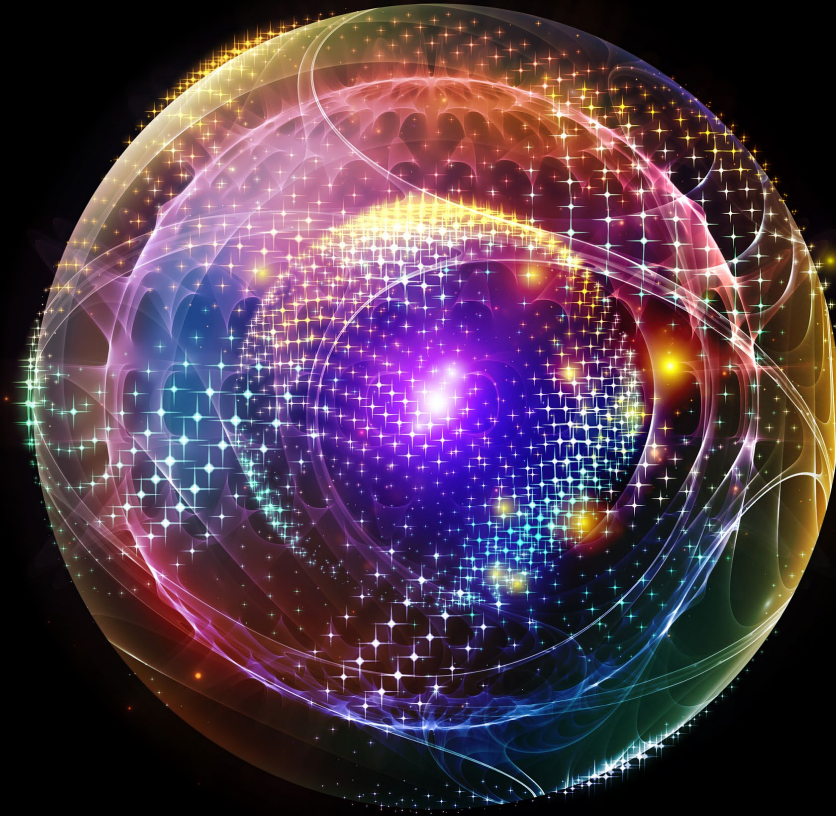


Deloitte.



Improving intercompany accounting through process and technology design featuring BlackLine and SAP®

