



# NetSuite Advanced Revenue Recognition

## Key Facts:

- Automates revenue recognition processes
- Supports the latest rules, including EITF 08-01 and EITF 09-03
- Integrates with Oracle, SAP, NetSuite Financials and third-party ERP applications

## Key Features:

### • Support for Key Revenue Recognition Rules

- Support for all key rules, including SOP 97-2, SOP 98-9, SOP 81-1, SAB 101, EITF 00-21, EITF 08-01 and EITF 09-03

### • Revenue Recognition on Multi-Element Sales

- Automatic reallocation of order value to each line item
- Customizable schedules on a per-item basis
- Manages multiple ESPs for every SKU

### • Flexible Revenue Recognition Capabilities

- Revenue recognition schedules for all sales transactions
- Flexibility for one-off and recurring billing processes
- Notification when revenue is due to be recognized
- Multi-currency and multi-subsidary intelligence

### • Integration with SAP, Oracle and

## Automated Revenue Recognition for SAP, Oracle or NetSuite Financials

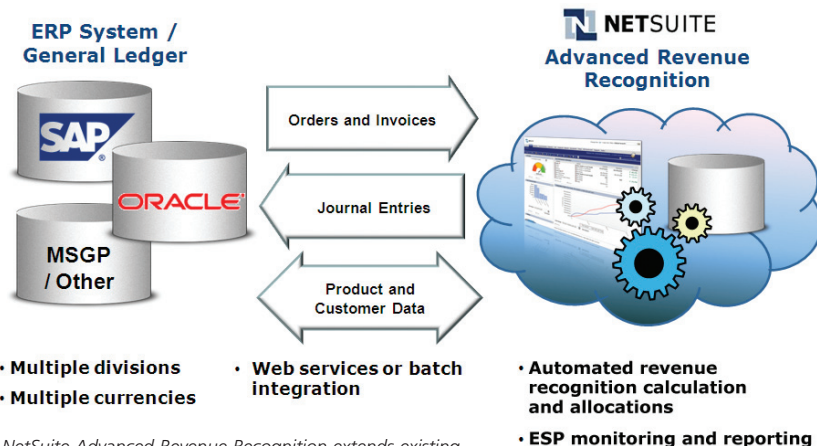
Staying on top of revenue recognition is a major challenge, and it's complicated by fast-changing rules such as the latest EITF 08-01 and 09-03 regulations on multi-element sales. ERP systems like SAP, Oracle and Microsoft Dynamics GP aren't up to keeping pace with these changes. This means finance teams often resort to complex spreadsheets that sap productivity, limit visibility and introduce risks of error and non-compliance.

NetSuite Advanced Revenue Recognition completely automates your revenue recognition processes. It integrates with existing ERP applications such as Oracle Financials or SAP R/3, and if you're already using NetSuite as your ERP, it can be easily added as a module.

NetSuite Advanced Revenue Recognition provides complete support for all key revenue recognition standards — and as a cloud solution, it automatically updates to reflect the latest recognition rules. With automated revenue recognition calculation and reporting dashboards for continual monitoring, the solution can help your finance teams increase productivity, visibility, accuracy and compliance.

With NetSuite Advanced Revenue Recognition, you can:

- Efficiently meet revenue recognition standards
- Comply with AICPA, FASB and SEC regulations (including SOP 97-2 and 98-9, SOP 81-1, SAB 101, EITF 00-21, EITF 08-01 and EITF 09-03)
- Improve finance productivity and reduce the cost and time of calculating, recording and reporting on revenue recognition
- Reduce or even eliminate the use of spreadsheets, dramatically reduce errors and gain strong, compliant processes
- Improve accuracy by ensuring the proper review, approval and execution of revenue to be recognized
- Gain clear visibility and monitoring throughout the recognition process, from summary to detail to Estimated Selling Prices (ESPs) and key variances
- Extend your existing Oracle Financials or SAP R/3 deployment quickly and efficiently thanks to NetSuite's cloud delivery
- Stay ahead with automatic updates on the latest revenue recognition rule changes.



*NetSuite Advanced Revenue Recognition extends existing ERP systems, or complements NetSuite Financials*

**Find out more: contact NetSuite Inc. at 1-877 NETSUITE or [www.netsuite.com](http://www.netsuite.com)**



### NetSuite Financials

- Integration with ERP systems such as Oracle Financials, SAP R/3, NetSuite Financials and third-party ERP applications
- Bi-directional integration of orders and journal entries

### • Clear Reporting, Visibility and Monitoring

- Real-time dashboards
- Revenue recognition breakouts
- Continuous ESP monitoring and variances
- Detailed transaction visibility

## Key Capabilities

### Support for All Key Revenue Recognition Rules

NetSuite Advanced Revenue Recognition provides complete functionality for compliance with the latest AICPA, FASB and SEC regulations, including SOP 81-1, SAB 101, EITF 00-21, EITF 08-01 and EITF 09-03. The solution delivers detailed support for EITF 08-01 and 09-03, with complete management and tracking of ESPs. It also accommodates the requirements of SOP 97-2 and 98-9 on Vendor Specific Objective Evidence (VSOE), including the Residual Method and a separate VSOE price for every item.

With NetSuite Advanced Revenue Recognition, you can automatically recognize revenue for each line item according to the appropriate revenue recognition method.

