ICAEW Accreditation Scheme

Financial Accounting Software Evaluation

Microsoft

Microsoft Dynamics NAV 2009

Microsoft®
Business
Solutions

BAKER TILLY

Evaluation carried out by: John Oates

Date completed: January 2009

ICAEW THE INSTITUTE
OF CHARTERED
ACCOUNTANTS
IN ENGLAND AND WALES
ACCREDITED SOFTWARE

Table of Contents

1. Summary

1.1. Introduction

The suitability of accounting software for each particular user will always be dependent upon that user's individual requirements. These requirements should therefore always be fully considered before software is acquired. The quality of the software developers or suppliers should also be considered at the onset.

1.2. Fundamentally, good accounting software should:

- Be capable of supporting the accounting functions for which it was designed.
- Provide facilities to ensure the completeness, accuracy, confidentiality and continued integrity of these accounting functions.
- Be effectively supported and maintained.

It is also desirable that good accounting software should:

- Be easy to learn, understand and operate.
- Make best practical use of available resources.
- Accommodate limited changes to reflect specific user requirements.

It is essential, when software is implemented, for appropriate support and training to be available.

2. Approach to evaluation

2.1. Objective

To evaluate Microsoft Dynamics NAV 2009 against a set of criteria developed by the ICAEW to ensure that the software meets the requirements of Good Accounting Software, as laid down in the summary.

2.2. Approach and Work performed

Microsoft Dynamics NAV was first accredited under its previous ownership during 1999. It was re-accredited with the release of version GB 3.70 and GB 4.00. Following the release of Microsoft Dynamics NAV 2009, it has now been has been re-evaluated.

In order to effectively evaluate Microsoft Dynamics NAV 2009, a product specialist from Microsoft completed the detailed questionnaire, updating responses to the 2004 questionnaire to reflect changes in the product and providing it to the evaluator to examine. The evaluator then visited the Microsoft office in Reading. In conjunction with Microsoft technical staff, he discussed the assessments with a member of Microsoft Business Solutions' staff in order to clarify certain points and checked the answers to confirm their validity. The questions were individually reviewed and commented on and the majority of assessments were confirmed through live demonstration and testing. A full copy of the software with demonstration data was provided at the offices of Microsoft Business Solutions so that the evaluator could evaluate the system.

In the event of disagreement between Microsoft and the evaluator, the evaluator's decision was taken as final and the response changed accordingly.

Microsoft Dynamics NAV 2009 was used throughout the evaluation. The evaluation covered the fully integrated sales, purchase and general ledgers and where appropriate sales order processing, sales invoicing, purchase order processing and stock software. Separate reports have not been prepared for each ledger. Instead a composite report has been prepared with references made to the appropriate ledger as necessary.

When the evaluation was completed, the responses were documented by the evaluator and a draft copy sent to Microsoft and the ICAEW for review before completion of the final report.

2.3.   Software/hardware utilised

Microsoft Dynamics NAV 2009 was used throughout the evaluation. The software was evaluated on a standalone SQL Server database using a Centrino Pro, 2.2 GHz, 4 GB memory (RAM). This evaluation has covered the financial modules, including purchase order processing, sales order processing and stock.

2.4.   Report structure

The report has been broken down into its main constituents in the contents page. The evaluation questionnaire was provided by the ICAEW and has been used without alteration or amendment.

3.   Matters to consider before purchase

3.1.   General overview

Microsoft Dynamics is a suite of Enterprise Resource Planning (ERP) software acquired, owned and developed by Microsoft Business Solutions, although the individual products were originally created and owned by other companies and were known by other names.

Microsoft Dynamics consists of financial, customer relationship and supply chain management solutions that help businesses work more effectively. These are delivered through a network of channel partners.

Dynamics NAV 2009 is one stream of this suite of products.

3.2.   Supplier background

Microsoft Business Solutions, was consolidated from the businesses of Great Plains, Microsoft® bCentral™ and Navision a/s. Navision and Microsoft Great Plains have a long history of providing business management software and services.

Navision was founded as a company in 1984 in Denmark. Dynamics NAV (then "Navision") was first introduced in the UK by Navision Software A/S in 1995. In 2000, Navision Software A/S merged with fellow Danish firm Damgaard A/S before being acquired by Microsoft on 11th July 2002. In September 2005 Microsoft rebranded the product and re-released it as Microsoft Dynamics NAV. In December 2008 Microsoft released Dynamics NAV 2009, with a new role-based graphical user interface (GUI).

More information about Microsoft Business Solutions is available on the internet at
http://www.microsoft.com/uk/dynamics/default.mspx

As well as its own internal support staff, Microsoft Business Solutions operates through a network of over 70 Dynamics NAV business partners in the UK. All business partners are required to be certified in the specialist aspects of the products they resell and go through training and certification programmes to ensure they can support the product. Business partners also through the Certified for Microsoft Dynamics programme build on the Dynamics NAV product, providing industry vertical and similar types of solution.

This evaluation is for the Dynamics NAV 2009 product.

3.3.   Product background and Suitability for user

Microsoft Dynamics NAV has grown into a full-featured business management solution that more than 72,000 small to mid-size companies in over 120 countries now use.

