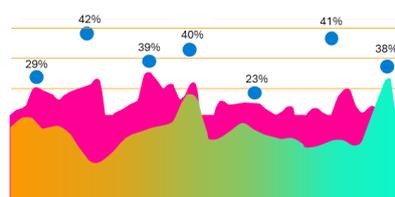
SELL THROUGH



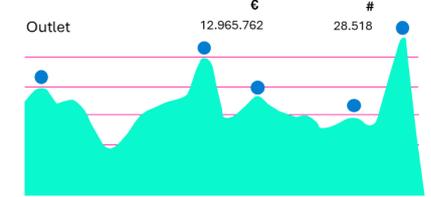
HR PRODUCTIVITY



STANDARD GROSS MARGIN



STOCK

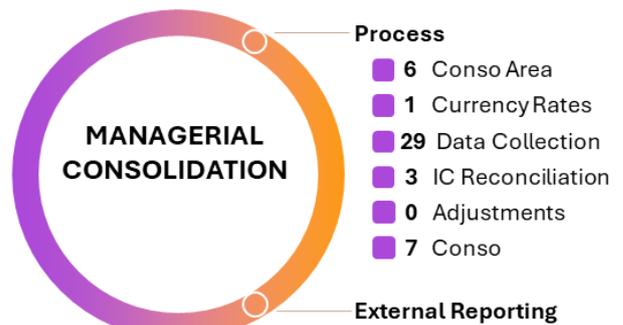
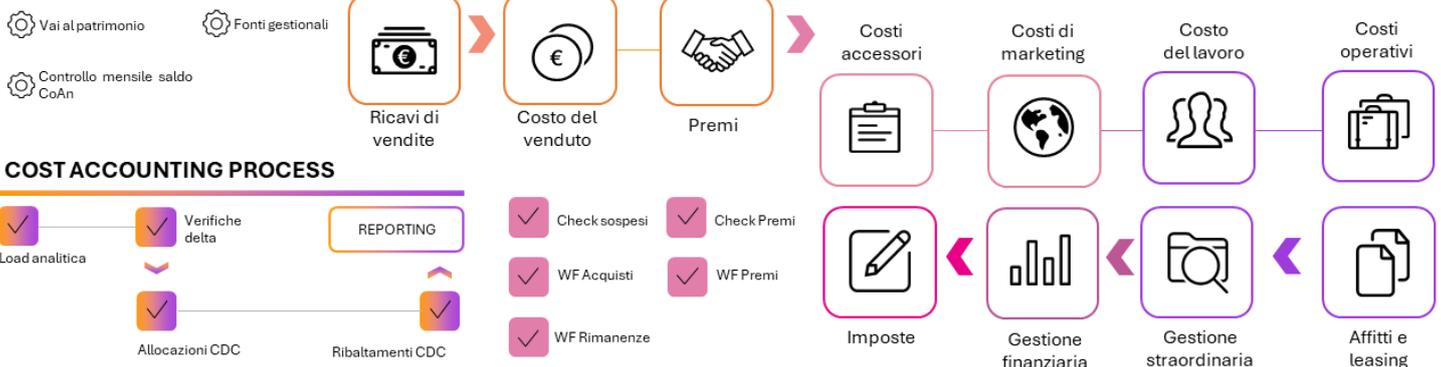


Fast Closing, Cost Accounting & Managerial Consolidation process

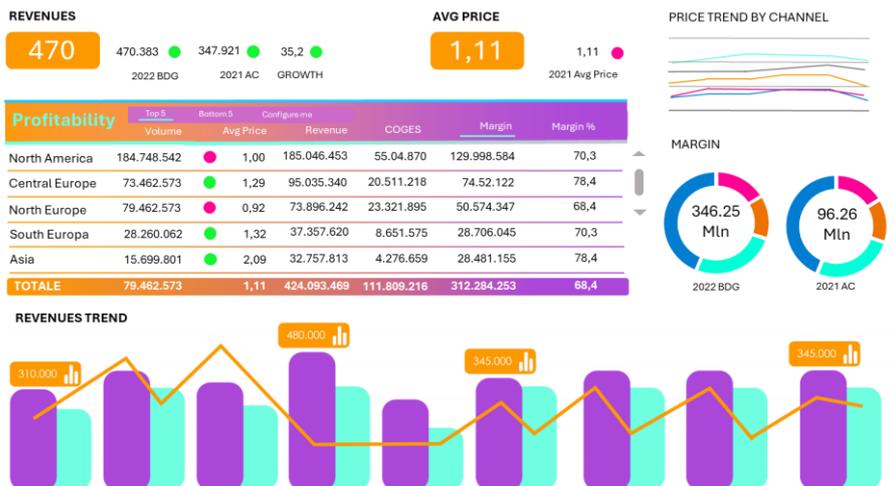
A **guided** and **collaborative** workflow for optimizing the periodic management closing process for both Profit & Loss and Balance Sheet: sequential allocation of costs to final cost objects.

