

Appendix

A. Report Layout

All figures are reported in thousands of local currency.

1. Monthly Detail

Orders Received	=	.....
Costs	=	.....
Net Result 1	=	.....
Revenues	=	.....
Direct Costs	=	.....
Gross Result =	=	.....
Indirect Costs	=	.....
Net Result 3	=	.....
Operating Earnings after depreciation	=	.....
Dividend income	=	.....
Earnings after financial items	=	.....
Income before tax	=	.....
Annual Cummulative Large Order Received	=	.....

2. External Income Statement

Revenues from outside (Sales, other operating income, and interest on advances from customers not belonging to MNCX group)	=	.....
Revenues from MNCX group	=	.....
Total Revenues (Total revenues from outside and MNCX group)	=	.....
Expenses :		
- Material	=	.....
- Personnel	=	.....
- Others	=	.....
Changes in WIP and Fin goods	=	.....
Depreciations	=	.....
Profit Loss from other activity	=	.....
Write-down share & participation	=	.....
Internal transfer	=	.....
Other costs	=	.....
Amortizations	=	.....
Unusual items	=	.....
Operating Earning after depreciation (Revenues from operations - Expenses above)	=	.....
Dividend income	=	.....
Interest income	=	.....
Interest expenses	=	.....
Exchange differences	=	.....
Earnings after financial items	=	.....
Extraordinary items		
Income before taxes (Operating income + other income)	=	.....

Taxes	=	.....
Net income before minority interest	=	.....
Minority interest	=	.....
Net income (Net income after interest and taxes)	=	.....

3. Internal Income Statement

Orders received	=	.....
Costs planned	=	.....
Net result Estimated	=	.....

Revenues	=	.....
Direct costs	=	.....
Gross result	=	.....
Overhead costs	=	.....
Calculated result	=	.....
Depreciations	=	.....
Change in provisions	=	.....
Valuation differences and interest	=	.....
Earnings after depreciation	=	.....

4. Balance Sheet

Current Assets :

- Current accounts	=	.....
- Deposits	=	.....
- Fund in transit	=	.....
- Securities	=	.....
- Receivables	=	.....
- Prepaid expenses/Accrued income	=	.....
- Advances	=	.....
- Inventory	=	.....
- WIP	=	.....
- Finished goods	=	.....
TOTAL CURRENT ASSETS	=	.....

Fixed Assets :

- Loans	=	.....
- Leases	=	.....
- Blocked accounts (bank guarantee, et cetera)	=	.....
- Other long-term financing	=	.....
- Shares and participation	=	.....
- Shares in equity-accounted companies	=	.....
- Goodwill	=	.....
- Costruction in progress	=	.....
- Machinery and equipments	=
- Land and buildings	=
TOTAL FIXED ASSETS	=

TOTAL ASSETS	=
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Current Liabilities :

- Payables	=
- Provisions	=
- Taxes due	=
- Accrued expenses	=
- Deferred income	=
- part of medium / long-term loan falling due in one year	=	.....
- other short-term loans	=	.....

Equity :

- Advances from customer	=	.....
- medium / long-term loans	=	.....
- deferred taxes	=	.....
- monetary interest	=	.....
- share capital	=	.....
- restricted reserves	=	.....
- deferred equity	=	.....
- Retained earnings	=	.....
- Net income	=	.....
TOTAL LIABILITIES and EQUITY	=	.....

5. Inter-unit Specification

Report code	:	.....
Counterpart company code	:	.....
Currency code for transaction	:	.....
Amount	:	.....
Amount in local currency	:	.....

(the use of this report is to confirm the amounts due between a company with another company in MNCX. Before reporting these amounts to parent company, both companies should confirm the outstanding amount first. Based on this report, the entries will then be eliminated during consolidation in the head office)

6. Additional Specification

Capital Expenditure	=	.....
Acquisition	=	.....
Divestment	=	.....
Other Expenses (Controllable)	=	.....
Other Operating Income	=	.....
Average :		
- capital employed	=	.....
- operating assets	=	.....
- days of sales outstanding	=	.....
- days of purchases outstanding	=	.....
- Overdues as percentage of third party receivables	=	.....
- Overdues as percentage of MNCX group receivables	=	.....
Order backlog	=	.....
Research and development cost	=	.....
Goods of MNCX group origin in inventories	=	.....

