

# Possibility Check Month-End Analysis

## Legend

- █ = Possible
- █ = Partially possible
- █ = Not possible

**Dataset 1** = Finance & Accounting Sample Pack (GL, AP, AR, Budget, Expenses)

**Dataset 2** = General Ledger Financial Pack (GL, CoA, Calendar, Territory, CashFlow, Equity)

## Month-End Closing Analyse (by dataset)

Area	Report	Dataset 1 – Finance & Accounting Pack	Dataset 2 – GL Financial Pack
<b>A – Financial Accounting / GL</b>			
A1	Trial Balance	<span style="color: green;">█</span> Uses GL debit/credit by account	<span style="color: green;">█</span> Uses GL + Chart of Accounts
A2	GL Transaction Report	<span style="color: green;">█</span> Detailed GL lines available	<span style="color: green;">█</span> Detailed GL lines available
A3	Accrual & Provision Register	<span style="color: yellow;">█</span> Only if accrual/provision accounts are identified	<span style="color: yellow;">█</span> Needs accrual/provision accounts flagged in CoA
A4	Expense Analysis	<span style="color: green;">█</span> Expense accounts + Expense-Claims support analysis	<span style="color: green;">█</span> Expense accounts grouped via CoA
A5	Revenue Analysis	<span style="color: green;">█</span> Revenue accounts in GL	<span style="color: green;">█</span> Income accounts in CoA
<b>B – Accounts Receivable (AR)</b>			
B1	AR Aging Report	<span style="color: green;">█</span> AR invoices with due date & status	<span style="color: red;">█</span> No customer/invoice-level AR data
B2	Customer Outstanding	<span style="color: green;">█</span> Open AR amounts by customer	<span style="color: red;">█</span> No customer dimension
B3	Customer Credit Exposure	<span style="color: red;">█</span> No credit-limit info per customer	<span style="color: red;">█</span> No credit limits or AR detail
B4	Sales Register	<span style="color: green;">█</span> AR invoices can act as sales list	<span style="color: red;">█</span> No customer/invoice sales table
B5	Debit/Credit Note Summary	<span style="color: yellow;">█</span> Only if notes are tagged in AR	<span style="color: red;">█</span> No separate note tagging
B6	Collection & Receipt Summary	<span style="color: green;">█</span> Receipt dates/status in AR	<span style="color: red;">█</span> No receipt/collection fields
B7	Order-to-Cash Reconciliation	<span style="color: red;">█</span> No order/delivery data	<span style="color: red;">█</span> No order or AR detail
<b>C – Accounts Payable (AP)</b>			
C1	AP Aging Report	<span style="color: green;">█</span> AP invoices with due date & status	<span style="color: red;">█</span> No vendor-level AP data
C2	Vendor Outstanding Summary	<span style="color: green;">█</span> Open AP amounts by vendor	<span style="color: red;">█</span> No vendor dimension
C3	Payment Register	<span style="color: green;">█</span> Payment/paid dates in AP	<span style="color: red;">█</span> No payment detail
C4	GRN Not Invoiced	<span style="color: red;">█</span> No GRN / receiving table	<span style="color: red;">█</span> No GRN data
C5	PO Accrual Report	<span style="color: red;">█</span> No purchase order data	<span style="color: red;">█</span> No PO data
C6	Vendor Reconciliation	<span style="color: yellow;">█</span> Internal AP vs GL only, no external vendor statement	<span style="color: red;">█</span> No vendor/AP detail

C7	Purchase Register	<span style="color: green;">█</span> AP invoices as purchase history	<span style="color: red;">█</span> No AP/purchase list
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### **D – Inventory / Warehouse (INV / WMS)**

D1–D9	All inventory / WMS reports	<span style="color: red;">█</span> No stock, item, batch, WMS or production data	<span style="color: red;">█</span> Purely financial, no inventory/WMS
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### **E – Sales & Distribution**

