

Manufacturing Applications for ACL



APPLICATION SHEET

"We believe *ACL* is at the forefront of data interrogation programs. *ACL* offers an effective means for us to devise audit tests which are global in nature and rigorous enough to pinpoint the specific details that we need in each audit location."

Aaron Rylance
Business Process Auditor
Dow Corning Corporation

ACL software solutions give organizations confidence in the accuracy and integrity of transactions underlying their key business processes and financial reporting.

Following are some example usage scenarios:

Accounts Payable

- Extract invoices posted with duplicate purchase order numbers
- Identify distributions to accounts not in suppliers' account ledgers
- Review recurring monthly expenses and compare to posted/paid invoices
- Correlate vouchers or invoices posted vs. purchase order amounts
- Create activity summary for suppliers with duplicate products
- Extract total posted invoices for the year for accurate vendor rebates
- Generate cash requirements by bank, period, vendor, etc.
- Isolate vendor unit price variances by product, over time
- Reconcile check register to disbursements by vendor invoice

Vendor Management

- Reconcile selected vendors' payables posted against purchase orders
- Summarize large invoices without purchase orders, by amount, vendor, etc.
- Provide an audit trail for all disbursements by purchase order, vendor, etc.
- Summarize cash disbursements by account, bank, group, vendor, etc.
- Extract pricing and receipt quantity variations by vendor and purchase order
- Recalculate costed Bill of Materials with substitute vendors/parts for lower costs

Cash Disbursements

- Extract cash disbursements by vendor/supplier for audit verification
- Generate vendor cash activity summary for support in rebate negotiations
- Identify check requests that exceed set or selected dollar amounts

Sales Order Control

- Analyze product demand by summarizing products ordered by date due
- Manage delinquent orders by showing days past due
- Report on correlation between items shipped and items ordered
- Isolate average sales amounts by product, sales representative, region, etc.
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Accounts Receivable

- Determine carrying costs by comparing days in collection by customer
- Extract variances in matching remittances to open receivables
- Generate invoice summaries by customer, invoice, amounts, etc.
- Identify credits taken beyond discount terms of payment days
- Identify duplicate invoices, credits, or receipts in any order
- Identify high value credit notes, balances, and invoices
- Report and age total receivables in any format
- Report gaps in the sequence of invoices generated
- Show variances between delivery documents and invoices
- Identify high value credit notes, balances, and invoices
- Report on creditor balances aged in any format required
- Identify accounts with oldest activity for sales follow-up
- Summarize client days to payment by client, sales representative, region, etc.

Stock and Inventory Control

- Identify obsolete inventory by sorted turnover analysis
- Isolate and analyze high value transactions by value, group, etc.
- Report on products in order of profitability (low-high, high-low)
- Statistically analyze usage and ordering to improve turnover
- Summarize and stratify turnover by stock item in any order
- Check product reordering volume by item, warehouse, and vendor
- Compare the value of physical counts to general ledger value
- Extract products with zero quantities or zero prices
- Identify items with yearly volume under on hand quantity
- Identify starting and ending period balances by class or group
- Match stock receipts with vendor ledger and report variances
- Report on stock and high value balances using any selection criteria
- Select items from perpetual stock for test reconciliation
- Summarize products by group, location, type, etc.

Sales Analysis

- Analyze sales trends by comparing current and previous periods
- Compare ratios of current sales to open receivables (high-low, low-high)
- Identify top dollar volumes by products, customers, sales representative, etc.
- Summarize sales performance over time by region and product
- Compare current product sales with booked sales for demand analysis/trends
- Generate sales and profitability reports by sales representative, product, or customer Select any range of products for current and period-to-date analysis
- Summarize shipments by warehouse for product distribution analyses



Purchase Order Management

- Identify duplicate purchase orders or receipts without purchase orders
- Reconcile receipts by comparing accrued payables to received items
- Analyze late shipments for impact on jobs, projects, or sales orders due

Salaries & Payroll

- Compare time-card rates and pay to payroll and indicate variances
- Extract all payroll checks where the gross dollar amount exceeds set amount
- Identify changes in exemptions, gross pay, hourly rates, salary amounts, etc.
- Identify duplicate or missing payroll checks by check, bank, etc.
- Recap distributions to jobs, projects, etc., for audit and reconciliation
- Report entries against authorization records for new or terminated employees
- Compare and summarize costs for special pay, overtime, premium, etc.
- Identify payments to terminated or non-existent employees
- Summarize and print payroll by selection criteria for audit review
- Verify commission calculations

General Ledger

- Analyze, select, and confirm shareholders' accounts and equity
- Calculate financial ratios (and changes) for sales/assets, debt/equity, etc.
- Compare summaries by major account in any order (low-high, high-low)
- Compute weighted and average interest rates across any periods
- Calculate and sort percentage variances in accounts between periods
- Prepare trial balances by tax groups and calculate various tax provisions
- Print custom balance sheets, P&L statements, cash flow analyses, etc.
- Select any journal entry for test and audit purposes from any period
- Speed closing with quick account reconciliations and adjustment transactions
- Verify feeder systems data in a consolidated ledger
- Confirm consistent use of ledger accounts and codes

Work in Process

- Generate comparison of planned vs. actual labor, material, and time
- Merge products on work orders and sales orders for net demand analysis
- Summarize pending work orders by size, priority, for release to shop floor
- Compare actual costs for a job to standard costs, detail, or variances
- Age work orders to identify potential problem areas

Costing

- Assess the financial viability of LIFO versus FIFO management
- Analyze the difference between standard costs and actual costs
- Isolate stock lines where the cost is greater than retail price
- Identify changes to standard costs above a % threshold or specified \$ value
- Identify changes to standard costs by non-authorized individuals
- Analyze standard cost trends by product category



■ acl.com
■ info@acl.com

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