

SOFTTRAX Revenue Management System for Revenue Recognition

Intelligent Revenue Recognition
Automate | Comply | Simplify

ASC 606 & IFRS 15

AUTOMATE, COMPLY, SIMPLIFY WITH SOFTRAX RMS

For years, ERP and other financial systems have existed as a one-size-fits-all solution to back-office finance. Regulations such as ASC 606 and IFRS 15, the Subscription Billing Economy, the Internet of Things (IoT), and other factors have introduced substantial complexity in revenue recognition. This has often led to a need for extensive customizations and the use of spreadsheets to fill multiple gaps. The result has been high cost to upgrade resulting in vendor and version lock-in, a lack of transparency and auditability, and significantly increased risk of error or non-compliance.

Many of these systems were designed to perform revenue recognition after generation of the invoice, an approach that is fundamentally altered under ASC 606 and IFRS 15. Businesses want more automation, fewer customizations, fewer spreadsheets, and a continuous upgrade path so that they can retain business agility without being slowed by back-office operations.

SOFTRAX RMS offers these capabilities via a purpose-built solution designed specifically for ASC 606 and IFRS 15 and representing a new era in revenue recognition. SOFTRAX RMS combines RMS revenue recognition with sophisticated billing and renewal technology, all in one platform. SOFTRAX RMS includes a revenue subledger with full period controls capability. The proprietary policy engine underlying this revolutionary system can fully automate even the most complex revenue treatments. It is designed to take in data related to revenue recognition from any number of upstream systems. This includes order, fulfillment, billing, and post-processing or



A zero customs, zero spreadsheets solution

change event data. The policy engine enables a touch-less approach, even in the context of complex revenue recognition. The point and click nature of policy creation gives business users direct control over revenue treatments rather than requiring IT to affect such policies.

At its core, SOFTRAX RMS is the world's most comprehensive configuration and functional solution, which sits atop an advanced revenue sub-ledger with full period controls. SOFTRAX RMS creates summary or detailed journal entries that pass directly to your General Ledger.





SOLUTIONS FOR A NEW ECONOMY

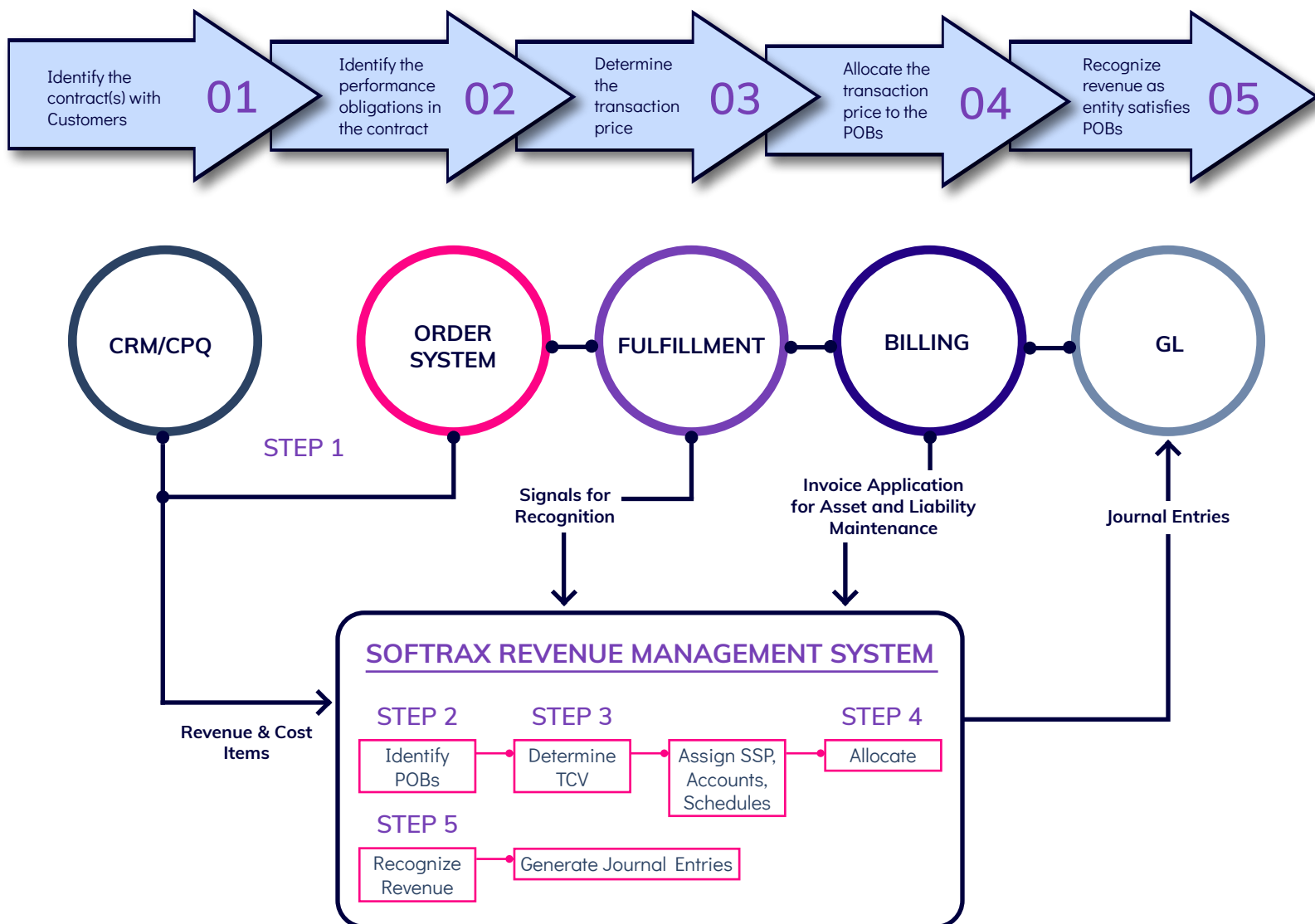
SOFRAX RMS has powerful reporting and analytics function capabilities that provides both [analytical dashboards](#) and customer-centric drill-down reports for revenue managers and senior executives alike. Users can customize, schedule, and share out of the box reports at summary and detailed levels via simple drag and drop controls.

