



# BASIS

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Budget Preparation, Analysis, Control  
and Simulation Information System

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## Product Overview

BASIS, an Activity Based Budget Preparation, Analysis, Control and Simulation Information System provides the real-time critical information needed for strategic problem solving and decision-making. BASIS activity based budgeting software, which is linked with a realization system guides current performance towards a profitable future. BASIS comprises intelligent tools to gauge bottom-line impact to enable organisation to reach new levels of effectiveness, gain a competitive edge and make the right decisions

## Basic Features

- BASIS supports ABB, ABC and ABM in very practical way
- Flexible budget **preparation** Interface (level project , product , cost center...), with various user-friendly facilities e.g. copy budget from last year
- Multiple currency budget preparation
- Facility to review the specific activities (e.g. Production, packaging) and supporting resources, which contribute to the **costs of goods** and services through multi-level contribution reporting and Analysis
- Flow costs using a variety of drivers including Basic, Weighted, Calculated and Multi-dimensional drivers
- SBU (Strategic Business Unit) level **Profit & Loss** and **balance sheet** reporting
- Facility to prepare multiple versions of budget using various **simulations** which facilitate user to Conduct Multi-Period and Scenario Analysis
- Budget **Confirmation** module to introduce financial discipline in the organization
- Parameterized **financial** process to implement various financial accounting rules e.g. Amortization, Depreciations, allocation...etc
- Able to **interface** with financial system to share masters (e.g. Account, Cost Center) and realization data
- Special facility to prepare **Prognosa** Budget by mixing data of budget and realization information
- **Analysis** Module to capture realization quantity level data and to provide various variance reporting
- Form level **security** system which enables administrator to define rights of each application user
- Skilled **Support** team, As BASIS is developed by us we have powerful support team to support any user specific customizations

## Modules in BASIS

### a. Budget Preparation

Preparation of activity-based budget is to easy using BASIS. BASIS provides facility to view /copy old budget data which facilitate user to just update budget quantity for the preparation year

- Activity Based budget preparation
- Tariff Control
- Detailed Budget preparation. Different module for Production, Packaging, Sales, Distribution, Shipping and Procurement Budget Preparation
- Dynamic Budgeting
- Process for financial treatments (e.g. allocation, depreciation, COGS etc)

### b. Prognosa Budget Preparation

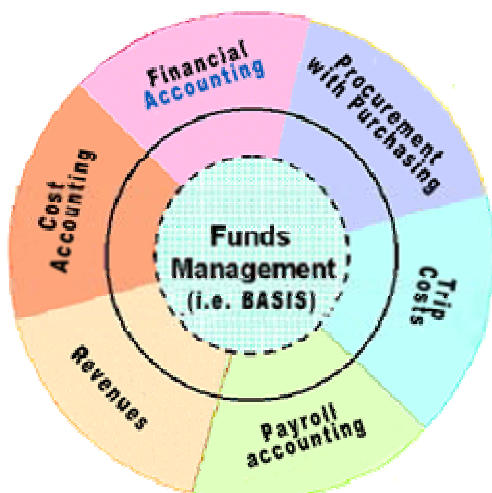
This is a specifically designed budget preparation facility for prognosa budget. This module allow user to prepare prognosa budget by mixing realization and budget data.

- Budget preparation by formula
- financial process for prognosa budget
- upload data from realization module
- calculate yearly closing balances for balance account (e.g. Inventory, AR )

### c. Simulation Module

Simulations – it is a tool for doing “What if Analysis” for the budget. User can create various budget versions using simulations. BASIS provides following type of simulations:

- Exchange rate
- Distribution path
- Sales quantity
- Production quantity with OSD , Rate , Cap. Design and ratio variables
- Tariff & Value



#### d. Budget Control (Confirmation)

Budget Confirmation is a tool for organization to maintain financial discipline. BASIS provided interface to handle budget confirmation starting from confirmation preparation till its approval. This confirmation module can be attached with existing purchase systems e.g. Inventory purchase system to monitor purchase in the organization. Its facility to take budget from other Cost center and over budget confirmation make this practical to use for all financial requirements

- Request for budget confirmation
- Confirmation budget with various authority level
- Various facility e.g. reallocation budget to other cost center, re-calculation of exchange rate

**Activity Based Budgeting (ABB)** is method of budget preparation by establishing the activities that incur costs in each function of an organization, defining the relationships between activities, and using the information to decide how much resource should be allocated for each activity in the budget. ABB also attempts to determine how well a particular section of the budget is being managed and to identify any variances from budgeted expenditure.

The preparation of static budgets is generally often useful but it lacks the power of dynamic change based on variable volumes. A budget developed for specific sales volumes does not provide a good basis for review of actual performances in case excess volumes are achieved.

