

# **BUSINESS FRESHNESS MANAGEMENT SOLUTION**

**Itaru Dogen** 

## FURTHER, THE RICH SOCIAL LIFE OF PEOPLE WORKING IN THE COMPANY

### Further increase in revenue and profit

- Increase Revenue
  - Responding deeply through daily grasp of business information
  - Customer movement and risk management
    - Payment delay (no payment as contracted), reduction at the time of payment (invoice amount> payment amount)
  - Selling points for products and goods, dead muscle
- Increase Profit
  - Daily freshness management of inventory assets according to daily movements of products and goods
    - Timely disposition of defective inventory (assets in BS, but cost in PL)
    - Daily review of production plan
  - Daily grasp of foreign exchange gains / losses
    - Earnings subjects: order receipt, sales, deposit
    - Cost item: ordering, arrival (purchase accounting), payment

### Accelerate cash flow

- Deposit from manufacture
- Payment from purchase of goods
- Deposit from goods receipt of stock
  - The bad stocks throw money away in the dirty waterway

## FURTHER, THE RICH SOCIAL LIFE OF PEOPLE WORKING IN THE COMPANY

### Review of sales performance evaluation

Evaluation criteria	Problem or Benefit			
Earnings	<ul> <li>Possibility of fraud accounting such as fictitious sales</li> <li>Non-payment, delay in payment, reduction in payment at the time of payment, etc. are reflected in actual results</li> </ul>			
Net income	Non-payment, delay in payment, reduction in payment at the time of payment, etc. are reflected in actual results			
Cash flow Reflecting the original order of sales, from order receipt to deposit to actual resul				

• Further expansion of trust relationship with stakeholders

### Eradication of fraud accounting

- Introduction of IT system that can not perform fraudulent accounting
- Abortions of fraud accounting is impossible in sexual theory
- Further increase in revenue and profit by construction of IT system based on evil sex
- Abolition as much as possible of the virtuousness leads to the eradication of fraud accounting
- Internal control is upright, the fact is ignored
- Accelerate and enhance information disclosure
  - Disclose information at the end of the month at the beginning of next month

# **GROWTH SPIRAL**

Daily consolidation / individual company / department / person in charge Personnel record

Daily balance calculation table

Daily product results

Daily projects / Performance by customer Daily sales /Income cash record

Daily currency exchange margin results

> Daily settlement / performance (consolidation, individual)

Purpose: People who work in the company rich social life Target: Increase in sales and profit

Responsible for poor profit

Corresponding to poor profit case

Responding to defective customers Dead stock inventory correspondence Inventory freshness management

**Business Partner Risk Management** 

Cash flow management Drafting and execution of new business Planning and development of new products

**Business freshness management** 

**ACTION** 

**Daily PDCA** 

**DO** 

CHECK

PLAN

## **NEGATIVE SPIRAL**

The sales do not rise, the cash flow is bad, the deficit, the end can not be seen

Product is unsuitable for market needs

CHECK is too late

Responding to market beads is not successful

Employee motivation

**Dismiss customer** 

Decline in credit

Reduction in trading

**Reduction of suppliers** 

Declining orders Decrease in sales End of month end settlement of the end of the next month

> PDCA after settlement End of the month Next month and financial statement

Staff reduction Fancy accounts settlement Fraud accounting

> An unfortunate ending to the working people

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## FURTHER GROWTH WITH DAILY SETTLEMENT & DAILY PDCA

**Business** 

**Busines** 

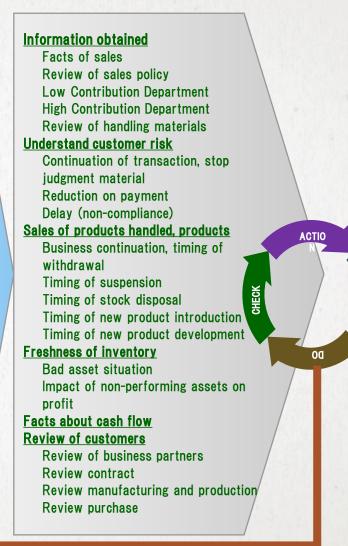
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RP data Sales management Purchasing management Manufacturing management Expense / Accounting data Human Resource Management accounting Financial accounting Asset management

