

## **Accounting Software: Overview of Top Three Reporting Solutions**

By Lissa Johnsen, CMC, CITP, CPA

The ultimate value of an accounting software solution is measured in two ways:

- What information can be retrieved from the system.
- How easily the information can be retrieved from the system.

This article describes three reporting tools, comparing and contrasting the functionality of each product. Crystal Reports®, Microsoft FRx® and F9™ are now bundled with or sold as an additional module with many accounting software packages

In the past, all accounting software products included their own reporting tools to create financial statements, forms and other reports. These tools were difficult to use and not very flexible. When the company changed accounting software, accounting personnel had to learn a new report writer, in addition to learning a new accounting system. As the databases used by accounting software became more open and accessible, several companies recognized the opportunity to create reporting tools capable of accessing the data of different accounting software applications.

These products take advantage of standards such as "Open Database Connectivity" (ODBC) and/or Dynamic Data Exchange (DDE) to allow their reporting application to access or transfer data from one software application to another. The use of a single reporting tool by multiple software applications is appreciated by accounting professionals because they now can transfer the skills learned in using these products from one company to another. Accounting software companies also win because now they can concentrate on their core competency and leave the report generation types of applications to a third party.

### **Crystal Reports**

Crystal Reports, from Business Objects, is the most widely used of these three report writing products. It is a Windows-based report writer designed to extract business data and transform it into presentation-quality forms and reports. Many software publishers bundle (OEM) Crystal Reports with their accounting and other database software programs. Over 750 companies worldwide are Business Objects OEM partners.

Crystal Reports is used for a wide range of reporting tasks. Users can create forms such as sales orders, purchase orders and checks that include company logos, in a large assortment of type fonts and colors. Text, data fields and graphic objects can be placed anywhere on the page. Some accounting software packages create all their forms in Crystal Reports and then allow users to modify the forms to meet their specific needs. The other most common use of Crystal Reports is extracting, filtering and organize the data from accounting or business system into a report format.

Crystal Reports can quickly satisfy the request of the sales manager who says "give me all the sales over \$1,000 by sales person for each region. And while you're at it, give me the commissions they earned on those sales as well." To create this type of report, the user would open up Crystal Reports, select *New Report* and select the data file where the sales information resides. Crystal would then create a skeleton report. The appropriate fields from the data file would be inserted into the report.

The *Select Expert* function in Crystal Reports would then be used to “filter” the records so only the sales over \$1,000 would show up on the report. A report title would be inserted as a text object in the header section of the report. The report could be formatted to add colors, type fonts, page breaks and logos to produce a high quality, production ready report.

With Crystal Reports you can take control over the look of your documents by selecting font type, size, and color and you can also enhance the layout by applying lines, borders, and shading. Further enrich your reports with embedded pictures, diagrams, and logos. Use tables, cross-tabulations, or one of several graph styles to communicate your financial information. Crystal’s “Experts” are wizards that guide you through the report process from start to finish, and Private Tutor is a built-in training and online help system. You can run your reports at pre-determined times, even unattended.

Parameter fields can also be created for a given report that will prompt the user to input sort parameters such as a date range each time the report is generated. This feature allows the user to change the sort filter without having any knowledge of the functionality of Crystal Reports. Parameter fields are a must if you need to print the report on a monthly basis to highlight information for that particular month. Reports can also include graphs and sub reports. You can create a report with summary values that can be drilled down on to reveal the details behind that specific summary value. In the example above, the sales report by region could include only total sales by region. You would then double click the region sales total to see the detail making up that total.

Reports can be distributed by printing directly from Crystal Reports or exporting the report to other export formats include Microsoft Excel®, Microsoft Word®, Microsoft Access®, ODBC, and text. When exporting to Word and Excel, images, lines, boxes, and color are included. You can publish reports to your Website (internet or intranet) with automatic HTML output presenting embedded graphs and other features of the original report.

### **Microsoft FRx**

Unlike Crystal Reports, Microsoft FRx is designed exclusively for (GL) financial statement reporting and analysis. It accesses financial data from hundreds of accounting software systems/databases and can consolidate that information into a single financial report. This capability allows FRx to easily consolidate the financial statements of multiple companies using different accounting systems. Like Crystal Reports, the user can select and apply a number of fonts and styles to the report to create presentation quality reports. Microsoft FRx is recognized as a best-of-breed financial report writer and a market leader with more than 120,000 sites worldwide.

Microsoft FRx is designed to look and feel much like a spreadsheet program. The program requires users to select data to insert into columns and rows versus Crystal Reports which allows the insertion of data fields anywhere on a form. Microsoft FRx has a modular design that helps to simplify the task of creating financial reports. A report is designed by establishing the “three building blocks”: *Row Formats*, *Column Layouts*, and *Reporting Trees*. Once defined, you can save these building blocks to use again and again to create business-essential reports. Custom fonts, formatting, and formulas stay with the report.

With Microsoft FRx, the ability to independently specify row and column formats maximizes the flexibility of your report formats. Combine formats with custom reporting trees that match your company’s chart of accounts structure to report on specific cost centers. Using a special tool known as

the Cleaver, you can restructure your cost centers or carve out new account segments not possible in your standard general ledger. Plus, Microsoft FRx includes links that allow you to include external spreadsheet data in reports. You can also generate multi-company consolidation reports.

