



Oracle Fusion ERP

Accounting Architecture
for Retail Companies

ORACLE FUSION ERP

*Accounting Architecture
for Retail Companies*

Finance · General Ledger · Retail Integration

AGENDA

01

Architecture Overview

Vision and key components of Oracle Fusion ERP

02

Chart of Accounts Structure

Chart of Accounts for the retail sector

03

Core Finance Modules

GL, AR, AP, FA, Cash Management

04

Retail Integration

POS, Inventory, Supply Chain, E-Commerce

05

Key Accounting Flows

Sales cycle, purchasing cycle, inventory and cash

06

Reporting & Analytics

OTBI, SmartView, finance dashboards

ARCHITECTURE OVERVIEW

Oracle Fusion ERP — Complete Stack for Retail

RETAIL FRONTEND LAYER

POS / Registers

E-Commerce

Mobile App

Clienteling

APPLICATION LAYER — ORACLE FUSION ERP

General Ledger

Accounts Receivable

Accounts Payable

Fixed Assets

Cash Mgmt

Tax Engine

DATA & ANALYTICS LAYER

Oracle Analytics Cloud

OTBI Reports

Smart View

Data Warehouse

CHART OF ACCOUNTS (CoA) STRUCTURE

COMPANY

3 digits

001 = HQ, 002 = North Store

CHANNEL

2 digits

01 = POS, 02 = Web, 03 = Wholesale

NATURAL ACCOUNT

6 digits

100000–599999 (Balance Sheet / P&L)

PRODUCT CATEGORY

4 digits

0110 = Apparel, 0120 = Footwear

COST CENTRE

5 digits

10100 = Milan Store

INTERCOMPANY

3 digits

000 = none, otherwise company code

ORACLE FUSION FINANCE MODULES

General Ledger (GL)

- Multi-entity and multi-currency management
- Accounting periods and automated period close
- Configurable Subledger Accounting (SLA)
- Automated intercompany eliminations
- Statutory and management consolidation
- Integrated budgeting and forecasting

Accounts Receivable (AR)

- B2B invoicing and corporate loyalty billing
- Collections management and bank reconciliation
- Credit management and dunning notices

Accounts Payable (AP)

- 3-way invoice matching (PO/Receipt/Invoice)
- Multi-method supplier payments
- Credit note and supplier return management

Fixed Assets (FA)

Depreciation, revaluations, IFRS 16 lease accounting

Cash Management

Bank reconciliation, cash pooling, liquidity management

Tax Engine

VAT, withholding tax, e-invoice, fiscal compliance

INTEGRATION WITH RETAIL SYSTEMS

POS / Registers
(Oracle XSTORE)

WMS
Warehouse

Oracle Retail
Merchandising

**ORACLE
FUSION ERP**

HR & Payroll
(HCM)

E-Commerce
(OCC)

Supply Chain
(SCM)

Oracle Integration Cloud (OIC) — REST / SOAP / EDI

POS → GL (real-time) · Inventory (every 15 min) · AP/AR (nightly batch) · Analytics (T+1)

KEY ACCOUNTING FLOWS

SALES CYCLE (Retail Revenue)

POS / Online Sale

→ AR Invoice / DR Cash – CR Revenue

→ VAT recognition and collection

→ Automatic GL posting

PURCHASING CYCLE (Procurement)

Purchase Order (PO)

→ Goods receipt (WMS)