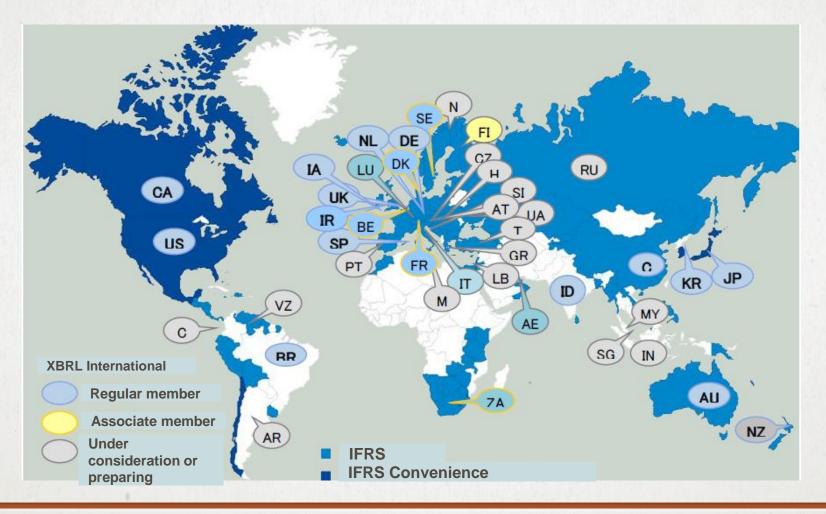
> ERP system

**Freshness** management solution Performance report Consolidated performance report Individual performance report Financial statements Consolidated financial statements Individual financial statements Tax Return Statement

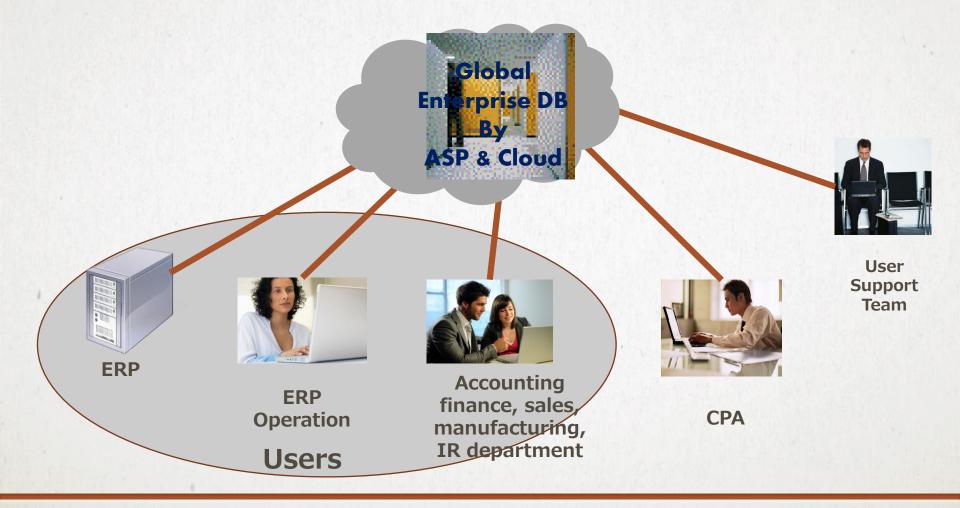
**ASP & Cloud** 



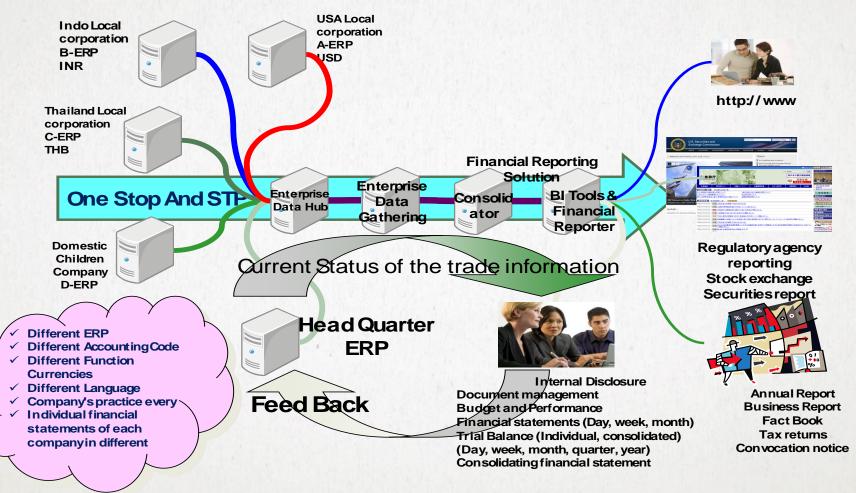
## MAIN TARGET MARKET - XBRL & IFRS COUNTRIES -



