ValuMax

Improve your Organisation's Financial Health through

Intelligent Cost Management

Recent years have seen organisations go through countless changes. Having increased in complexity, many now have numerous departments and business units. A multitude of products and services are marketed and delivered via elaborate channels or networks. Customers have become more demanding, and cost-to-serve customers is a blur. The business environment has become far more competitive and demanding, necessitating "the need to really know".

Rocketing support costs, multi-layered organisations, a proliferation of products and service have all contributed to complexity that hampers the identification and measurement of value-adding activities. Ascertaining or tracing costs to products, customers or channels is no longer a simple task. This can only be achieved using sophisticated technology.

Now, Cost Management is as simple as ABC...

ValuMax is your state-of-the-art solution. This Activity-Based Costing system facilitates total cost management in its truest sense. ValuMax gives real insight into the cost structures of an organisation by providing cost analysis of any cost object, activity, process, product or channel.

Designed to meet the specific costing considerations of any organisation, ValuMax is an essential tool for the modern financial manager... a tool that serves to manage costs intelligently by focusing on outputs as well as inputs.

CORTELL
Intelligent Business Solutions

Cost Object Report

| Cost Object type | Raw Materials Warehouse | | Version: Budget |
| Cost Object | Raw Material B | | Period: Apr 2006 |

Line No	CC/Branch	CE Element	Description	Measure	UOM	Quantity	W Qty	Rate	Amount
Bill of Materials									**230,020.00**
10		Materials B	Material B	RawMatB.MatB.BOM	Units	7,000.00	7,000.00	32.86	230,020.00
Bill of Activities									**141,300.30**
10	Admin	Buying	Buying	RawMatB.Buying.BOA	Trans	750.00	1,500.00	2.67	4,005.00
20	Admin	Payment	Payment	RawMatB.Pay.05	Ea	1,480.00	1,480.00	67.11	99,322.80
30	RawMatWH	Receiving	Receiving	RawMatB.Receiv.05	Units	1,650.00	1,650.00	6.57	10,840.50
40	RawMatWH	Storage	Storage	RawMatB.Storage.05	SqMe	1,400.00	1,400.00	19.38	27,132.00
Total Input							7,000.00	53.05	**371,320.30**
Per Unit Cost									**53.05**

Opening the Vault of ValuMax Benefits...

1 ValuMax accurately measures costs of activities, processes and products using matrix algebra to arrive at the correct answers.
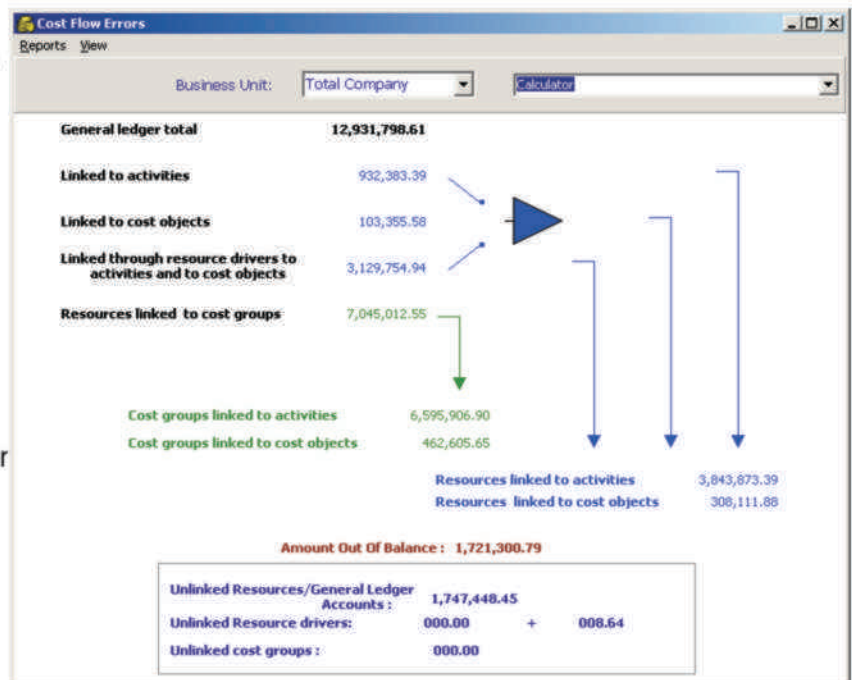   - no cumbersome step-down procedures that render inaccurate costs!
   - no iterative calculations that turn costing into a guessing game!
   - clear traceability of costs provided
   - The result: very short processing cycles

2 ValuMax facilitates value-based management and the creation of real shareholder wealth and insight into:
   - pricing decisions
   - the revision of promotional strategies
   - the discontinuation of old products or the introduction of new products
   - the evaluation of channel strategies
   - the optimisation of business processes
   - the negotiation of contracts
   - the outsourcing of decisions
   - the decision to make or buy products

3 ValuMax provides a clear picture of inter-organisational charges, and could be used to assess/calculate transfer pricing.