FAST CLOSING PROCESS

Aggiornamento Dati



Profitability analysis

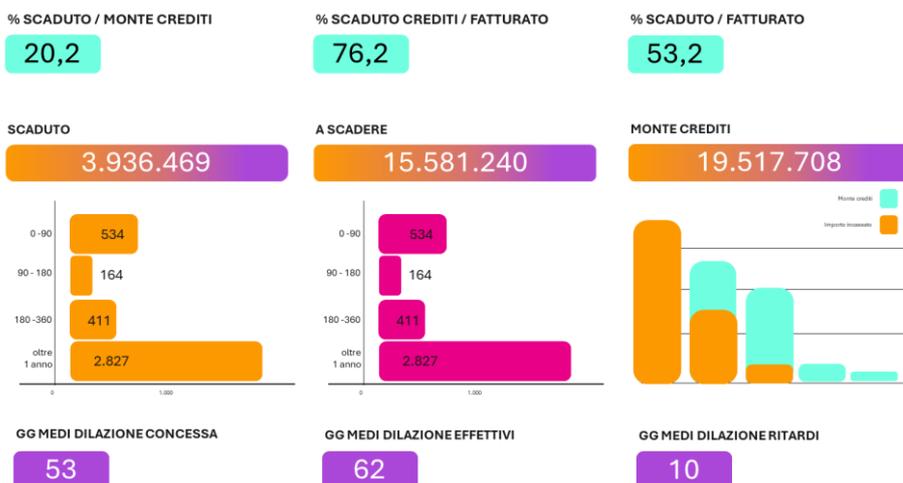


Definition of **costing** techniques.

Procedures for **granular allocation** of costs to objects and the typical business dimensions.

Analysis of **profitability** by individual dimension and cluster.

Credit Monitor



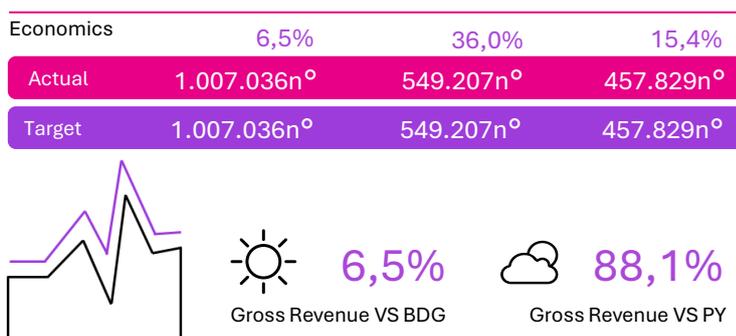
Analysis of credit **ageing** and calculation of the actual **DSO** compared to the agreed one.

Historical tracking of the credit portfolio and comparisons with benchmarks and company averages.

Managerial Reporting

A repository for managerial reporting where, alongside financial statements and data (**lag measures**), the main reports and charts on operational data from various areas (**lead measures**) are provided.

- Executive Summary**
- Dashboard
- Quantitative Values
- Economics & Marginality
- HR (TBD)
- Financial & Economical View**
- Company Reports
- Monthly Profit & Loss
- Monthly Balance Sheet
- P&L by Geography
- P&L by Client (TDB)

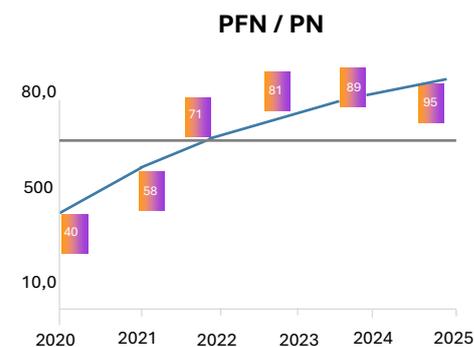
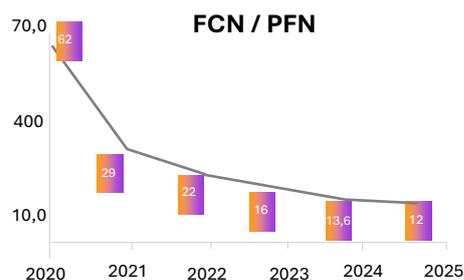
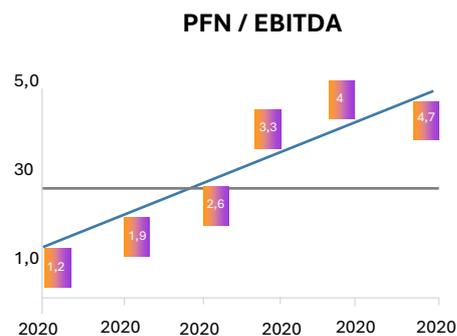


