REDWOOD ROBOTICS™ SOFTWARE FOR FINANCE: AUTOMATED BALANCE SHEET RECONCILIATION AND CERTIFICATION

Balance sheet reconciliation is often referred to as balance sheet integrity. The process lets corporations maintain and validate account balances on a company's balance sheet in their financial statements.

During the financial close period, the accounting team is tasked with verifying the accuracy or integrity of all account balances in the company's general ledger of accounts and preparing the balance sheet as part of a company's financial reports.

At the end of each financial period, accountants go through each account on a company's general ledger to verify that the balance listed on this record is correct and accurate. This involves comparing the general ledger account balances with other sources of this data, such as bank statements.

This account reconciliation process is the method used to ensure balance sheet integrity and when performed manually using Excel, macros and other extraction methods it leads to:

- Lack of checks and reviews leading to higher risk of key balance sheet item errors
- Errors and corrections leading to repeat manual work
- Longer elapsed time to complete

HOW DOES BALANCE SHEET RECONCILIATION ROBOTIZATION WORK?

Pre-configured robots validate the balances directly into underlying applications such as ERP systems, bank statements or files or other source systems. The robots then compare account balances between these sources and identify and report any discrepancies so they can be investigated by the accounting staff.

Some of the features of robotized balance sheet reconciliation include:

- Reconciliation templates and checklists
- Automated review and approval workflows
- Definition and monitoring of corrective actions
- Posting related corrections and journals directly into ERP

- Integrated storage of supporting documentation
- Linking to applicable policies and procedures for easy reference
- Progress and risk dashboard

Redwood's plug and play robots can standardize and automate any type of reconciliation and cut out costly, tedious processes. With monitoring and verification streamlined on your choice of schedule, multiple transaction data sources and exceptions can be addressed in real time.

The end result is that Redwood's balance sheet reconciliation robots can eliminate or automate up to 95% of balance sheet reconciliation tasks.

Balance sheet integrity robotization releases financial and accounting teams to focus on value-added activities. In addition, it helps organizations achieve a key milestone on the journey to digital finance by providing transparency into accounting performance and operations and moving beyond manual, error-prone processes.

A DEEPER LOOK AT REDWOOD'S BALANCE SHEET CERTIFICATION SOLUTION

Other robotic solutions operate in siloes. They automate only the calculation in balance sheet reconciliation activities – rather than take a complete, process-based approach. Through holistic process analysis, Redwood's Balance Sheet Certification Solution provides full visibility of every step of every process.

It can retrieve and evaluate balance level information, as well as line-item level information, in real time from your ERP system. There's no need to extract SAP data for batch processing. The solution's evaluation rules are applied on a balance level, as well as on a line-item level to achieve an average auto-certification of 95%. This lets the reviewers and the approvers focus on evaluation of true open items, rather than having to review items that are just a distraction.

The power of Redwood lies in its flexibility, extensibility and visibility. This includes arriving with pre-configured reconciliation templates that minimize manual intervention, and offering customized per-user account setup. It also provides a full audit trail that captures every decision (robotic or manual) and piece of evidence used for decision making throughout the entire process.

And because Redwood's Balance Sheet Certification Solution works on the live database without replication of old data pulled from ERP systems, it always has access to the most accurate data possible for reconciliation activities.

Redwood's new balance sheet reconciliation robots improves the accuracy of your financial statements and eliminates errors and risks. It underpins your balance sheet integrity process with fully auditable automation and builds trust by ensuring every reconciliation is thorough, accurate and on time.

Redwood is already used by more than 3,000 customers worldwide to automate business and IT-critical processes. If you'd like to find out how to remove up to 95% of the manual processes in balance sheet reconciliation activities, please get in touch with your Redwood representative today.