CFOs meet real time cost control globally with IFS for offshore mobile assets

Executives in the energy industry are witnessing fundamental changes in their business environment. In the midst of an unprecedented capital investment boom, the global energy sector is undergoing significant structural change as well as a fundamental shift in requirements for operational and financial performance.

Today's industry is affected by operational, financial and regulatory processes that are far more complex than those experienced in any other industry. This places significant pressure on the CFO and finance department–pressure to quickly deliver accurate and timely information in a continually changing environment.

Regulatory compliance

For companies involved in the global energy industry, regulations governing business, accounting and finance present significant challenges and risk. This regulatory environment requires tools and solutions that can quickly adapt to ever-changing market demands while adhering to compliance regulations and subsequently reducing non-compliance exposure and risk. IFS for offshore mobile sssets enables:

- IFRS, US GAAP and SOX compliance.
- Local compliance, like Nota Fiscal in Brazil.
- Efficient risk management.
- Visibility and control of the environmental impact and cost of the operations.
- Compliance with environmental legislation.
- Support for quality assurance (QA) and health, safety and the environment (HSE) management, including safety policy management, risk assessment, incident management, and key performance indicator (KPI) reporting.

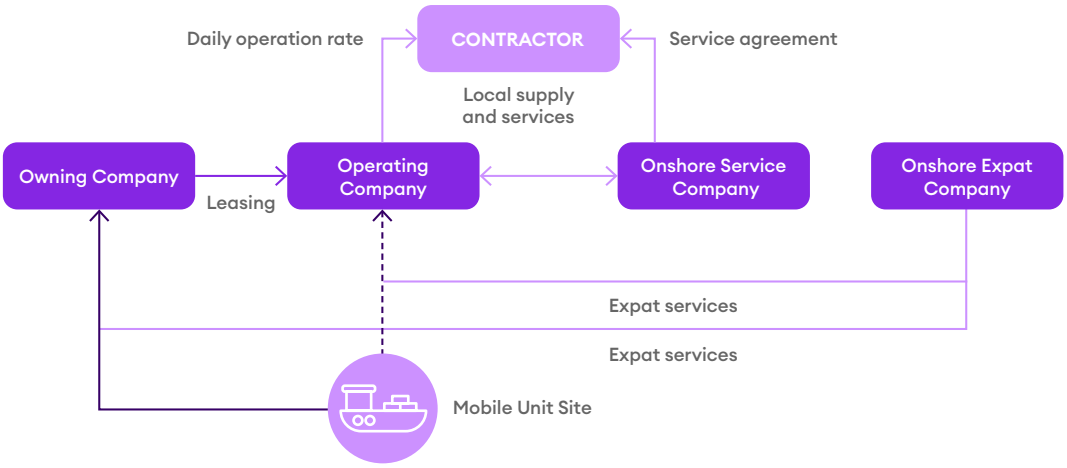


Multi everything

Operating in a truly global environment it is critical that an enterprise solution facilitates a multi-company, multi-currency and multi-language approach. The solution must support several types of companies, including offshore, onshore, shorebase, operating in different countries with different value added tax (VAT) and other tax requirements. Due to the nature of the business, this means that an enterprise solution for this industry must facilitate constant change in both legal and operating structures.

IFS facilitates an easy set-up of and management of companies through the use of wizards, templates and replications jobs. The solution also uses the principle of parallel currency functionality to keep track of transactions, local currency, and functional/ reporting currency.

IFS facilitates inter-company transactions in your global business



Support for mobile unit movements

FPSO/rigs/complex mobile unit owners are continuously exposed to regulatory changes based on the location of the mobile unit and the corresponding companies.

One critical success factor for offshore service companies is the ability to support the history and traceability for the mobile unit through the lifecycle, including the movements of mobile units between asset owners and operating companies, yard stays and modification jobs.

IFS for offshore mobile assets supports the connect/disconnect mobile unit process to and from different types of companies–thereby avoiding the reclassification of mobile unit due to a lack of history logging.

Efficient intercompany transactions

Many global mobile asset owners find the handling of internal transactions very demanding, with many manual steps and a time consuming process for follow up and reconciliation.

IFS enables execution between different legal operational units as well as operational units within the same company.

For instance, when the selling internal company is invoicing, a supplier invoice can be automatically created in the buying internal company based on defined rules. This in turn shortens the time for the external invoicing, directly affecting cash flow in a positive manner. The relationships between the different parties are stored on the transactions based on the set up of accounting rules and elimination structures. They are easily retrieved in queries and reports for internal and external reporting.

Traceability and visibility throughout the value chain

Unfortunately, many global mobile asset owners struggle with non-integrated and fragmented systems, largely because none of their existing systems are comprehensive or agile enough to encompass these diverse, mission-critical processes. This makes it time consuming and cumbersome to get the overall financial picture with a lot of potential error sources and manual handling.

IFS for offshore mobile assets provides one common solution for assets, operations, supply chain, contract, project and finance. This ensures traceability and visibility throughout the life cycle of the mobile unit.



Integrated project and fixed asset management

Global mobile asset owners that order new units or modifies critical equipment typically organizes it as projects, due to the major capital investments. The capability to efficiently manage projects of various sizes and complexity is crucial for staying competitive. IFS for offshore mobile assets enables:

- Support for planning, execution, completion and control in one system.
- Monitoring of all cost, progress and changes.
- Integrated project and fixed assets accounting.
- Project budgeting and forecasting based on EAC and ETC.
- Multi-company project time reporting.
- Real time follow-up of projects.

Strong support for the asset lifecycle

For a contractor, it is important to identify and select an enterprise solution that enables management of the complete asset lifecycle, with strong functionality in maintenance, advanced inventory management, procurement & logistics and financials. This will enable the contractor to secure visibility and simplifies the follow up of for instance the asset.

The fixed assets functionality in IFS is used to manage facilities and equipment in a company on both a micro and macro level. This asset management functionality ties everything from the general ledger to contract management, purchasing of maintenance consumables and capital equipment and other functionality to work orders is used by front line maintenance technicians. Throughout the solution, different types of asset financial transactions are created at the source based on the common defined accounting model, with updates reflected in the general ledger.

An asset under construction categorized as a project can be transferred to an asset when finished, completely or partially. The system also supports a comprehensive range of depreciation methods that can beused simultaneously–for instance for tax and local legal purposes.

IFS Cloud for offshore service

IFS is one of the world's leading providers of business software to large and midsize companies within the energy industry. IFS for offshore mobile assets is an integrated industry solution consisting of top-rated offerings for contracting, logistics, maintenance, work order management, finance, project management, procurement, resource allocation, competence assurance, document management and BI/reporting, as well as HSE/Audit management.

Learn more

For more information, contact your nearest IFS office or visit www.ifs.com.

IFS develops and delivers enterprise software for companies around the world who manufacture and distribute goods, build and maintain assets, and manage service-focused operations. The industry expertise of our people and of our growing ecosystem, together with a commitment to deliver value at every single step, has made IFS a recognized leader and the most recommended supplier in our sector.

Learn more about how our enterprise software solutions can help your business today at ifs.com.

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