4 Cortell's product development team includes management accountants with many years of costing experience.

5 ValuMax is competitively priced and has low cost of ownership.

6 ValuMax operates using everyday PC hardware, making cost information accessible to all.

7 Developed by Cortell, ValuMax is backed by continuous reinvestment in product development and research.
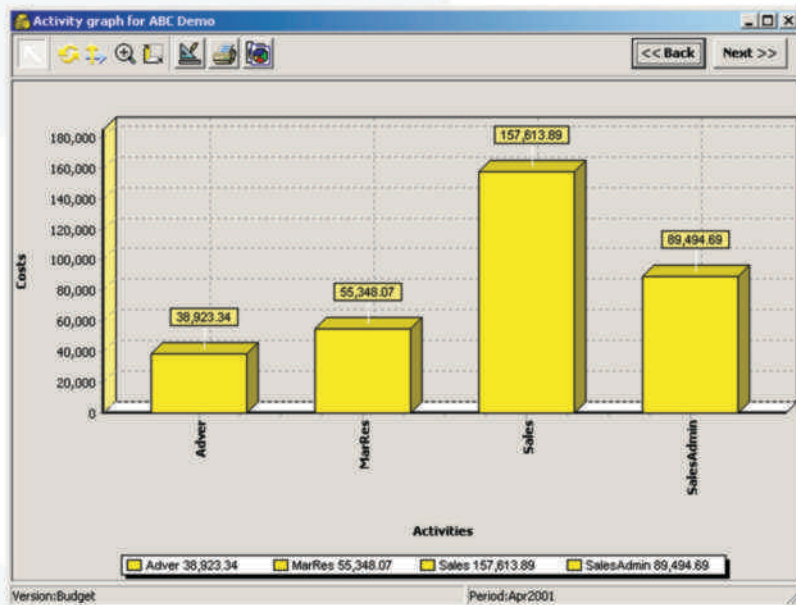
ValuMax features provides clarity on Business Issues

1 **By integrating Economic Value calculations into the costing process,** enabling effective identification of those products, customers or services that either add to, or destroy, value.

2 **One model: multi-company or multi-branch costing.** ValuMax has the capacity to handle large organisations, providing seamless integration between models. At the same time, ValuMax is capable of focusing effectively on one single business unit, too.

3 **The ability to deal with fixed and variable costs** facilitates critical cost/volume/ pricing decision-making. Providing information on cost attributes, it enables the understanding of the nature of all costs.

4 **May be integrated with virtually any financial or operational system.** ValuMax allows links to other systems via Text or ASCII format. Direct links to all ODBC databases are possible.

5 ValuMax **enforces accounting integrity,** thereby ensuring that the costing system balances to the inputs from the accounting system, and that the cost of products and activities balances to original inputs. An audit trail allows for total traceability of costs from source to destination. Simple diagrams provide clear pictures of cost flows and links. In addition, a **well-structured database** not only promotes accounting integrity, but data integrity as well.

6 ValuMax **facilitates the groupings or pooling of cost that may not exist in the General Ledger.** These groups provide links to products and activities at multiple levels if needs be.

7 **Reporting is available in a multitude of formats,** including graphical analysis, OLAP cubes, grids, structural analysis or paper reports. Informative graphical presentations are a common feature which enable easy interpretation or information by end-users.

Cost Flow Errors		
Reports View		

Business Unit: Total Company — Calculator

General ledger total	12,931,798.61
Linked to activities	932,383.39
Linked to cost objects	103,355.58
Linked through resource drivers to activities and to cost objects	3,129,754.94
Resources linked to cost groups	7,045,012.55
Cost groups linked to activities	6,595,906.90
Cost groups linked to cost objects	462,605.65
Resources linked to activities	3,843,873.39
Resources linked to cost objects	308,111.88

Amount Out Of Balance : 1,721,300.79

Unlinked Resources/General Ledger Accounts :	1,747,448.45		
Unlinked Resource drivers:	000.00	+	008.64
Unlinked cost groups :	000.00		

8 **Cost analysis by attribute** such as materials, labour, IT etc. provides clear insight into the nature of the cost.

9 **Multiple views, classifications, periods and versions** facilitate strong and versatile analytical capability. Designed for easy repeats of the costing process, reducing cost-of-costing.

10 **The ValuMax power matrix manipulator** allows cost movements in virtually any direction, thereby solving even the most complex cost equations. Getting the system to "think" about cost structures and the user to focus on the business.

11 **Dynamic building of resource drivers** such as personnel cost allocation and linking of staff and other resources to various activities. Linking important assets and systems to activities and products provides a level of cost allocation not seen in competitive systems.

12 **ValuMax** possesses powerful export capabilities to spreadsheets or **OLAP cubes.**

Technical Features

- **ValuMax** runs on most current Windows operating systems
- It uses MS SQL Server 2000 or Oracle 8/9 as its database
- Recommended Server Size: Pentium 4 with minimum 1GB Ram
- Minimum Screen Resolution: 1024 x 864
- Outputs provided to Applix TM1 OLAP database or MS Analysis Server

    Easy to set up and simple to operate, **ValuMax** is the user-friendly, cost-effective cost management solution for any forward-thinking Financial Manager or business concern, whether large or small. A must have for the modern Financial Manager!

ValuMax

Another Intelligent Business Solution developed by

CORTELL
Intelligent Business Solutions
ENHANCING CORPORATE IQ

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