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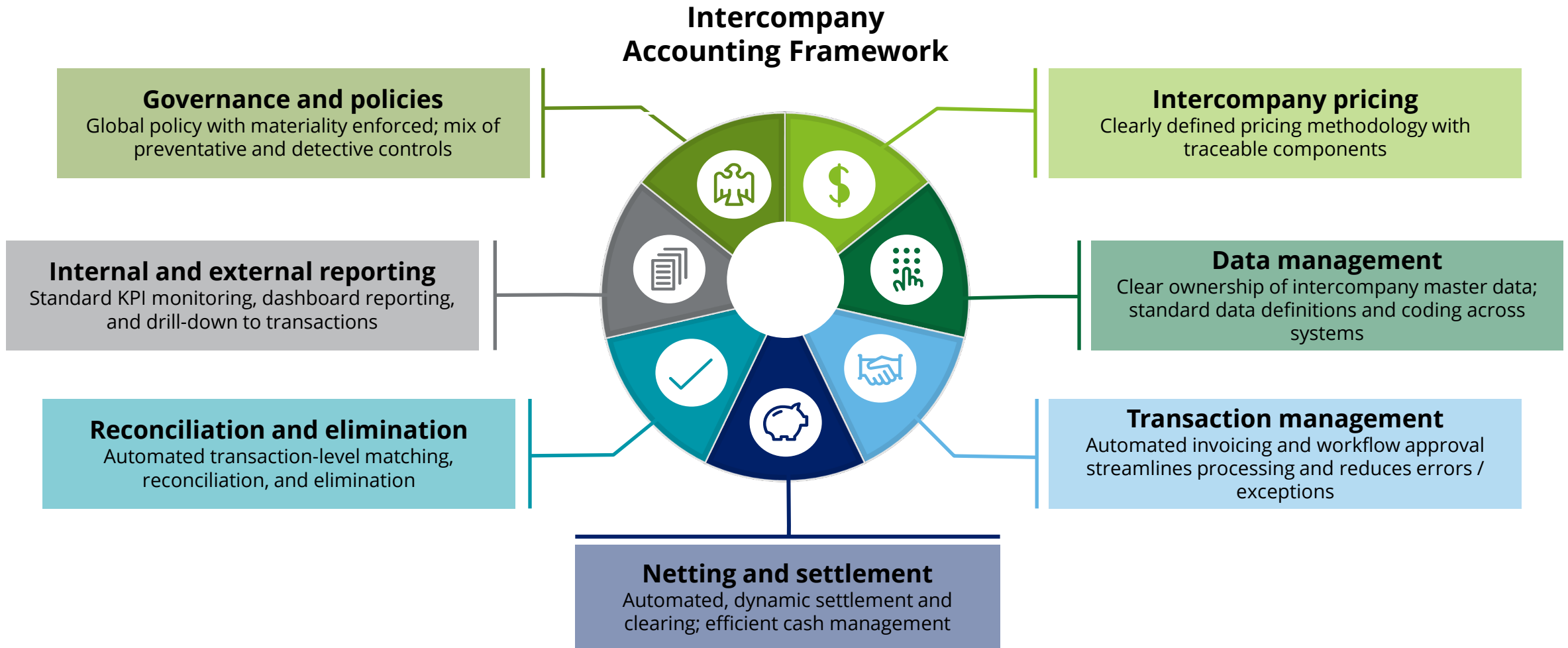
AGENDA

- 1** Transforming and modernizing intercompany accounting technology in 2021
- 2** Key components of cloud-based intercompany automation solutions - SAP Intercompany Financial Hub by BlackLine (ICFH)

- 3** Creating a roadmap for achieving intercompany accounting transformation

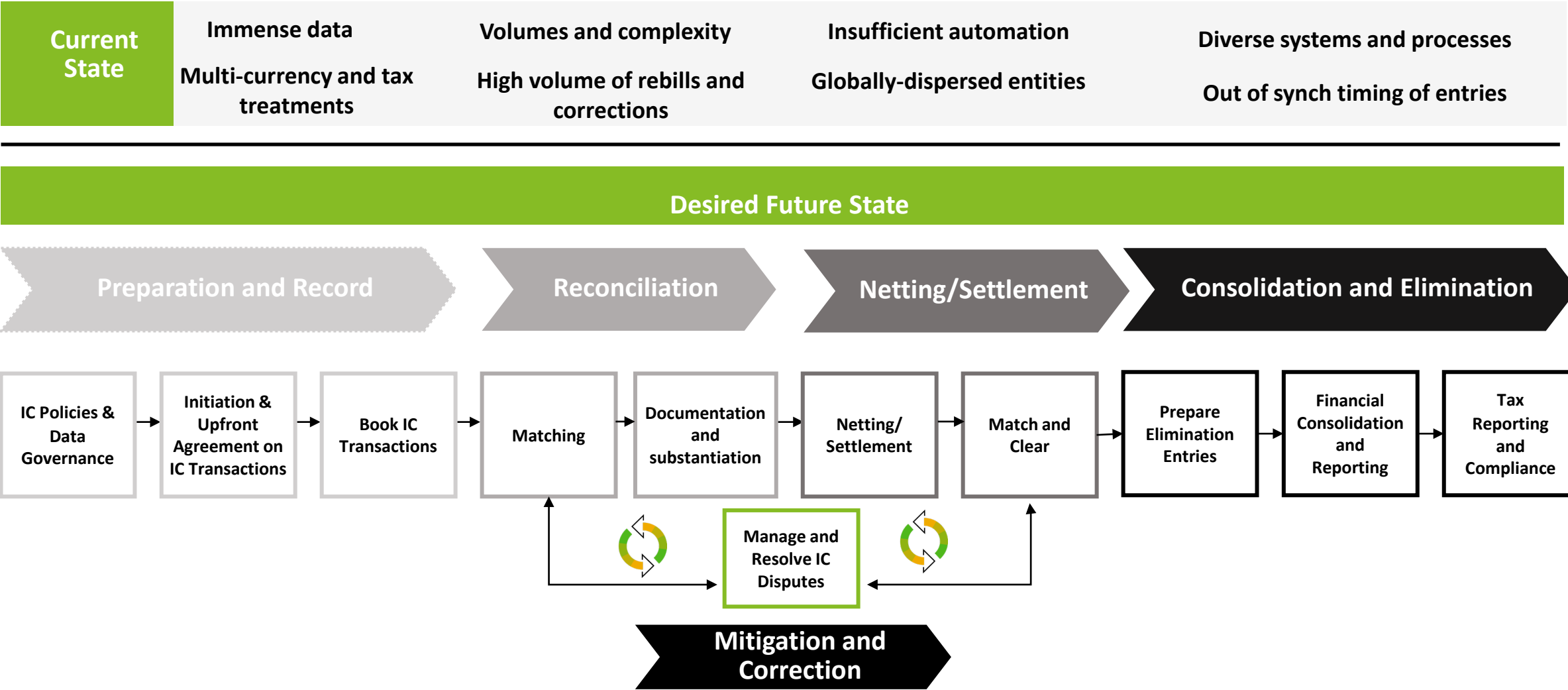
Creating a framework for intercompany accounting technology improvement