FINANCIAL DISCLOSURE

Financial Closing & Ratios

A **verification** and **closing** process of an accounting cycle (quarterly, semiannually, annually) to produce financial reports that represent the true position of the company at a given date: a statement of the main economic, asset, and financial ratios.

| REPORT | PnL | % | BDG |
|-----------------------------------|------------|------|------------|
| Sales | 2.059.000 | -3,2 | 2.300.000 |
| Cost of good sold | 1.256.000 | -4,5 | 1.001.000 |
| 1° gross margin | 1.356.000 | +1,2 | 1.450.000 |
| Distribution Costs | 570.000 | -3,2 | 600.000 |
| Handling variable | 20.000 | -5,6 | 22.500 |
| Handling fixed | 50.000 | +3,8 | 48.500 |
| Commission costs | 1.378.000 | +5,9 | 1.200.000 |
| 2° gross margin | 2.059.000 | +1,2 | 2.000.000 |
| Personal | 2.354.000 | -3,2 | 2.190.000 |
| Fixed logistic costs | 1.450.000 | -3,2 | 1.560.000 |
| Services | 780.000 | -3,2 | 810.000 |
| Marketing | 400.000 | -3,2 | 458.000 |
| Others | 60.000 | -3,2 | 80.000 |
| Total fixed costs | 12.000.000 | +2,8 | 12.800.000 |
| EBITDA before non recurrent items | 2.450.000 | +3,5 | 2.000.000 |
| D&A | 1.780.000 | +1,2 | 1.630.000 |
| Bad debt provision | 780.000 | -3,2 | 800.000 |
| Final Charges | 50.000 | +5,2 | 45.000 |
| Others | 5.000 | -3,2 | 4.850 |
| EBT | 2.879.000 | +3,8 | 2.059.000 |
| Income Taxes | 1.478.000 | -2,9 | 1.100.000 |
| Net profit | 2.059.000 | +1,5 | 1.899.000 |



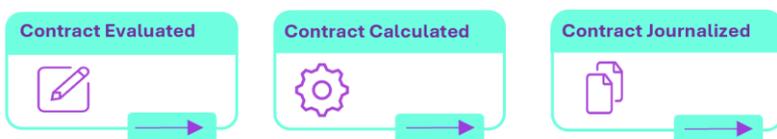
Financial Consolidation



A process for **aggregating** and **consolidating** the balance sheet data of the holding company and its subsidiaries to create financial reports.

The process requires compliance with the rules and guidelines provided by law (including IFRS and local GAAP) and incorporates various complex procedures such as currency conversion, intercompany eliminations, adjustments of accounting entries, and considerations of partial ownership.

Lease Accounting (IFRS '16)



It enables companies to easily comply with **IFRS 16** and **ASC 842** regulations for rental/leasing contracts, giving them full control over the entire process of data management, calculation, simulation of various scenarios, and reporting.

It simplifies the preparation of accurate accounts for real estate and leased/rented assets, eliminates non-compliant spreadsheets, and automates time-consuming manual processes.

| Contract List & Status | | | | |
|-------------------------------|------------------|---------------|-------------|--|
| Contract | Contract Version | Lease Payment | Periodicity | |
| - Scenario: ACT | | | | |
| 01 Contract 1 | 1 | 3.903,36 | Monthly | |
| 02 Contract 2 | 1 | 529,90 | -45.005 | |
| Total | | | | |
| Process & Controls | | | | |
| Application Controls | | | | |
| - To Do List: General Setting | | | | |
| 01 General Setting | | | | <input type="checkbox"/> |
| 02 Contract 2 | | | | <input type="checkbox"/> |
| Total | | | | |
| Alerting Data Manager | | | | |
| Deadlines | | | | |
| - To Do List: General Setting | | | | |
| 01 General Setting | | | | ● -45.005 |
| 02 Contract 2 | | | | ● -45.005 |
| Total | | | | |

PLANNING, BUDGETING & FORECASTING

Rolling Forecast

An iterative model for **forecasting** economic results based on historical data or by configuring specific algorithms for account categories.



P&L Budget

A **structured** and **collaborative** budgeting process (top-down/bottom-up) that eliminates errors and delays related to sharing spreadsheets, for planning the expected economic objectives.