E1	Sales Summary (Daily / Monthly)	<span style="color: green;">█</span> From AR or GL revenue by date	<span style="color: green;">█</span> From revenue accounts by date
E2	Sales by Region / Customer / Product	<span style="color: yellow;">█</span> By customer yes; region/product only if fields exist	<span style="color: yellow;">█</span> By region (Territory) yes; no customer/product
E3	Pending Orders	<span style="color: red;">█</span> No order table	<span style="color: red;">█</span> No order data
E4	Order-to-Delivery Cycle Time	<span style="color: red;">█</span> No order/delivery timestamps	<span style="color: red;">█</span> No order/delivery data
E5	Delivery Dispatch Report	<span style="color: red;">█</span> No shipment/delivery data	<span style="color: red;">█</span> No shipment data
E6	Margin & Discount Report	<span style="color: yellow;">█</span> Gross margin (Rev–COGS) yes; discounts not detailed	<span style="color: yellow;">█</span> Gross margin yes; no discount fields
E7	Returns & Replacement Report	<span style="color: yellow;">█</span> Only if returns are tagged in GL/AR	<span style="color: yellow;">█</span> Only if dedicated returns accounts exist

### **G – Cash Flow & Treasury**

G1	Cash Flow Statement	<span style="color: green;">█</span> Indirect cash flow from GL groupings	<span style="color: green;">█</span> Strong: GL + CashFlow_St mapping
G2	Daily Cash Position	<span style="color: green;">█</span> Cash/bank accounts by date	<span style="color: green;">█</span> Cash accounts by date/territory
G3	Working Capital Report	<span style="color: yellow;">█</span> AR + AP, but no inventory data	<span style="color: yellow;">█</span> Current assets vs current liabilities only
G4	Borrowings & Interest Report	<span style="color: red;">█</span> Loan/interest details not clearly defined	<span style="color: yellow;">█</span> Possible at summary level if loan/interest accounts exist
G5	Credit Limit Utilization	<span style="color: red;">█</span> No credit limit info	<span style="color: red;">█</span> No credit limit info

# Possible Analysis from Current Dataset

## A. Financial Accounting / General Ledger

1. **Trial Balance (Pre-Closing & Final)**
  - o From **General-Ledger**: debit/credit by account, period-wise.
2. **General Ledger Transaction Report**
  - o Full list of GL entries with date, account, department, cost center, description.
3. **Expense Analysis Report**
  - o From GL **expense accounts** + **Expense-Claims** (travel, meals, etc.) by dept/cost center.
4. **Revenue Analysis Report**
  - o From GL **revenue accounts** by period, department, cost center, etc.

## B. Accounts Receivable (AR)

1. **AR Aging Report**
  - o From **Accounts-Receivable**: invoice date, due date, status → ageing buckets.
2. **Customer Outstanding Report**
  - o Open AR amounts by **customer** at cut-off date.
3. **Sales Register**
  - o AR invoices used as a **sales list** by customer, date, amount.
4. **Collection & Receipt Summary**
  - o Based on **received date / status** → how much was collected in a period.

## C. Accounts Payable (AP)

1. **AP Aging Report**
  - o From **Accounts-Payable**: invoice date, due date, status → ageing buckets.
2. **Vendor Outstanding Summary**
  - o Open AP amounts by **vendor** at cut-off date.
3. **Payment Register**
  - o Payments made during a period using **paid date / status**.
4. **Purchase Register**
  - o AP invoices as **purchase history** by vendor, category, period.

## E. Sales & Distribution

1. **Sales Summary (Daily / Monthly)**
  - o From AR or GL revenue, summarised by **day / month / year**.

## G. Cash Flow & Treasury

1. **Cash Flow Statement (basic, indirect)**
  - o From GL: net profit + movements in key balance sheet accounts (cash, AR, AP, etc.).
2. **Daily Cash Position Report**
  - o From GL cash/bank accounts: **cash balance per day**.