When designing an intercompany transformation, Deloitte recommends the use of an integrated intercompany accounting framework that is divided into seven components representing the relevant accounting, treasury, tax, legal, and business considerations associated with intercompany transactions.



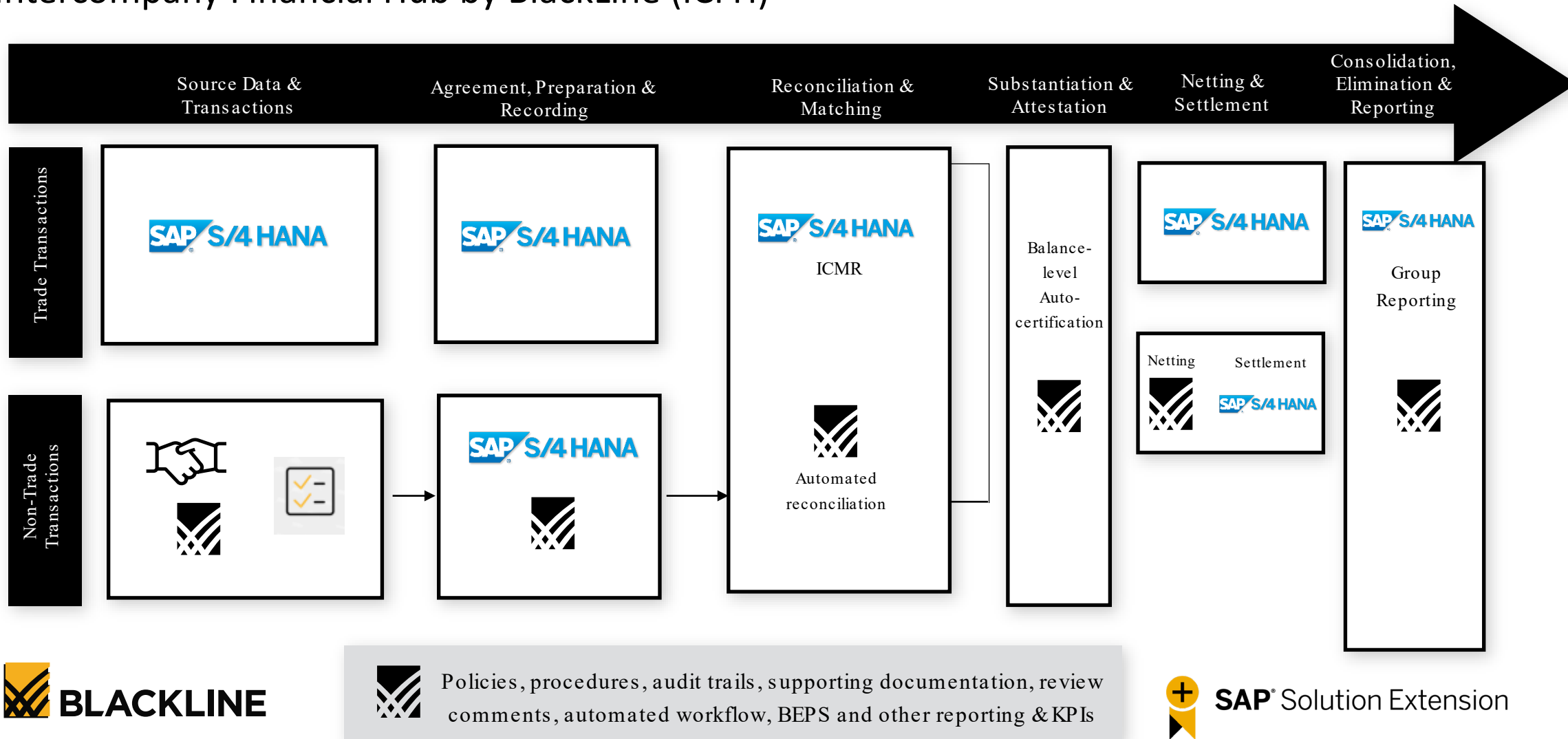
Reviewing the end-to-end intercompany accounting process (not just reconciliation)

The intercompany process doesn't start on Day +0. It begins with upfront agreement on transactions and dual-sided bookings minimizing the need for reconciliation.



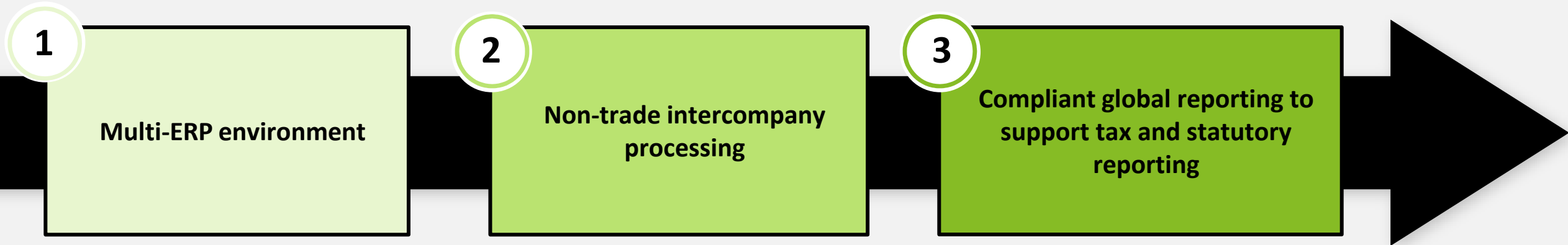
Creating end-to-end intercompany accounting & governance

SAP Intercompany Financial Hub by BlackLine (ICFH)



