



# Top Telecommunications Company achieves value beyond compliance

## CLIENT

Large Telecommunications Company

## SUMMARY OF RESULTS DELIVERED:

### APTITUDE ACCOUNTING HUB

- Provides a single finance hub for all lines of business and a ledger-certified bridge between the General Ledger and the data warehouse
- Enables greater granularity, accuracy and timeliness of accruals deferrals and write-offs
- Reduces month end close time
- Positions the organization for ASC 606 compliance and helps drive retrospective and prospective reporting

### APTITUDE REVENUE RECOGNITION ENGINE

- Data preparation layer integrates and validates information from source systems
- Rules-based environment for contract identification, modification and management
- Reallocates contractual revenue down to the performance obligation level
- Calculates & maintains stand-alone selling prices and fair values
- Proven to support 250+ global communications accounting scenarios

*New revenue recognition standard provides opportunity to modernize finance IT architecture*



## Client Background

A top Communications company needed to transform the way they processed data for accounting and analysis. Their subscriber base had increased significantly as the result of innovative offerings and a commitment to customer service but the rapid growth had resulted in a fragmented finance architecture. Furthermore, the ASC 606 / IFRS 15 revenue recognition regulation was requiring the industry to work at a granular contract level. This forward-thinking organization saw these two challenges as an opportunity to create a modern finance IT architecture that would reduce costs, streamline finance processes and drive business insight.

## Positioning finance as strategic leaders

The Corporate Controller wanted to position the finance team to act as strategic leaders for the business but knew they had to automate more of the basic finance functions to ensure the finance team could remain focused on revenue generating activities.

When the team began to explore consolidating their existing billing systems, they realized they had an opportunity to further streamline and automate the finance function to allow them to reduce costs and focus on adding value to the business. They were looking for an event driven revenue management platform that would sit between the billing system and the existing General Ledger. After evaluating in-house and external solutions, a leading advisory group suggested looking at the Aptitude Software Accounting Hub incorporating a Sub-Ledger.

## The Aptitude Accounting Hub: A platform for revenue management

From the start, the organization felt Aptitude Software was talking the same 'finance-driven' language and could clearly articulate accounting policies and financial reporting requirements. Pre-defined Multi-GAAP and IFRS accounting templates simplified implementation and business rules are now understood and controlled by finance.

*Many organizations are using new regulatory initiatives as an opportunity to assess their current financial architecture and core finance processes.*

In addition to incorporating years of finance expertise, AAH also meets stringent technology requirements including the ability to handle the extremely large transaction volumes and complex calculations required by the business while maintaining a high level of performance and scalability.

With the Accounting Hub, the organization gains a single point-of-contact for all detailed finance data, reference data and accounting logic. The seamless integration with third party technology allows them to maintain their existing General Ledger and gives them flexibility as they sunset legacy billing systems.

*"It's important to be able to take data all the way through the accounting process within a strong control environment."*

*(Director, Revenue Management)*

## The Aptitude Revenue Recognition Engine: value beyond compliance

The Aptitude Accounting Hub enabled integration and standardization of data from multiple billing systems within a finance-controlled, "books & records" quality environment. Once this foundational data layer was established, the organization moved forward with the Aptitude Software Revenue Recognition Engine (ARRE) to address the ASC 606 / IFRS 15 Revenue Recognition compliance requirement.

ARRE now supports the company's contract, portfolio and hybrid level revenue recognition methods and accounts for contracts and performance obligations in accordance with the new revenue recognition standards. ARRE supports more than 250 accounting scenarios, developed in close partnership with global communications organization and leading advisory firms and gives finance the ability to build new rules as required.

## About Aptitude Software

Aptitude Software serves CFOs with a range of specialist finance applications that streamline accounting and finance processes and address challenges like revenue recognition, accounting logic, profitability analysis, royalty management and more. Our solutions can be found in some of the largest organizations in the world.


## A Platform for Revenue Management

The organization had the vision to go beyond regulatory compliance. This forward-looking approach inspired them to put in place a robust, efficient revenue management system that will flexibly support business innovation and future regulatory change.

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