Activity-based budget is useful for updating forecasts throughout the year. In addition, having both a fixed budget position and a variable budget allows for monitoring of actual performance against a planned annual budget as well as an understand of trading variances based around volume achievements. BASIS provides facility to prepare activity based budget.

ABB finally leads to ABC and ABM

**Activity Based Costing (ABC)** is a method of measuring the cost and performance of the organization that is based on the activities, which the organization uses in producing its output. Variation analysis module of BASIS provides Activity Based Cost Analysis.

**Activity Based Management (ABM)** is a discipline that focuses on the effective and efficient management of activities as the route to continuously improving the value received by customers and the profit received by providing this value. ABM utilizes cost information gathered through ABC. Through various analysis, ABM manages activities rather than resources. It can determine what drives the activities of an organization and how these activities can be improved to increase profitability. BASIS's extensive Activity based reporting guides company for ABM.

#### What company can achieve using BASIS?

- Optimization of activities
- Identify 'Money Eating ' activity and cost drivers
- Reduce budget preparation time
- Can monitor and control budget at the time of realization
- Can get Operational and Strategic Feedback to refine future strategy
- Makes Complex decision making process convenient



#### e. Variation Analysis

BASIS analysis module is designed to capture realization data. User can input activity based realization data directly in this module and also can extract realization data from existing systems

- Realization data Input Interface, activity based realization data
- Interface to extract realization data from other systems by using defined format and interface guideline
- Activity based various variance reports to analyze deviation from planning (budget):
  - Value variance analysis
  - Quantity variance Analysis
  - Ratio analysis

#### Value Addition Infotech

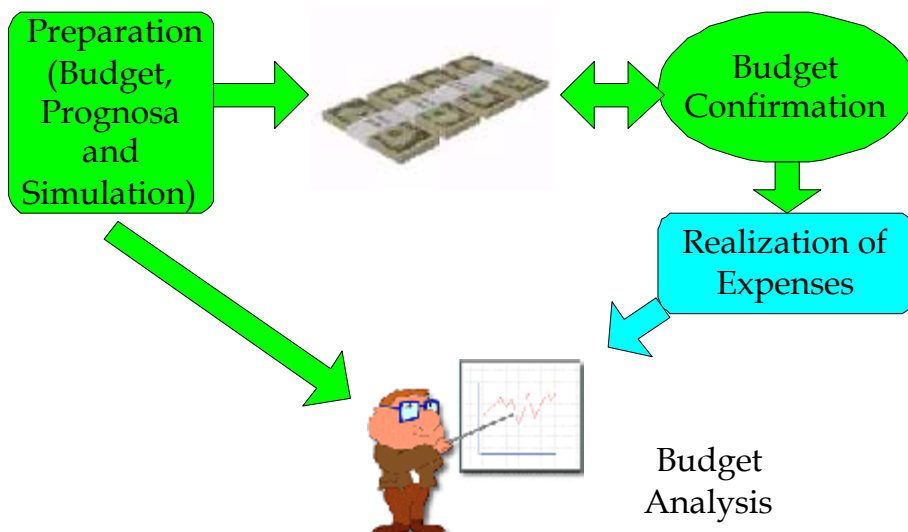
- Creator of this system
  - Designed system
  - Developed it
  - User Testing
  - Implementation support
- IT expert with proven track record
- Systematic project management methodology
- Use project management tools
- Pool of BASIS professionals to support implementation and customizations
- Work style is professional and transparent (periodic reporting)
- Cost effective approach
- Updated with technological updates

## BASIS Comparison

Traditional Process	BASIS Process
Nobody is sure that where money is made and where lost	Clear indication of money making and losing activities and products
To complex and time consuming to think about various options e.g. currency fluctuation, sales qty	BASIS provides various simulation technique which makes easy to think about various options
High overhead account	Convert various overhead cost in direct cost
High budget variance	Less budget variance as budget is prepared in more detail
Cash flow problem	Efficient cash flow management
poor budgetary control	Strong budgetary control
Financial driven budget preparation	Activity based Budget preparation for next year challenges
Less data integrity between dependant departments e.g. Sales & Production budgets	Integrated budget preparation
Generally very few budget version	User can manage multiple budget version
No or very less Analysis of actual Vs. Target expenses	Detail analysis of actual Vs. Target expenses (at activity level)

Manual	BASIS (Computerization)
Time Consuming	Fast
More prone to errors	Error can be identified easily, and various validation which automatically checks the errors
No historic data	Provides historical data as it is stored in computer
Less reporting	Detail budget reporting including P&L
Less information for decision making	Information to help decision making

## BASIS Flow



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