Capex Plan & Leasing

Planning for future **investments** with the ability to manage different scenarios and obtain the development of future amortizations, expected cash flows, and the dynamics of fixed assets in the Balance Sheet.

| Cost | FTG mg/d | Residual Value | Depreciation Method | Purchase Date | Depreciation Start Date | Total Values |
|----------------------------------|----------|----------------|---------------------|---------------|-------------------------|--------------|
| Project Construction New Plant | | | | | | 3 Projects |
| Total Vehicles | | | | | | 1.310.000 |
| Total Land and Land Improvements | | | | | | Total Capex |
| New Plant Building | | | | | | 436.667 |
| New Plant Electrical | | | | | | AVG Capex |
| New Plant Plumbing | | | | | | |
| Total Buildings | | | | | | |
| Total Leasehold Improvements | | | | | | |

| Depreciation | Apr-22 | May-22 | Jun-22 | Jul-22 | Aug-22 | Sep-22 | Oct-22 | Nov-22 | Dec-22 | Jan-23 | Feb-23 | Mar-23 | Apr-23 | May-23 | Jun-23 | Jul-23 | Aug-23 | Sep-23 | Oct-23 | Nov |
|--------------------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| New Plant Building | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 | 900.000 |
| Useful Life in Months | 360 | 359 | 358 | 357 | 356 | 355 | 354 | 353 | 352 | 351 | 350 | 349 | 348 | 347 | 346 | 345 | 344 | 343 | 342 | 341 |
| Accumulated Dep. Asset | 2.200 | 4.400 | 6.600 | 8.800 | 11.000 | 13.200 | 15.400 | 17.600 | 19.800 | 22.000 | 24.200 | 26.400 | 28.600 | 30.800 | 33.000 | 35.200 | 37.400 | 39.600 | 41.800 | 44.000 |
| Depreciation expense P&L | 2.200 | 2.400 | 2.600 | 2.800 | 3.000 | 3.200 | 3.400 | 3.600 | 3.800 | 4.000 | 4.200 | 4.400 | 4.600 | 4.800 | 5.000 | 5.200 | 5.400 | 5.600 | 5.800 | 6.000 |
| AVG | 900.000 | 899.000 | 898.000 | 897.000 | 896.000 | 895.000 | 894.000 | 893.000 | 892.000 | 891.000 | 890.000 | 889.000 | 888.000 | 887.000 | 886.000 | 885.000 | 884.000 | 883.000 | 882.000 | 881.000 |

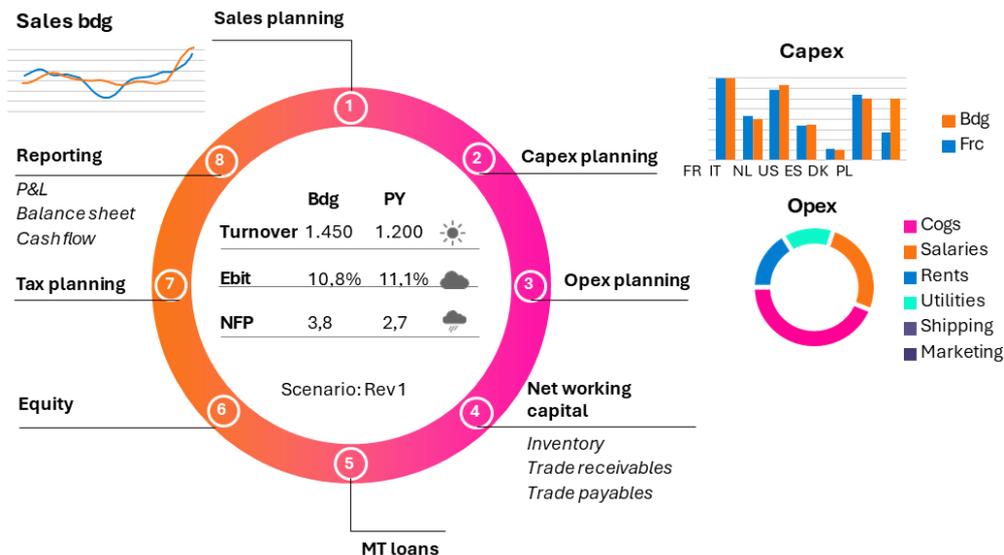
Cashflow planning

A simulation of short-term **cash flows** by integrating forecast accounting data and budget data, generating hypotheses and scenarios through what-if simulations.



Integrated Business Planning

An **integrated process** of economic, asset, and financial planning over a flexible, multi-company, and multi-currency time horizon, which allows the company to determine whether it has the financial resources available to implement its multi-year economic plan, in line with the regulations of adequate organizational structures.



NON FINANCIAL DISCLOSURE

ESG Reporting & Planning

A model for aggregating heterogeneous data for the construction, planning, and monitoring of **ESG** KPIs, ensuring data quality through consistency checks.

Create reports in line with the most recent standards. Track sustainability performance at the corporate, business unit, geographic, and structural levels.





K.Group

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stories



tutorial



community