# Organization Health Analysis Possibility Check Based on Dataset

Legend (DB1 = Finance & Accounting Sample Pack):

- █ Fully possible
- █ Partially possible
- █ Not possible

## STEP 1 – Validate Financial Stability

Area	Check	DB1 Feasibility	Why
<b>1A – Liquidity</b>			
A1	Current Ratio	<span style="color: yellow;">█</span>	You have cash, AR, AP from GL/AR/AP, but <b>no inventory/other current assets detail</b> .
A2	Quick Ratio	<span style="color: yellow;">█</span>	Can approximate using <b>cash + AR</b> vs AP, but not a full official quick ratio.
A3	Cash Flow Status	<span style="color: green;">█</span>	From GL + cash accounts you can build <b>cash flow statement &amp; daily cash position</b> .
<b>1B – Profitability</b>			
B1	Gross Margin	<span style="color: green;">█</span>	From GL: <b>Revenue – COGS</b> by period.
B2	Net Profit	<span style="color: green;">█</span>	From GL: total income – total expenses.
B3	EBITDA Margin	<span style="color: yellow;">█</span>	Needs EBITDA classification; can approximate if accounts for depreciation/interest are identifiable.
B4	ROI / ROE	<span style="color: yellow;">█</span>	You can see profit from GL, but <b>capital employed/equity detail is limited</b> , so only rough estimates.
<b>1C – Working Capital Health</b>			
C1	AR Aging	<span style="color: green;">█</span>	Directly from <b>Accounts-Receivable</b> (invoice, due date, status).
C2	AP Aging	<span style="color: green;">█</span>	Directly from <b>Accounts-Payable</b> .
C3	Inventory Holding Days	<span style="color: red;">█</span>	No inventory/stock data in DB1.

## STEP 2 – Validate Operational Efficiency

Area	Check	DB1 Feasibility	Why
<b>2A – Inventory Accuracy</b>	All points	<span style="color: red;">█</span>	No inventory, WMS, cycle count or physical stock data.
<b>2B – Production Performance</b>	All points	<span style="color: red;">█</span>	No production, scrap, or machine utilization data.
<b>2C – Warehouse Performance</b>	All points	<span style="color: red;">█</span>	No WMS, tasks, pallet, movement or lead-time data.

## STEP 3 – Validate Sales & Customer Health

Check	DB1 Feasibility	Why
		From AR or GL <b>revenue by month</b> .
Customer receivables aging		From <b>AR aging</b> by customer.
Customer profitability analysis		Revenue by customer from AR is OK, but <b>costs by customer</b> are not clearly available.
Lost orders / cancellation rate		No order-level data, only invoices.
Delivery on-time performance		No delivery/shipment timestamps.

## STEP 4 – Validate Controls & Compliance

Check	DB1 Feasibility	Why
GL reconciliation review		You can reconcile <b>Trial Balance vs GL</b> and check debits = credits.
AP vs GRN mismatch		No GRN/receiving data.
AR vs Delivery mismatch		No delivery/dispatch data.
Inventory adjustment approvals		No inventory or adjustment records.
Audit trail & exception (WMS/INV)		No WMS or inventory system logs.

## STEP 5 – Validate Technology & System Accuracy

Check	DB1 Feasibility	Why
ERP posting accuracy		You see posted entries in GL, but <b>no system log/errors</b> to validate posting quality.
All transactions posted before period close		You can check <b>posting dates vs cut-off</b> , but not system-level completeness.
WMS task closure		No WMS/task data.
RFID vs ERP movement mismatch		No RFID or movement data.
Interface logs & error queues cleared		No technical logs in DB1.

## STEP 6 – Month-End Management Review Pack

Item	DB1 Feasibility	Why
Executive summary		You can summarise key financials from GL/AR/AP.
Key financial metrics (KPIs)		Revenue, margin, net profit, AR/AP aging, cash, etc. are all available.

Operational KPIs		Limited to <b>financial-side ops</b> (collections, payments), not production/warehouse.
Inventory summary		No inventory data.
Red flags & risks		You can flag <b>financial risks</b> (high AR aging, AP delays, cash issues), but not ops/WMS risks.
Corrective action plan		You can propose actions based on <b>financial findings</b> , but not system/warehouse issues.