→ AP Invoice 3-way match

→ Supplier payment

INVENTORY MANAGEMENT

Stock receipt → DR Inventory CR AP

Inventory adjustments → P&L adjustment

Obsolescence → automatic write-down

Valuation method: FIFO / Weighted Average

PERIOD-END CLOSE

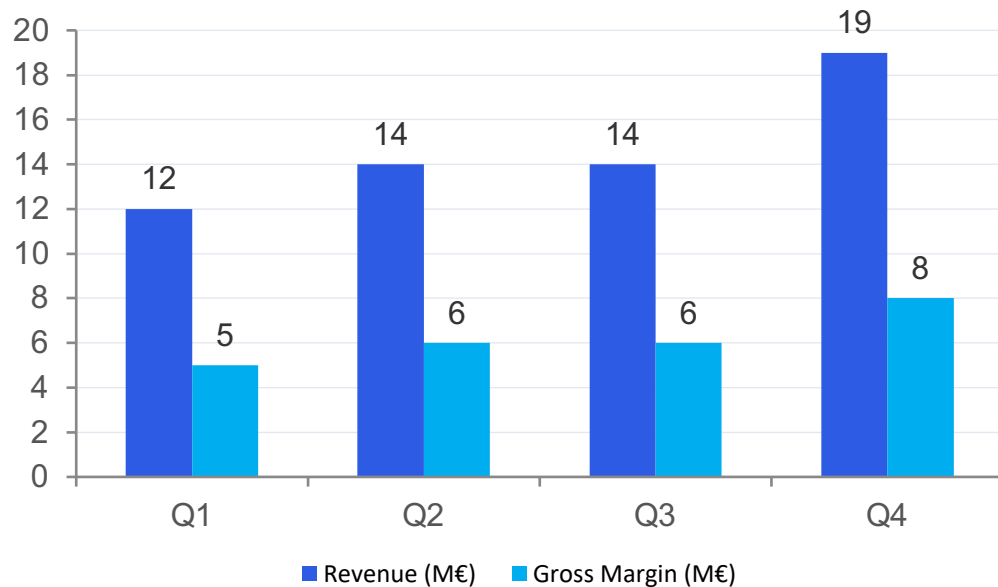
Automatic accruals from sub-modules

Subledger vs GL reconciliation

Multi-currency FX revaluation

IFRS / OIC / Statutory reporting

Retail Performance — Current Year



DSO (Days Sales Outstanding)

18 days

DPO (Days Payable Outstanding)

45 days

Inventory Turnover

8.2x

Gross Margin %

41.5%

OTBI

Financial Reporting Studio

Smart View (Excel)

Oracle Analytics Cloud

SECURITY, CONTROLS & GOVERNANCE

Segregation of Duties (SoD)

Roles and responsibilities are separated across authorisation, recording, custody and reconciliation. Oracle Access Controls manages conflicts.

Complete Audit Trail

Every transaction is tracked with a timestamp, user and change record. Approved journal entries cannot be altered.

Workflow Approvals

Configurable approval workflows for payments, credit notes, manual GL adjustments and new suppliers/customers.

Regulatory Compliance

Native support for IFRS, OIC Accounting Standards, Italian VAT, e-Invoice (PA), withholding tax and Agenzia delle Entrate obligations.

Data Security

Row-level security by entity/business unit. Data encrypted at rest and in transit. ISO 27001, SOC 1/2 and PCI-DSS certified.

Disaster Recovery

Oracle Cloud: RPO < 1h, RTO < 4h. Automated backups, multi-availability zone deployment and transparent failover.

IMPLEMENTATION ROADMAP

PHASE 1

Months 1–3

PHASE 2

Months 4–6

PHASE 3

Months 7–9

PHASE 4

Months 10–12

Foundation

- Cloud environment setup
- Chart of Accounts design
- General Ledger configuration
- Master data migration

Finance Core

- AR / AP go-live
- Cash Management
- VAT Tax Engine
- Finance UAT testing

Retail Integration

- POS integration
- Merchandising sync
- WMS accounting flows
- E-commerce flows

Analytics & Go-Live

- OTBI reporting
- CFO dashboard
- User training
- Stabilisation & hypercare



*Precision Finance.
Agile Delivery.
Integrated Solutions.*

Oracle Fusion ERP

*The ideal accounting platform
for the modern Retail enterprise*

- Cloud-native, scalable and secure architecture
- Native integration with all retail systems
- IFRS, OIC and Italian statutory tax compliance
- Real-time analytics and reporting for the CFO