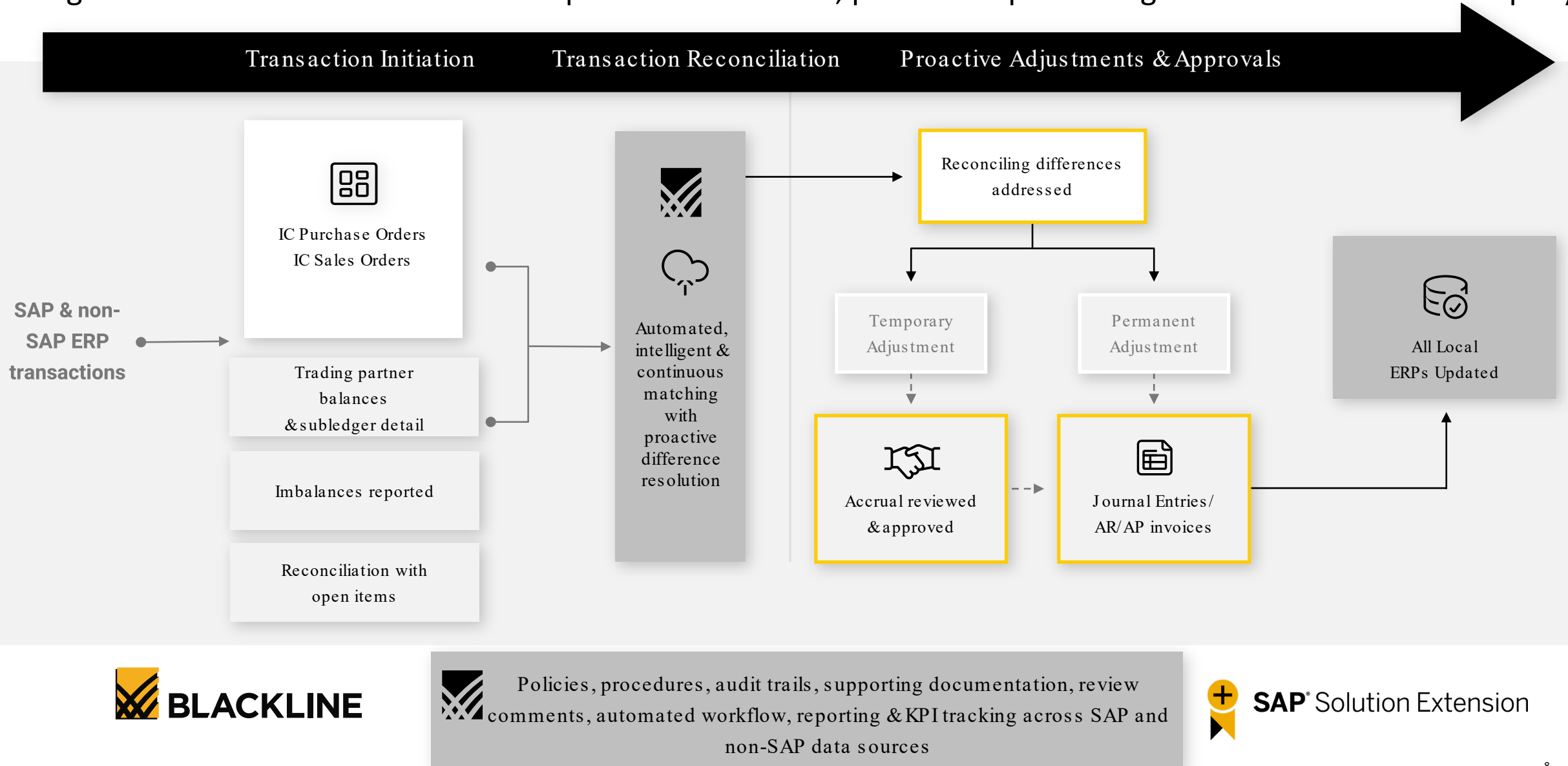
Considerations for intercompany technology design

When setting up intercompany technology, it is important to consider a variety of scenarios which could impact design, configuration, and ultimately end-use of the solution