# Possible Health Check Organization

## STEP 1 – Validate Financial Stability

### Liquidity

- **Cash Flow Status**

You can build a basic cash flow view and daily cash position using cash and bank movements from the General Ledger.

### Profitability

- **Gross Margin**

Calculate revenue minus cost of goods from GL accounts, by month/quarter/year.

- **Net Profit**

Total income minus total expenses from the GL, for any period.

### Working Capital Health

- **AR Aging**

Use Accounts-Receivable data (invoice date, due date, status) to build aging buckets (0–30, 31–60, 61–90, 90+ days).

- **AP Aging**

Use Accounts-Payable data to see overdue vendor balances and aging buckets.

## STEP 3 – Validate Sales & Customer Health

- **Monthly Sales Trend**

Show sales over time using AR invoices or revenue accounts in GL, to see growth or decline patterns.

- **Customer Receivables Aging**

Analyze AR aging by customer to identify slow-paying or high-risk customers.

## STEP 4 – Validate Controls & Compliance

- **GL Reconciliation Review**

Use the General Ledger and Trial Balance view to check that debits equal credits and that key control accounts are consistent.

## STEP 6 – Month-End Management Review Pack

- **Executive Summary**

Summarise key findings on revenue, margin, profit, cash, AR, and AP from the data.

- **Key Financial Metrics (KPIs)**

Build KPIs such as Revenue, Gross Margin %, Net Profit, Cash balance, AR aging, AP aging, and Monthly sales trend for management review.

# Proposed 3-page Report

## Page 1 – CFO Overview & Financial Health

**Purpose:** One-page view of the organization's *financial health* at month-end.

**Main data used:** GL, AR, AP, Budget-Forecast, basic cash view.

### What to show on this page

#### 1. KPI strip (cards)

- Revenue (current period / YTD)
- Gross Margin %
- Net Profit
- Cash Balance
- Total AR (and AR > 90 days)
- Total AP (and AP > 90 days)
- DSO (Days Sales Outstanding) – estimated from AR & average daily sales
- DPO (Days Payables Outstanding) – from AP & average daily purchases

#### 2. P&L Overview (small matrix or bar chart)

- Revenue, COGS, Gross Margin, Operating Expenses, Net Profit
- By month or quarter

#### 3. Working Capital Snapshot

- Small bar/column chart: AR vs AP vs Cash
- Maybe a simple working capital =  $(AR + Cash) - AP$

#### 4. Monthly Sales Trend (line chart)

- Sales by month (from AR or GL revenue accounts)

#### 5. Simple Health Indicators (text or KPI tiles)

Examples:

- "Cash flow this month: Positive / Negative"
- "% of AR overdue > 60 days"
- "% of AP overdue > 60 days"

### Health checks covered here

- Liquidity → cash flow status, cash balance, AR & AP proportions
- Profitability → gross margin, net profit
- Working capital health → AR aging summary, AP aging summary, DSO/DPO
- Sales & customer health → monthly sales trend
- Management review → core KPIs for the month-end pack

## **Page 2 – Sales, Revenue & Customer Health (AR View)**

**Purpose:** Focus on customers, sales performance, and collections.

**Main data used:** Accounts-Receivable, GL revenue.

### **What to show on this page**

#### **1. AR Aging by Customer (matrix)**

- Rows: Customer
- Columns: 0–30, 31–60, 61–90, 90+ days, Total

#### **2. Top Customers & Risk**

- Bar chart: Top 10 customers by outstanding balance
- Optional: separate chart for Top 10 customers with > 60 or 90 days overdue

#### **3. Sales Summary & Monthly Sales Trend**

- Line or column chart: Sales by month
- Optionally: slicer by customer segment / region (if available in AR)

#### **4. Sales Register (detail table)**

- Columns: Invoice no, Invoice date, Due date, Customer, Amount, Status
- Filters: date range, customer, status (open/closed)

#### **5. Collection & Receipt Summary**

- Column chart: Amount collected by month (based on receipt/paid date in AR)
- KPI: “Collection rate this month (% of opening AR collected)”