SOFRAX RMS also has an [integrated workflow engine](#) that productizes integration with upstream systems, handling the burden of data validation, error handling, and notification. The workflow engine of SOFRAX RMS provides a pre-processor capability to increase the flexibility of the solution.

SOFRAX RMS draws on SOFRAX's 25+ years of experience in providing innovative revenue management systems that withstand changes in business models and the regulatory environment. The point-and-click configuration, integrated workflow engine, and powerful analytics provide the end user with a solution that takes the arduous work out of revenue recognition and closing the books. It is designed to be the solution you never have to replace, easily handling a growing business now and future scale and complexity:

- Deferred revenue management
- Contract Asset & Liability accounting
- Automated calculation of Stand-Alone Selling Price
- Allocation against SSP
- Policy-driven and dynamic unbundling (aka carving) capabilities
- Ability to place revenue on-hold with conditions that must be satisfied prior to allowing revenue recognition
- Automatic Contract Modification & Combination
- Foreign Currency Translation
- Robust Audit Support
- Dual or Multi Reporting (Account Books)
- Cost Capitalization
- Variable Consideration
- Material Rights
- Significant Financing Component

REVENUE SOLUTIONS FOR EVERYONE



INTEGRATION

SOFTTRAX RMS contains a robust revenue sub ledger. Designed to separate the order-to-cash and order-to-revenue processes and constructed for compliance with current and future revenue guidance, SOFTTRAX RMS is source system agnostic. It optionally receives order, invoice, and fulfillment data to fully automate your revenue recognition policy.

As noted by the five steps of ASC 606, transactional revenue and contract data is brought in from an upstream sales order, ERP, CPQ, CRM, or potentially multiple source systems, then examined to create the necessary performance obligations to begin the revenue recognition process, per your company's stated policies. Pre-configured revenue policies optionally orchestrate the proper assignment of accounts, schedule

of recognition, unbundling, allocation and other revenue treatments.

Furthermore, fulfillment and billing systems send data to the sub-ledger to automate the application of this data against the revenue. Summary journal entries are automatically constructed at the period close or in the period to capture the impact of all these events on the accounts in the subledger. These journal entries are then passed to the General Ledger.

SOFTTRAX RMS easily integrates with multiple sources and/or target systems, applies policy-driven automation that empowers business users, includes robust features, and functionality to meet the ever-growing complexities of ASC 606 and IFRS 15, and offers a world-class integration reporting, and auditing tools, to cover all bases and meet your company's revenue accounting needs today and tomorrow.



Ready to Take Charge of Your Revenue Management Process?

SOFTRAX solution specialists are always on call. Please reach out to sales@softrax.com or call us at +1 (617) 778-7320.

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