The *Row Format* is used to determine the description and source of the data for each row of the report. In the *Row Format* for a Balance Sheet report, the user would assign a separate row to each asset, liability, and equity account. Rows would also be assigned to identify and calculate subtotals and totals for each report category. You can even create, name, and reuse account sets across multiple reports to simplify the report creation and maintenance process.

The *Column Layout* defines the columns that will appear in the report. This will include the type of information (such as general ledger, worksheet or calculation columns), and the appropriate periods to include. Here Microsoft FRx establishes the headings for each column, the column width and any calculation formulas to be used. The *Column Layout* provides the flexibility to create reports with side-by-side comparisons of revenue and expense figures for different departments or different companies. The Column Layout building block gives you the flexibility to include financial information from a variety of sources, with assurance that data will remain accurate and intact. And with no re-keying required, there are fewer chances for human error in your financial reporting process.

The *Reporting Trees* establish the hierarchical relationship between the various reporting units of the company. This is done within each company by establishing a reporting unit for each division, location or department and a summary unit to summarize the reporting units. Reporting units are also established for all companies in the organization. A Parent unit is defined that would be the consolidating entity and Child units are defined for each subsidiary. All Child units are rolled up into the Parent when creating consolidated financial reports. A powerful auto-build function constructs Reporting Trees in seconds—directly from your chart of accounts. Easy drag-and-drop functionality enables you to create alternative structures and multiple rollups of various accounts without having to make modifications to your general ledger or chart of accounts. And by using effective dating, you can apply several different Reporting Trees for different periods of time—all within a single report. The Reporting Tree building block lets you experiment with change before it happens, and helps you respond quickly when the unexpected occurs.

Once the Microsoft FRx row format, column layout and reporting tree have been created, they are combined in various ways to create a specific financial report. Like Crystal Reports, Microsoft FRx provides a host of output options for distributing reports. After creating a report, you can print it, export it to an Excel worksheet, drill down to examine the transaction details, or distribute it through e-mail.

## F9

Published by Systems Union, F9™ is an easy-to-use Financial Reporting tool that dynamically links General Ledger (GL) data to Microsoft Excel and is available for over 100 different accounting systems. By employing a combination of simple cell formulas in Excel, F9 allows any GL data to be formatted into any desired financial report in the flexible and powerful environment of the spreadsheet. For power spreadsheet users, F9 Software may be the tool of choice. The hotlink feature in the spreadsheet is used to link individual cells from the spreadsheet to the appropriate General Ledger field within the accounting software database. As the accounting data within the General Ledger changes, the spreadsheet is instantly updated, resulting in real time financial data updates. Like FRx, F9 can pull data from several different databases to facilitate parent company financial consolidations and analysis.

Consolidations are difficult with F9 because you must set up individual spreadsheets for each company and combine the spreadsheets in the spreadsheet program to create a consolidated statement. With Microsoft FRx, the *Reporting Tree* is set up once and then used to select the combination of entities or divisions for the financial statement. The added flexibility available in Microsoft FRx is very handy if you are dealing with many companies and/or divisions.

The F9 Report Wizard allows you to go from a blank spreadsheet to a fully formatted, hot-linked report in just seconds! Follow a graphical representation and step-by-step procedure; point and click your way to a finished report, complete with F9 formulas, automatically. With F9, you can easily perform a “what if” analysis to determine the effect of business decisions on your company’s financial status, using up-to-the-minute information from your General Ledger.

**Power Tools**

F9 and Microsoft FRx are very similar in many ways. They both deal with the concept of cells, rows and columns of financial data. Microsoft FRx is a tool that pulls data from the accounting systems’ General Ledger directly into a report format. F9 simply pulls the data from the General Ledger into the spreadsheet where all report formatting is performed. The advantage to F9 is that users work in an environment they already know instead of having to learn to design reports as with Microsoft FRx. If users are determined to use a spreadsheet program, F9 saves time and increases accuracy by eliminating the need to re-key data into a spreadsheet.

Although somewhat complex, Crystal Reports holds the largest market share amongst report writers. It is an extremely powerful and versatile tool for producing financial forms and generating analytical reports. However, custom report writing using Crystal Reports can require a significant investment in time and training.

Comparison Chart			
DESCRIPTION	Crystal Reports	Microsoft FRx	F9
Forms	√		
Non Financial Analysis (Non GL)	√		
Financial Analysis (GL)	√	√	√
Financial Statements		√	√
What if Analysis?			√

**Summary**

In public accounting, to stay competitive and provide high value services to your clients, CPAs need to have staff available who are proficient in the latest financial analysis tools. CPAs in public practice know what financial information our clients need to help them better manage their business. Now we need to

use the software tools to help them retrieve that information. Your clients will appreciate your help and pay you handsomely for it.

As CPAs in industry, you can add a lot of value to your company by learning to use the software reporting tools to get the information your company needs to increase productivity and improve business financial reporting. Report writers can be used to create an all-encompassing information management system for your business.

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Web Sites	
<b>Crystal Reports</b>	<a href="http://www.businessobjects.com">http://www.businessobjects.com</a>
<b>Microsoft FRx</b>	<a href="http://www.frxsoftware.com/">http://www.frxsoftware.com/</a>
<b>F9</b>	<a href="http://www.f9.com">http://www.f9.com</a>
	<a href="http://americas.systemsunion.com/Products/Reporting/F9">http://americas.systemsunion.com/Products/Reporting/F9</a>