

Group Consolidation

Representation of parallel accounting standards and automation of corporate consolidation

Type of Company
Bathroom solutions

Company Name
Grohe GmbH

Challenge

After the acquisition by an investor, manual processes in Group Accounting needed to be automated and more tightly integrated. Key challenges included transitioning from HGB consolidation to IFRS and later to J-GAAP. Additionally, consolidating various levels of the group involved push-down of purchase price allocation (ppa) entries for each level to the legal entity. This process included numerous subsidiaries with decentralized data uploads accommodating differing fiscal year logics.

Approach

- Definition and establishment of globally harmonized structures according to necessary IFRS reporting requirements
- Mapping local Charts of Accounts (CoA) to IFRS accounts and automating the upload routine while considering different fiscal year logics (local data, manual journals, copy-forward rules, etc.)
- Implementation of the investment register for HGB and IFRS within the consolidation system and integration of automated push-down entries (ppa) into the legal entity (each group level had "new" ppa entries)
- Design and implementation of a complete notes package within the consolidation system and setup of validation reports, audit rules, and standardized reporting processes



Result



Implementation of different reporting views for IFRS and J-GAAP including new mapping rules and separation of reporting lines.



Establishment of a reporting platform for legal closing, management reporting, and ETL processes for the new shareholder in Japan.

Your Benefits

Full automation of consolidation for various hierarchy levels and subsidiaries. This effort also provided transparency for auditors and shareholders regarding the level and under which GAAP the respective entries are made, and the resulting effects from each segment.

Your Temporary Co-Drivers



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