Employees	=	.....
Dividend	=	.....
Others	=	.....
Order backlog reconciliation	=	.....

7. Country Specification

Orders received	=	.....
Revenues	=	.....
Order backlog	=	.....

(this is a summary report by country because in one country there maybe several companies exist)

8. Cashflow Statement

Net cash position opening balance	=	.....
Net cash position closing balance	=	.....
Change in net cash position	=	.....
Earnings after financial items	=	.....
Depreciation added back	=	.....
Change in provisions	=	.....
Change in pension liabilities	=	.....
Specific adjustments	=	.....
Change in receivables	=	.....
Change in inventories	=	.....
Change in Payables	=	.....
Change in advances from customers	=	.....
Working capital from acquired/sold units		
Capital expenditure		
Sale of machinery and equipment		

Cashflow before tax and dividend =
 Taxes
 Dividend payment
 Cashflow after tax and dividend =
 Change in financing receivables
 Sale of land and building
 Capital expenditure
 Sale of assets and participations
 External financing
 New share capital issued and paid in
 Various items
 Change in net cash position =

9. Equity Reconciliation

Share capital
 Restricted reserves
 Deferred equity
 Retained earnings
 Net income
 Total stock-holders equity =

10. Capital Expenditure and Employees

Country code :
 Capital expenditures :
 No. of employees :

11. Comments from Units

(In narrative format)

12. Exposure Report

Prepared by currency, the layout of the report is as follows :

	Month 1 - 3	Month 4-6	Month 7 - 12	Later	Total
CASH IN					
Balance Sheet Items					
Order Backlog					
Forecasted Sales					
Tender Backlog					
CASH OUT					
Balance Sheet Items					
Order Backlog					
Forecasted Purchases					
TOTAL EXPOSED COMMERCIAL CASH FLOW					
CASH IN					
New Loans					
Interests to be received					
Dividends to be received					
Investments falling due					
Other Financial receipt					
CASH OUT					
Repayment of Loans					
Interests to be paid					
Financial Investments					
Other Financial payments					
TOTAL EXPOSED FINANCIAL CASH FLOW					
TOTAL EXPOSURE BEFORE HEDGING					
HEDGINGS					
Forward contract sold, MNCX					
Forward contract sold, outside					
Forward contract bought, MNCX					
Forward contract bought, outside					
Other hedges, MNCX					
Other hedges, outside					
TOTAL CONTRACTED HEDGING OPERATIONS					
NET EXPOSED CASH FLOW =					

B. Definitions and Abbreviations

Sequenced alphabetically, the following list contains several important abbreviations and definitions :

- BoD = Board of Directors. A team of top management who holds the overall responsibility and authority of the organization.
- CEO = Chief Executive officer, a kind of General Manager at Corporate Level. This is the person that has the responsibility on the strategy concept and implementation within the organization.
- Encryption (computer) = a computer process in which human-readable data is converted using a special process to become unreadable so if the information is breached, the unauthorized person still cannot understand what it is. Of course there is another process to un-encrypt the data to become meaningful again to the actual recipients.
- Financial Reporting = actually covers all types of reporting related to financial matters, but in this paper the emphasis is on the types of financial reporting related to multi-national operations. The idea is that probably all companies in all countries involved have their own financial reporting system adapted to their local GAAP.
- GAAP = this common abbreviation stands for Generally Accepted Accounting Principle. An MNC usually has more advantages compared to what other local companies has because an MNC usually has better and broader access to outside world whether it is financially, technologically, or others. But still an MNC should never take for granted the local laws and regulations.

- MNC = Multi-national corporation. There maybe many definitions of an MNC due to what are being considered important, and also because of the variety found on companies doing business beyond their national borders. The definition for MNC used in this paper is: a group of corporations controlled by a headquarter operating in many countries.
- MNCX = The MNC being studied.
- Personal Computer (computer) = a type of computer that is becoming more and more popular in the business world, because it offers a quite high procesing power but not very expensive when compared to larger computer systems.
- R & D = Research and Development.
- Windows (computer) = an operating system which offers the users with a graphical interface, thus users can understand and remember more easily what he or she should do to operate the computer. Windows is trade-mark of Microsoft Corporation, USA.