Aptitude SOFTWARE

Aptitude RevStream Revenue Recognition Manager

Systematic approach to revenue lifecycle management to expedite faster period closes, increase process efficiency, and reduce risk of noncompliance. Aptitude RevStream Revenue Recognition Manager automates revenue and cost accounting through a configurable rules engine.

OVERVIEW

Today's diverse revenue models and complex multi-element offerings, further compounded by changing revenue recognition guidelines, are challenging the capacity of finance to meet revenue management and reporting requirements. Mid-cycle upgrades, downgrades, credits, cancellations, and add-on purchases are additional examples that create challenges for finance teams who have to deliver timely financial closes to ensure accurate and compliant revenue reporting. Aptitude RevStream's Revenue Recognition Manager automates key revenue recognition processes so finance teams can proactively promote the success of the business.

KEY FEATURES

Multiple/Dual Reporting Methods

Define multiple reporting methods to support dual reporting, forecasting, statutory, offering modeling, and management reporting requirements. Apply different revenue accounting policies to your contracts with customers to support ASC 606 and IFRS 15 adoption.
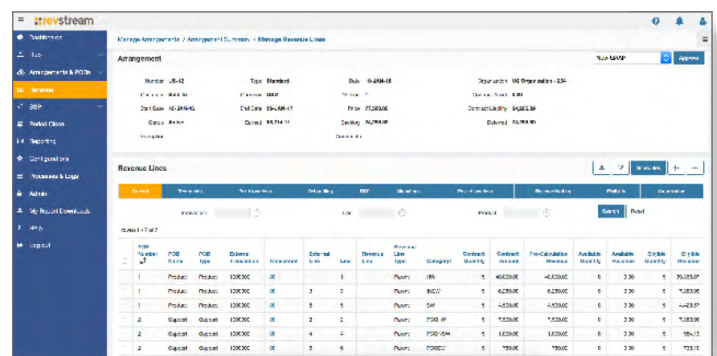
Fair Value Application

Apply stratified fair values and stand-alone selling prices (SSP) to contracts and run tests against a range, to drive allocations across performance obligations. Fair values may be uploaded directly into Aptitude RevStream, or calculated as a result of your studies from the Aptitude RevStream SSP Engine.

Revenue Netting

Net expense of revenue reversals against open deferred revenue. Support for credits for vendor consideration, price protections or product returns, as well as gross/net arrangements.

Allocations

De-bundle, allocate, and carve revenue across performance obligations. Identify contingent revenue for additional deferral, and determine available revenue for each performance obligation.

KEY FEATURES

Revenue Eligibility

Release available revenue based on triggers and events as prescribed by the reporting method. Robust eligibility calculations driven by events or contract triggers, including percentage of completion, usage based, and event allocation provide flexibility for diverse product models.

Revenue Scheduling

Flexible, rule-based amortization for actual or forecasted revenue, with support for contract changes, credits, and cancellations with prospective and retrospective rebuilds.

Revenue Accounting

Powerful engine to build accounting entries for receivables, tax, statistical entries, deferrals, unbilled, ST/LT reclass, contract asset/liability, allocations, accruals, recognition, and FX true-ups. Support for booking into multiple sets of books for intercompany, consolidation, or management reporting requirements.

Multi-Currency

Translate accounting entries to reporting or functional currency based on configurable rate types. FX true-up functionality detects differences in the FX rate used between Aptitude RevStream and your billing system due to differences in billing and revenue recognition schedules.

Deferred Revenue Management

Manage deferrals and establish deferred revenue balances, with support for contract asset/liability accounting, unbilled reclass, and short term/long term reclassification. Obtain roll forward reporting to analyze movement period over period.

Cost and Expense Recognition

Capture COGS, expense, and capitalized costs from contract acquisition and fulfillment and recognize to match revenue or net against revenue.

Contract Changes

Changes to contracts that affect the transaction price, performance obligations, or revenue policy are automatically applied in Aptitude RevStream's Revenue Recognition Manager to allow for revenue policy re-application and prospective and retrospective changes. Configurable time thresholds allow for the determination of the type of change to apply. History of changes and versioning is managed within Aptitude RevStream to provide a complete picture of contract history.

Period Close and Revenue Sub-Ledger

Delivers full-fledged revenue sub-ledger functionality, with the ability to close by organization or legal entity. Guided checklist to close your revenue period with approval, reconciliation, and final transfer actions.

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