How Native Accounting Boosts CTRM Performance

COMMODITY SOLUTIONS. SIMPLIFIED.

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Even if you have a comprehensive ERP system from SAP, Oracle, Microsoft, etc., there are tremendous efficiencies and cost savings if you implement a CTRM system with built-in accounting. If the CTRM software was developed with native accounting, integrating it with your existing accounting software is easy. The system is designed to share the right data at the correct level of granularity and specificity that your accounting system requires.

Our CTRM software was created with native accounting, enabling complete visibility into finances at every level of granularity you need. If commodity prices change while in transit, the price change is automatically tracked and recorded in your CTRM software and transmitted to your ERP system. Using our embedded accounting ensures origin, trading, and ERP are managed in one system. Accounting control ties mark to market to the general ledger and you have automatic visibility to credit limits and position limits.

However, if you want to keep your existing ERP, our native accounting ensures your CTRM and ERP connect easily and seamlessly because both systems already speak the same language.

Choose our native accounting modules or keep your existing accounting system. Either way, commodity management is easier with iRely.

Accounting Features – Native vs. Integrated

Feature	Native	Integrated
Financial period controls embedded in your trading system	Automatic	Best
Incorporated logic assigns and tracks general ledger account numbers to transactions	Automatic	Better
Accounting control ties mark to market to the general ledger or changes to the general ledger	Automatic	Better
Automatic visibility to account credit limits and position limits	Automatic	Best
Integrated trade finance	Automatic	Better
Common data structures in CTRM and ERP	Automatic	Best
Financials automatically linked to the trade system	Automatic	Better

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Accounting Features – Native vs. Integrated

Feature	Native	Integrated
Data is stored in one central database	Automatic	Better
Origin, trading, and ERP under one umbrella	Automatic	No
Inventory built for commodity trading	Automatic	No
Accrual management is simple	Automatic	Good
Reduce integration points	Automatic	Best
Tie the general ledger to trade profit and loss by transaction	Automatic	Better
Use a single sign on and system for Origin, ERP, and Trading	Automatic	Better
Integrate with the latest methods – RESTful API	Not Needed	Best
Ensure minimal integration issues during upgrades	Not Needed	Better
Get month-end closing reports in real time	Automatic	Good
Save time and money and reduce complexity with easy integration	Automatic	Better
Get accurate inventory valuations in real time with inventory integration	Automatic	Better
Track accounting for shipments across oceans and ensure transportation accruals and shipment status are reflected accurately	Automatic	Good
Know when a credit limit is reached in real time and take appropriate action. Stop shipments if credit is unavailable	Automatic	Best
Provide trading partners access to contracts as well as settlement information in one portal. Share any information to trading partners via the customer collaboration portal	Automatic	Good
Eliminate manually tracing financials to the trade system. Ensure your trade profit and loss automatically matches your financial reporting profit and loss	Automatic	Better
Account for all financial transactions and include them in the trade profit and loss automatically	Automatic	Better
Minimize the effort needed to produce month-end and year-end reports	Automatic	Better

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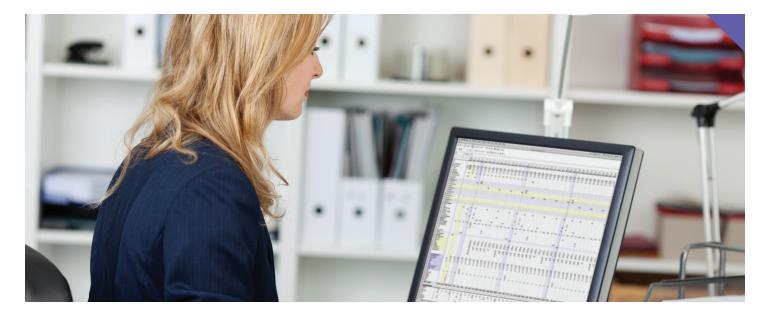
CTRM with Accounting

- **Productivity.** One of the biggest advantages of CTRM with integrated accounting is the productivity improvement. With an integrated accounting system, there is no need to reconcile with interfaces or duplicate entries, so data reconciliation is almost done. This saves a tremendous amount of time. There is no break in the data chain, and data is available on-demand, easy to recover and use.

- **Costs management.** With an integrated system, data is centralized, so there is no need for additional software or interfaces. This reduces costs, including licensing fees for software and costs related to support and maintenance.

- **Reporting.** One of the most important things an integrated system does is provide a complete view of your transactions and generate detailed reports. If your CTRM system has a BI solution, you can set up automated reporting to generate many types of different reports depending on the needs of the end user. This will improve overall user productivity. You can also set alerts to remind users to accomplish certain tasks. Ultimately, automated reporting allows you to proactively deliver information right to your users with specific parameters for when, how, and who to deliver your reports.

- **Dataflow process.** CTRM transactions are instantly recorded in the ledgers of the integrated accounting system. Accounting entries manually inserted are systematically linked to the CTRM. As a result, it is possible to recover data at different stages of the flow, which provides better monitoring of operations. A fully integrated accounting system and CTRM solution provides real-time access to important information. With the push of a button, you can retrieve information on inventory levels, shipments, customer financials, order history, returns, payments, pricing, and more.

- **Data integrity.** An integrated system guarantees the consistency and reliability of the data. Data entered must be correct because this information is directly linked to accounting entries. Applying integrated accounting to your CTRM solution also ensures both systems share one database, so updates in either system are instantly visible in both systems.

- **Controls.** A separate accounting system requires manual entry of balances and batch processing of CTRM data – often resulting in double entry of data. An integrated system requires fewer controls and significantly improves the management of accounts payable and accounts receivable. This is very important to satisfy banks.

- **Compliance.** Having a common database facilitates traceability and information retrieval. This is crucial for external audits and banking due diligence.

Complete Trust

Whether you choose to use our native accounting or take advantage of our accounting integration, the benefits are significant and measurable, including:

- Go live faster with fewer, less complicated integrations

- Get month-end closing reports in real time

- Get accurate inventory valuations in real time

- Track accounting for shipments across oceans and ensure transportation accruals and shipment status are reflected accurately

- Know when a credit limit is reached and take appropriate action, even stopping shipments if credit is unavailable

- Account for all financial transactions and include them in the trade profit and loss automatically

- Eliminate manually tracing financials to the trade system and ensure that your trade profit and loss automatically matches your financial reporting profit and loss

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iRely's system provides better pricing information and enables more timely commodity procurement execution.

About iRely

iRely's commitment to customer success has made the company a global leader in digital transformation, providing best-in-class software for commodity management, petroleum distribution, retail, grain operations, and agribusinesses. Headquartered in Fort Wayne, Indiana, with offices in Chicago, New Jersey, Texas, California, London, Bangalore (India) and Makati City (Philippines), iRely has nearly 40 years of experience delivering end-to-end enterprise resource planning (ERP) and commodity trading and risk management (CTRM) solutions to simplify complex business processes through a single point of truth. iRely has leveraged its deep industry experience and expertise to build genuine, lasting partnerships with over 500 customers in more than 25 countries.

For more information, visit iRely.com.

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