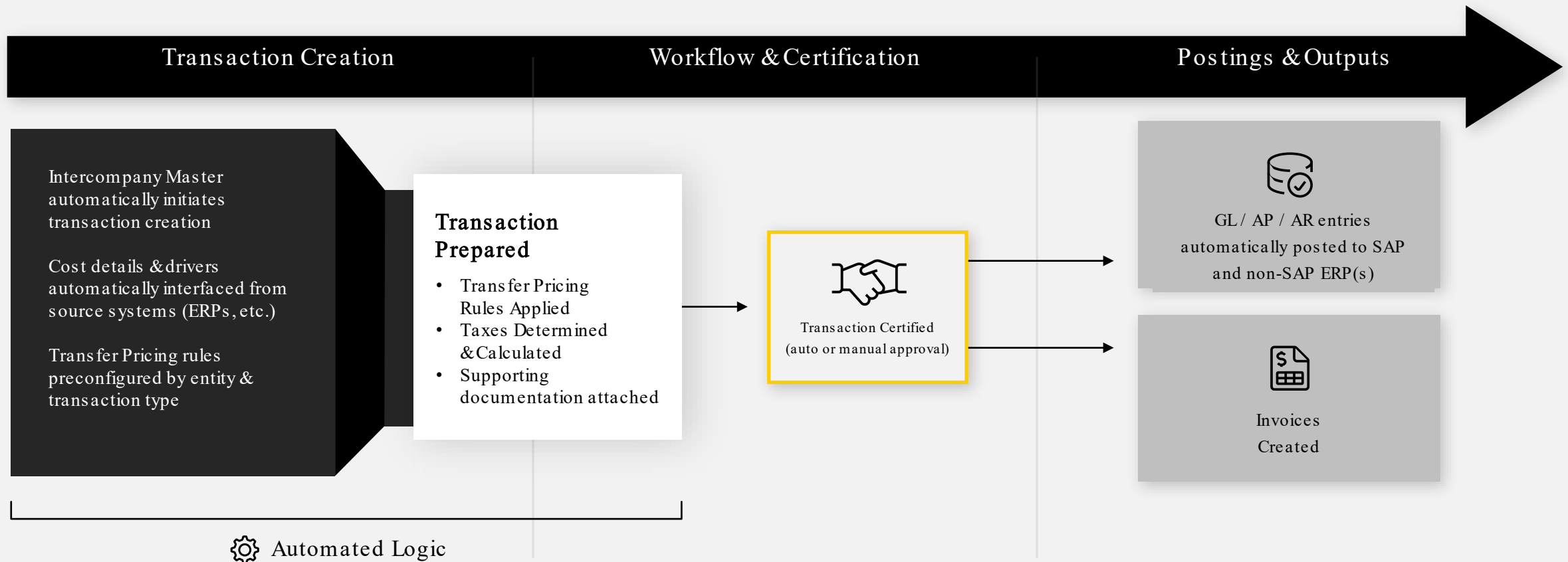
1) Multi-ERP Intercompany Environments

Organizations should consider how to provide continuous, preventive processing across ERPs for Intercompany



2) Non-Trade Transactions

Organizations should ensure they understand non-trade transaction processing when reviewing technology