### Effective Revenue Recognition Management on Multi-Element Sales

With NetSuite Advanced Revenue Recognition, you can automatically track and support “units of accounting” and selling prices by VSOE, ESP, and Third-Party Evidence (TPE) for all elements of multiple-element arrangements. It enables automatic reallocation of order value to each line item, and you gain the flexibility to customize schedules on a per-item basis.

Additionally for EITF 08-01, NetSuite Advanced Revenue Recognition enables you to track and manage ESPs for every SKU across multiple business dimensions such as channel and geography. You can monitor accuracy by comparing actual selling prices versus ESPs, and get exception reports vital for ESP accuracy.

### Flexible Revenue Recognition Capabilities

NetSuite Advanced Revenue Recognition supports revenue recognition schedules for all sales transactions and provides immediate notification when revenue is due to be recognized. It enables you to recognize revenue as a job is completed, thanks to support for percentage of completion-based revenue recognition. You can also:

- Recognize revenue using a separate process from billing
- Use an integrated workflow for simultaneous revenue recognition and billing
- Manage one-off and recurring billing processes for subscription and maintenance-based revenue streams
- Meet global business management needs with multi-currency and multi-subsidiary intelligence.

### Integration with SAP, Oracle or NetSuite Financials

You can quickly deploy and integrate NetSuite Advanced Revenue Recognition with your existing ERP system such as Oracle Financials, SAP R/3, or another third-party ERP system, with bi-directional integration between NetSuite and the ERP system. You can easily import orders and invoices from your ERP for revenue recognition calculation and reporting, and export journal entries to your ERP system's General Ledger. If you're using NetSuite Financials for ERP, NetSuite Advanced Revenue Recognition easily integrates as an add-on module.

### Pre-Packaged or Custom Revenue Recognition Templates

NetSuite Advanced Revenue Recognition gives you revenue-recognition templates to define revenue-recognition methods and apply them at the line-item invoice level. You can associate a template to a good or service for related recognition rules to apply whenever that good or service is sold. NetSuite Advanced Revenue Recognition provides you with the flexibility to use pre-packaged templates for common recognition methods, or customize templates to your specifications.

 Find out more: contact NetSuite Inc. at 1-877 NETSUITE or [www.netsuite.com](http://www.netsuite.com)

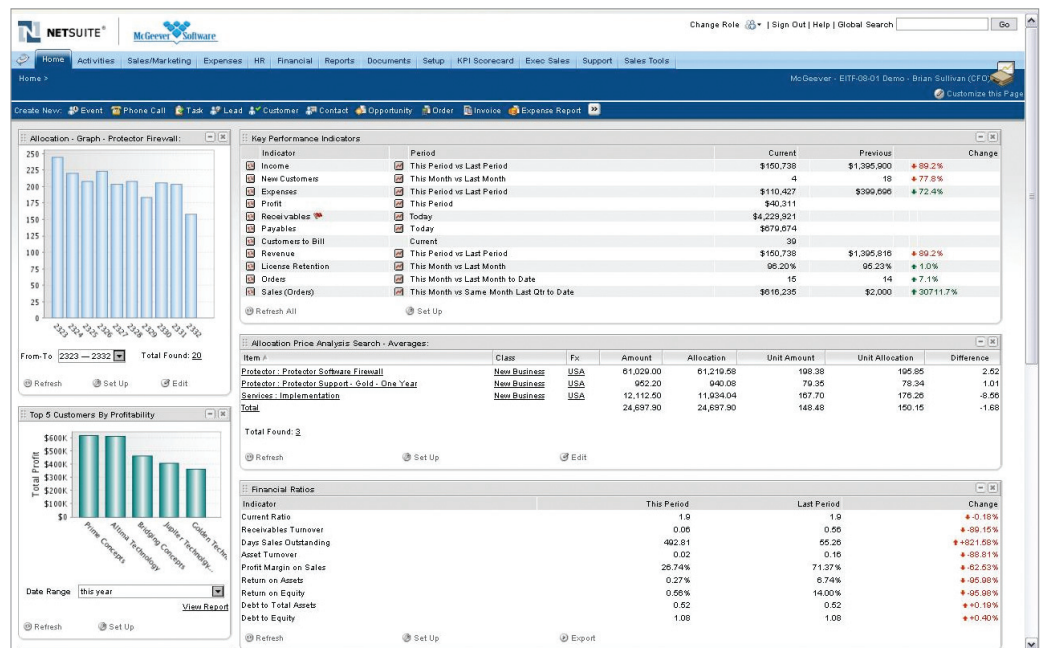


## Clear Reporting, Visibility and Monitoring

Continuously monitoring and reporting on revenue recognition is essential for success. NetSuite dashboards give you real-time visibility into all aspects of revenue recognition, with continuous monitoring and exception reporting to identify and correct issues. Capabilities to create sophisticated interactive reports on revenue and deferred revenue let you explore your data by region, customer, product line and more to fine-tune your recognition processes.

You can easily generate key reports such as revenue recognition forecasts, deferred revenue by customer or item, and revenue by customer or item, and get breakouts of recognized revenue across various elements. NetSuite Advanced Revenue Recognition provides you with the transparency to see detail down to the transaction level, ensuring that you can be confident in reporting your financials.

For EITF 08-01, you can get a clear view into ESPs to help ensure accuracy and monitor variances between such areas as ESPs and Actual Sales Prices.



NetSuite Advanced Revenue Recognition provides monitoring and visibility into each aspect of revenue recognition.

Find out more: contact NetSuite Inc. at 1-877 NETSUITE or [www.netsuite.com](http://www.netsuite.com)