### **Health checks covered here**

- Working Capital (AR aging)
- Sales & Customer Health:
  - Monthly sales trend
  - Customer receivables aging
  - Identification of slow-paying / high-risk customers
- Extra: Basic view of collection efficiency

## **Page 3 – Cost, Payables, Cash & Controls (AP + Expenses + Cash + GL)**

**Purpose:** Combine cost control, vendor health, liquidity detail, and basic controls on one page.

**Main data used:** Accounts-Payable, Expense-Claims, GL (cash & expense accounts), Budget-Forecast.

## What to show on this page

### 1. Expense Analysis & Cost Control

- Bar or treemap: Operating expenses by category (from Expense-Claims & GL expense accounts)
  - e.g., Travel, Meals, Office, IT, Others
- Table or bar: Expenses by department / cost center
- KPI: Expense ratio = Opex / Revenue

(Optional: Budget vs Actual Opex by department, using Budget-Forecast.)

### 2. AP Aging & Vendor Health

- AP Aging matrix:
  - Rows: Vendor
  - Columns: 0–30, 31–60, 61–90, 90+ days, Total
- Vendor Outstanding chart:
  - Top 10 vendors by overdue amount
- Payment Register (table):
  - Payment date, Vendor, Amount, Mode (if available)
- Purchase Register:
  - Purchases by vendor, month, category (if AP has such attributes)

### 3. Cash Flow & Daily Cash Position

- Simple indirect **Cash Flow** view:
  - Net profit
  - Change in AR
  - Change in AP
  - Change in key cash-related accounts
    - Net cash from operations (high-level, not full IFRS)
- Daily or Monthly Cash Balance chart:
  - Line graph of cash/bank balance over time

### 4. Basic Controls & Reconciliation

- Trial Balance check:
  - Small matrix or “TB” table summarising Debits, Credits and Net by account group
- A card or visual:
  - “Debits – Credits = 0” (Yes/No)
- Quick checks:
  - Total AR from subledger vs AR control account in GL
  - Total AP from subledger vs AP control account in GL

(Even if you don't automate the control logic fully, you can show them conceptually in the demo.)

## Health checks covered here

- Expense control → cost by category & department, expense ratio

- Working capital (AP) → AP aging, vendor outstanding
- Liquidity → cash flow & daily cash position
- Controls & compliance → GL reconciliation, subledger vs GL checks

# Findings Outcomes Insights

## 1. Purpose of the Report

A single, month-end dashboard that lets a CFO or finance leader quickly judge:

- Is the business profitable?
- Is cash safe and sufficient?
- Are customers and vendors under control?
- Can we trust the numbers?

## 2. Key Insight Areas

### a) Profit & Performance

- Shows revenue, gross margin and net profit over time.
- Highlights which departments / cost centres contribute most to profit or loss.

### b) Cash & Liquidity

- Tracks how cash moves month to month.
- Indicates whether the company can comfortably meet short-term obligations.

### c) Working Capital Health

- AR aging: how much is stuck with customers and for how long.
- AP aging: how much is due to vendors and where payment pressure is building.

### d) Sales & Customer Health

- Monthly sales trend to detect growth, stagnation or decline.
- Customer-level view of receivables to identify slow-paying or high-risk customers.

### e) Cost & Expense Control

- Breakdown of operating expenses by category and department.
- Shows where costs are rising faster than revenue and where discipline is needed.

### f) Controls & Reliability of Figures

- Trial balance and GL views to confirm books are balanced.
- High-level checks that AR and AP subledgers align with the general ledger totals.

## 3. Business Problems It Helps Solve

- Reduces Excel-heavy, manual month-end reporting.
- Speeds up closing and review with one consolidated view.
- Improves visibility of cash risk, customer risk and vendor exposure.

- Strengthens **financial control and governance** by making inconsistencies visible.

## 4. Overall Outcome

The report turns raw GL, AR, AP, budget and expense data into a **clear, repeatable month-end health check** so leadership can quickly decide:

“Are we in a safe zone, or do we need immediate actions on cash, collections, costs or controls?”