

## Quipu Accounting – Main Features

- **Modular application adaptable to regulatory requirements**

Quipu Accounting is a highly specialised application designed to meet not only local regulatory accounting and reporting requirements but also international accounting and financial reporting standards. It is universal and highly parameterisable. The application uses client-server technology and has been implemented in banks in more than 25 countries. Booking of transactions related to Core Banking and Treasury is automated – yet well controlled – guaranteeing efficiency and high quality of data. It allows modular combinations with third party applications (e.g. for managing supplier relationships, fixed asset inventories or salaries) through direct import of accounting transactions from any trusted data source, using a controlled and monitored CSV format data exchange.

- **Integrated with Quipu Front Office applications**

Quipu Accounting is fully integrated with the Quipu Core Banking system. The interface is parameterised in a highly user-friendly and efficient way, using an integrated, very flexible web application which accesses both Quipu Core Banking and Quipu Accounting in real time. Users are guided through the parameterisation of new products or product variants as well as bookkeeping refinements required for regulatory or analytical needs. The bookkeeping of Core Banking daily transactions is usually done via batch processing during the night. Quipu Accounting can also be fully integrated with Quipu Treasury, the front office module used for all activities on the interbank market. Treasury activities can be booked using different methodologies, depending on the local regulations and the policy of the financial institution.

- **Transactions recorded in the original currency**

All transactions in Quipu Accounting are registered in the original currency. In combination with available daily exchange rates, this approach allows the financial institution to see the real balance of all foreign currency accounts for any date in the past and perform clear and simple revaluations in local currency at the end of any reporting period. Daily automatic revaluation can also be run in the background.

- **Unit-oriented accounting**

Quipu Accounting registers accounting operations according to the “Units” associated with them. A Unit can be a branch of the financial institution, but it can also be any other entity within its financial and organisational structure. This allows advanced organisation of workflows and cost centre-based accounting. Units can

be grouped into complex subordinated structures inside Quipu Accounting and these structures can be part of the accounting processes, or they can be used only for reporting or analysis purposes. One specific Unit is reserved for documenting differences between local regulatory reporting and international IFRS-related analytics; another is reserved for possible differences between the commercial viewpoint and the tax authority's viewpoint. Several inbuilt operational reports can be used optionally including or excluding the IFRS Unit, and including or excluding the Tax Unit.

- **High degree of detail**

Quipu Accounting is based on the concept of "Analytical Accounting", allowing transactions to be traced right down to the level of individual bookkeeping entries and sub-ledger accounts. Transactions are registered by value date, branch and contract. Back and future value dates are fully supported. Therefore, transactions can be analysed in terms of the parties involved and the contracts on which they are based. There are four levels of accounts: Aggregating Accounts, Ledger Accounts, Internal Accounts, and Subledger Accounts, facilitating a variety of operational analyses and controls.

- **Entry templates**

Quipu Accounting is designed to work with predefined templates, called "Transaction Types", each comprising a filtered set of available accounts and components. This approach reduces the risk of user error when making manual bookings and at the same time increases efficiency significantly. However, it is recommended to minimise the need for manual entries by making full use of the automation possibilities created by the integration of Quipu Accounting with Quipu Core Banking and other data sources. Accounting transactions are multi-entry, i.e. a single transaction can include more than one debit and one credit entry.

- **Financial groups**

In order to facilitate the conversion of the local accounting structure to international standards, Quipu Accounting supports multiple grouping/segregating criteria, serving as an intermediate link between the local chart of accounts and an externally-oriented reporting system. The corresponding functionalities are fully adjustable and can also be useful for external analysis and audit purposes, although the recommendation is to use Quipu Data Warehouse and Analytics for this purpose.

- **Integrated report tool**

In addition to the standard reports generated by Quipu Accounting, specific custom reports can be prepared by the user based on any combination of the four available account levels. All reports can be reconstructed historically for any date and period and can be instantly exported to CSV/Excel/OpenOffice/PDF format. For

a higher analytical level and more complex reports, the financial data from Quipu Accounting can be accessed using Quipu Data Warehouse and Analytics.

- **Easy and intuitive navigation and Help**

Quipu Accounting has a standard graphical user interface with a menu located at the top, containing clear designations of the available dialogs and options. Lists and dialogs have very similar, clear and intuitive structures, and can be accessed directly from other related dialogs, which makes routine business processes highly efficient. From every location there is a link to the integrated referential interactive Help system.

- **Official exchange rates**

Use of Quipu Treasury is recommended as the single point where exchange rates are imported, cross-checked and then distributed to the other Quipu applications (e.g. Quipu Core Banking). However, if Quipu Treasury is not available as a source, Quipu Accounting also allows manual registration of the official exchange rates of all active currencies. This procedure helps to maintain a reliable and controlled base for all foreign currency accounts. During any report calculation, all balances in foreign currencies are automatically transferred into the reporting currency, using the exchange rate as of the reporting date.

- **Inbuilt archiving system**

Quipu Accounting can store information from closed accounting periods in the form of preprocessed and grouped accounting folios, available either as electronic reports or as printouts for physical archiving. Additionally, entire accounting periods beyond the legally required data storage limit can be removed from the database via a specially developed archiving procedure. This improves performance while keeping correct historical balances. After archiving, account statements can be extracted incorporating both archived and current data.

- **Access levels and control**

The very high level of security provided by Quipu Accounting is ensured through passwords and database access encryption. All user passwords are set to be compliant with adjustable password complexity policy. This may include restrictions on password length, number of capital letters and special symbols, forcing a password change at first time login and/or after a certain number of days, fixing the length of password history crosschecked for non-repetition, etc.

- **Authorisations and data protection**

All data registration operations are strictly based on the four-eyes-principle and can only be performed by authorised system users with corresponding access permissions. User account maintenance is done by special access level administrators, who cannot perform any other activity with Quipu Accounting. For anonymisation purposes, it is possible to flag employees and specific VIP customers whose names will be visible only for users logged in at the highest access level.

- **Multiple language support**

Quipu Accounting is installed with two interface languages according to the institution's and the user's preferences. In addition to the default English interface, institutions can currently choose from the following second languages: Spanish, French, and Russian. The chart of accounts contains local and English descriptions, and all accounting and analytics can be fully transferred to local designations. In this way, users feel confident and fully understand the operations performed.

- **Supported platforms and operating systems**

Quipu Accounting is recommended to be deployed in combination with Microsoft SQL Server 2008R2/2012/2012R2, under Microsoft Windows Server 2008R2/2012/2012R2. The application can be used on virtual or physical environments, locally installed on a client machine (Windows 7/8/8.1) or remotely accessed (Microsoft Hyper-V Host, Remote Desktop Service or Virtual Desktops).