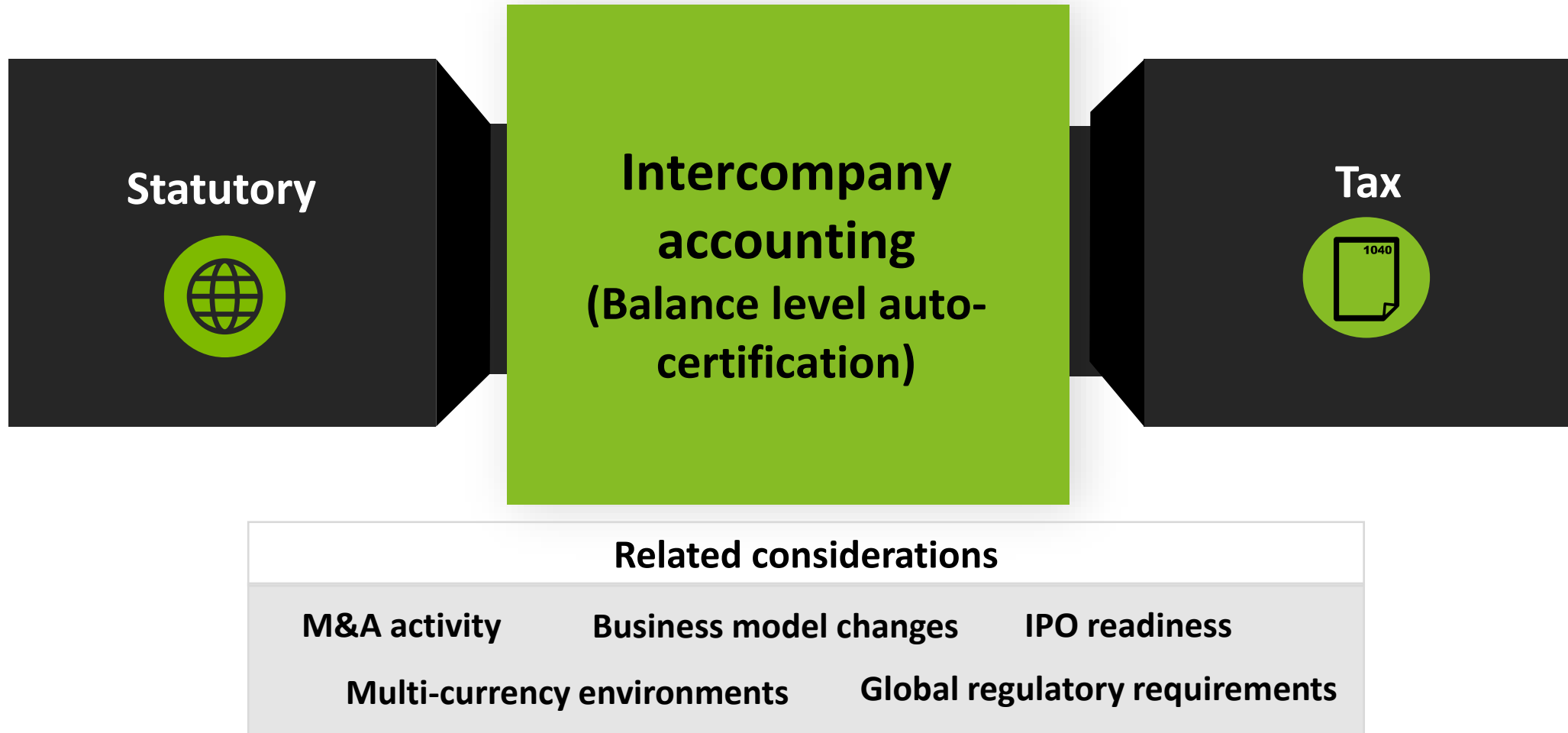
SAP Intercompany Financial Hub flexibly and securely connects to any SAP or non-SAP data source via certified connectors, APIs, and other integration options. This facilitates seamlessly posting and master data validation.



SAP® Solution Extension

3) Compliant global reporting to support tax / statutory requirements

Organizations should collaborate with their Tax and Statutory accounting teams to ensure alignment and awareness for intercompany-related considerations.



Marketplace examples



SCENERIO 1

ICFH is implemented before other BlackLine modules

- **Early-stage SAP S/4 implementation in flight** but not current BlackLine Account reconciliation users
- **Implemented ICFH to specifically address immediate intercompany challenges**



SCENERIO 2

Blackline ICFH is implemented during CFIN

- CFIN implementation in-flight
- Concurrently implemented ICFH functionality:
 - **Non-trade intercompany transaction creation and workflow**
 - **Global balancing process to enable automated transaction level matching and reconciliation**

