

## Accurately know your costs

- ▶ Know where you are spending your money
- ▶ Have correct, precise product costs
- ▶ Exercise tight cost management
- ▶ Define and maintain process and product costs
- ▶ Perform formula or recipe based cost modelling
- ▶ Predict new costs with 'what if' scenarios
- ▶ Create an unlimited number of cost components
- ▶ Group together raw materials/components

Know where you are spending money, where you are profitable and have the tools to give you correct, precise product costs.

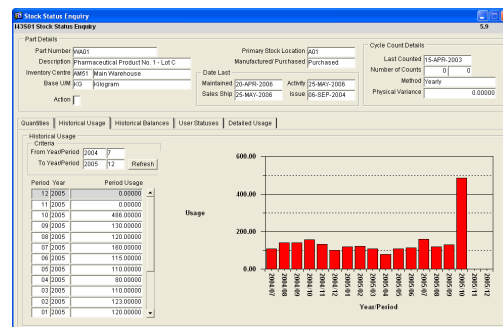
Once you can accurately tell what your costs are you have one of the most critical business steps in hand, enabling you to manage a successful and profitable company.

It's a tough decision to make. The correct Costing methodology can make all the difference, enabling tight cost management and control over business variables.

Answer Costing is fully integrated and embedded within all the appropriate Answer modules. Everything that is done on a transactional basis has an associated Cost and will be posted to the appropriate General Ledger accounts.

With Answer Costing you can define and maintain the process and product costs that underpin all financial reporting in the supply chain.

The appropriate cost sets are used to report Manufacturing and Inventory performance, analyse Purchase Variances both potential and actual, value future commitments, set budgets and create price lists. Most importantly, they act as the cost source for General Ledger postings.



## Who can benefit from Answer Costing?

Whatever your business type; process, semi-process, volume repetitive and/or discrete, Answer Costing will provide the solution.

At Answer we realise that each company has its own Cost drivers and demands.

Process or Volume Repetitive environments will typically have high overheads with continually fluctuating raw material costs and many additional 'landed cost' elements.

Discrete environments are characterised by large added value from Labour and high value of Raw Materials.

Answer Costing has been designed with these environments and others in mind and can provide the solution for every one of these elements.

## How can I use Answer Costing?

Answer Costing is designed with a wide range of options available to fit your company needs.

You will have an unlimited number of Cost Roll Up simulations, the ability to maintain historical simulations and update Costs from a nominated simulation.

There is the option to perform formula or recipe based cost modelling and on line reviews with new raw materials, ingredients, recipes and processes until the most appropriate and cost effective combination is found.

Cost maintenance facilities within a simulation enable you to effectively and accurately develop new and revised products, predicting new costs with 'what if' simulation scenarios.

Easily compare recipes and formulas to determine differences in Materials, Resources, Overheads and any other Cost implications.

Use a Costing Simulation as a driver to check your Selling Prices via the Selling Price Review Process within Answer Enterprise.

An unlimited number of cost components can be created and analysed in an unlimited number of ways. For ease of management, these are rolled into five buckets for Material, Labour, Fixed and Variable Overhead, Outside/External Services.

Other benefits include the ability to keep manufacturing/production formulas and recipes 'safe' from accidental modification during costing development, preventing costly production errors.

Fully Costed implisions and explosions showing rolled up Costs are available. In the RPM, stage-by-stage Costs can be viewed and audited.

Missing Costs and exception conditions are highlighted and last and average manufacturing and purchase Costs are maintained automatically.

You can also put raw materials or ingredients together to classify them into groups to arrive at percentages of each group within formulas and recipes at each and every level. Multiple outputs are also catered for.

## Tracking Cost Changes

Answer Costing provides a full Historical Audit Trail of all Cost Changes detailing the date of change, G/L impact of the change, user responsible for the change and much more.

## Cost Simulations

- ▶ Unlimited Costing Scenarios
- ▶ Choose which cost to use by Product Group – Standard, Average or Last
- ▶ Manipulate component costs
- ▶ Manipulate labour and overhead costs
- ▶ Run and compare multiple simulations
- ▶ Copy simulated costs to actual costs when happy with a simulation
- ▶ Cost sub contract details by the hour, unit, both or with Part Cost override

For more information visit the Answer Solutions website or contact us.

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