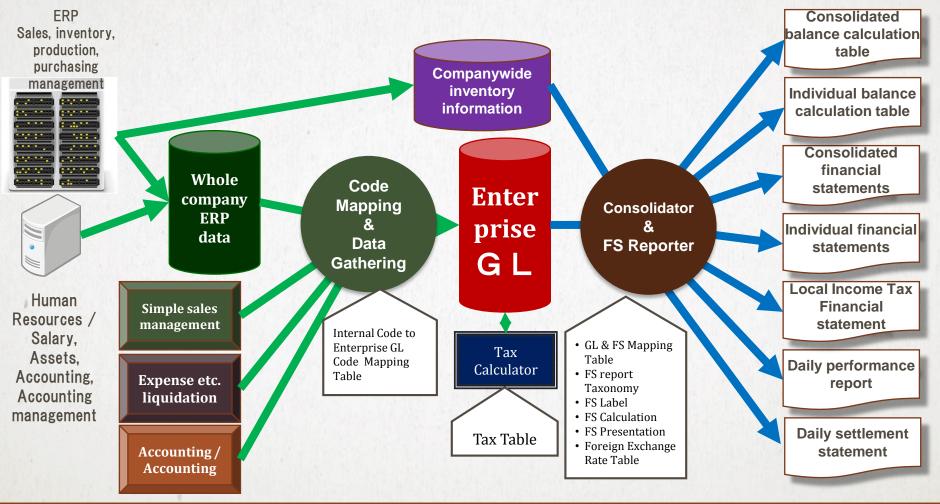
## SYSTEM OFFER FORM - ASP & CLOUD SERVICE -







## **OVERALL OVERVIEW**



## **ADVANTAGE OF BUSINESS FRESHNESS MANAGEMENT SOLUTION**

Functions required for further growth	Existing system			
	Accounting	Consolidation	Evil invitation of existing systems	Business freshness management solution
Degree of a genus	100% managed as a person	100% managed as a person	<ul> <li>Erroneous writing etc. always occur</li> <li>Fictitious sales, fictitious purchase, etc. are also available for money operation</li> <li>Fraud discovery such as embezzlement of expenses after the settlement of accounts.</li> </ul>	<ul> <li>Automatic sex processing of financial statements etc from data of core system</li> <li>Data entries based on vouchers are attributed to subordinate operations</li> <li>Person in charge of input of expenses etc. In case of</li> <li>It is possible to find fraud such as embezzlement in daily settlement.</li> </ul>
The incidence of fraud accounting	Operation of the amount can be done in any way	Operation of the amount can be done in any way	<ul> <li>Companies that announced frauds 48% → 34%</li> <li>Undisclosed company because there is no importance 44% → 58%</li> <li>(Source: 'Survey on fraudulent risk of companies' Deloitte) Implemented for 3,631 companies in all listed companies. Response rate 11%</li> </ul>	<ul> <li>Very low</li> <li>Fraud can be completely reduced to 0% except for fraudulent charges such as transportation expenses</li> </ul>
Settlement, performance report	End of month and end of the following month	End of month and end of the following month	<ul> <li>PDCA can not be done at the end of next month</li> <li>Response such as order acceptance / sales reduction, delay in payment and so on becomes a late writer, causing factors leading to fraud accounting such as fictitious sales</li> </ul>	<ul> <li>Daily, weekly, monthly, annual</li> <li>Can handle PDCA on a daily basis</li> <li>By daily PDCA, we can respond to orders decrease and sales decrease promptly</li> <li>It is possible to grasp the payment delay in the same way on a daily basis as well. Dunning etc. possible on the same day</li> </ul>
Organic data linkage with operational core system such as sales management	None	None	<ul> <li>Operationally as a person</li> <li>Numerals can be intentionally operated</li> <li>Lack of material accident including wrong accounting</li> </ul>	<ul> <li>Automatic generation of settlement statement, actual report from sales core management business core system data</li> <li>Eliminate as much as possible involuntary involvement</li> <li>There is no room for fraud accounting</li> </ul>
IFRS compliant Difference from Japanese accounting standard	Personally create differences of Japanese accounting standards t and respond	Personally create differences from Japanese accounting standards and respond	<ul> <li>Fluctuation accounting is likely to occur due to mistakes such as high personality, delay in settlement, errors</li> </ul>	<ul> <li>Automatic processing according to accounting standards</li> <li>It does not take on people</li> </ul>
IFRS compliant IAS 21 correspondence (exchange rate effective date)	Functional currency conforms to rules	Costs and revenue items are 80% of listed companies are machine average (in principle, trading day rate)	<ul> <li>The consolidated accounting does not carry out accurate currency conversion based on the IFRS principle.</li> <li>Impossible to create accurate consolidated financial statements</li> </ul>	<ul> <li>Based on the terms of IAS 21, you can specify the trading day rate and the closing date according to the subject.</li> <li>Revenue and expense items are conducted on the trading day, so accurate consolidated financial statements are automatically generated</li> </ul>
Consolidation Elimination of transactions between groups	017 Itaru Dogen	Sick work	Fluctuation accounting is likely to occur due to mistakes such as high personality, delay in settlement, errors	Automatic processing