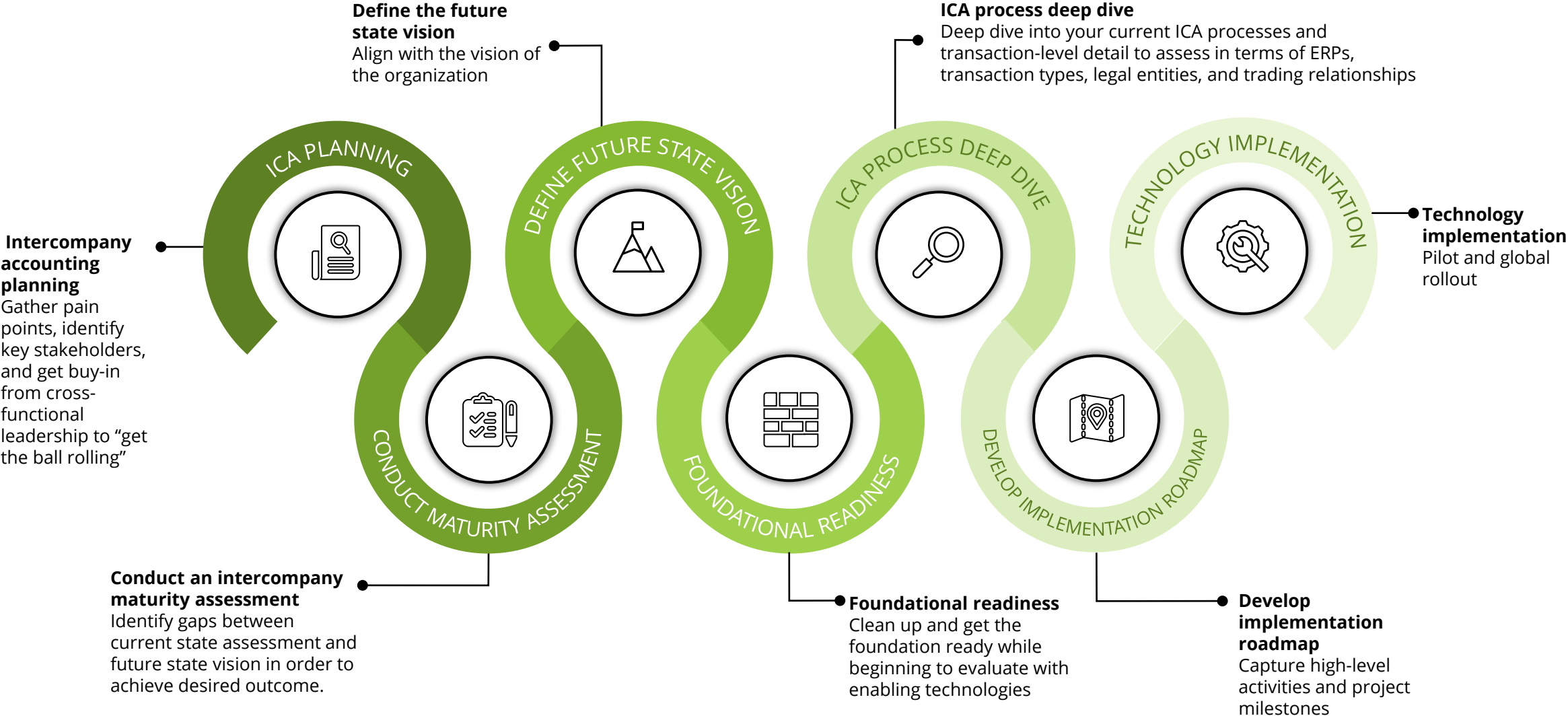


SCENERIO 3

BlackLine ICFH is implemented during SAP S/4HANA transformation

- S/4HANA transformation in-flight
- Concurrently implemented ICFH functionality:
 - **Non-trade intercompany transaction creation and workflow**
 - **Global balancing process to enable automated transaction level matching, reconciliation, eliminations and netting**
 - **Centralized intercompany agreements**

Next steps : Intercompany technology transformation roadmap





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