Dynamics NAV is an integrated business solution that gives medium-sized companies a fast way to realise the full potential of their business. Dynamics NAV is marketed as fast to implement, easy to customise and simple to use and maintain. This is because the Dynamics NAV development environment, C/SIDE, is a 100% graphical environment. All the main components in the base technology of C/SIDE have been developed together, to create an integrated business solution.

Significant new features in Dynamics NAV 2009 include Web Services enablement, full integration with SQL Server Reporting Services, a 3 Tier Architecture and a wholly new user interface based on Personalised Role Centres.

There are personalised Role Centres that correspond to 21 key job functions which provide individual employees with tools, alerts and efficiency capabilities attuned to the needs of their particular role from within a single location.

Sophisticated business intelligence (BI) capabilities based on the new Microsoft SQL Server database layer was introduced in Microsoft Dynamics NAV 2009 enabling employees to drill into data, identify trends, generate business insights and monitor how they are tracking against key performance indicators (KPIs).

.NET Web Services also allows partners and customers to integrate data and business logic from Microsoft Dynamics NAV 2009 with other applications to support a wide range of scenarios.

Microsoft Dynamics NAV 2009 provides functionality in the following areas:

* Financial Management;
* Supply Chain Collaboration including Manufacturing and Distribution ;
* E-commerce;
* Customer Relationship Management; and
* Analytics.

The system is multi-language and multi-currency.

Please note that this evaluation covers the core Financial Management element of the software only.

3.4.   Typical implementation

Microsoft Dynamics NAV 2009 is aimed at medium sized companies who are looking for one solution that can help them adapt and grow as their business develops. Customers include wholesale, retail and service businesses as well as manufacturers.

Microsoft Dynamics NAV 2009 marketing stresses that it enables companies to streamline their internal and external business processes so they can work closely and more effectively with their customers, partners and vendors. Employees will have easy access to real-time information and will be able to take advantage of the opportunities provided by the electronic exchange of knowledge and information.

3.5.   Vertical applications

The review identified that Microsoft Dynamics NAV 2009 is suitable for use in a wide range of markets and sectors.

3.6.   Software and hardware specifications

3.6.1.   Operating System

Microsoft Windows XP Professional SP3 or later (X86 or running 32 bit on X64) -or-
Microsoft Windows Server 2003 SP2 or later (X86 or running 32 bit on X64) -or-
Microsoft Windows Server 2003 R2 SP2 or later (X86 or running 32 bit on X64) -or-
Microsoft Windows Vista (Business, Enterprise, or Ultimate) SP1 or later (X86 or running 32 bit on X64) -or-Microsoft Windows Server 2008 (X86 or running 32 bit on X64)

3.6.2.   Hardware Requirements

Hard disk space: Minimum 30 MB

Memory: 1 GB

CPU: See operating system requirements

3.6.3.   Databases

Dynamics NAV 2009 runs on Microsoft SQL Server 2005 or 2008.

3.6.4.   Other

Microsoft Internet Explorer 6.0 or later
Microsoft .NET Framework 3.5
Active Directory required for 3-tier configurations.
For instant messaging and TAPI Microsoft Office Communicator 2007 is required.
For Mail Merge*, Outlook Client Integration, Import and Export Budget to and from Microsoft Excel, Office XML and Share Point links the following is required:
Microsoft Office 2003 SP3 or 2007 SP1

*Mail merge requires Collaboration Data Object (CDO) installed

3.7.   Software installation and support

There are several key steps to implementing any Microsoft Dynamics product as with any software solutions. These are as follows:

- Identify your needs and match them to an appropriate product
- Choose the desired components
- Arrange financing options
- Choose licensing options
- Choose an implementation partner (if not already done so)
- Implement your solution
- Arrange continuous support

Valued Added Resellers (VARs) should also use the Sure Step Methodology. This includes tools and services designed to help ensure reliable implementation, migration, and upgrades.

There are a number of standard support options. Typically, Microsoft provides third or second line support, new releases and service packs as required. The implementation partner normally provides first or second line support.

On-line support is also available. CustomerSource is an on-line knowledge centre that is dedicated to Dynamics NAV customers who purchase particular support options. It provides access to technical resources, including both self-help and assisted support services. If enrolled in a Microsoft Dynamics service plan, electronic support requests have the same guaranteed response time as telephone support incidents.

With Business Ready Customer Care, Microsoft has extended support for the Microsoft Dynamics line of business management solutions beyond industry practices to a full 10 years of extended product support.

Training is provided by VAR's and other implementation partners. This is typically customised for each customer.

3.8.   Partner network and related accreditation process

Dynamics NAV 2009 is sold through a global network of over 6,500 independent business partners.

Certified Microsoft partners are available worldwide to help companies of all sizes and industries select and implement the right business technology. They can also provide support through future business change. To become certified as MS Dynamics Vendors, they must prove expertise in Microsoft technology and in specific business areas such as financial, supply chain or customer relationship management.

Certified for Microsoft Dynamics is a solution certification achieved by Microsoft Dynamics software partners whose solutions have met Microsoft's highest standard for partner developed solutions. Certified for Microsoft Dynamics solutions are developed to connect, integrate or operate with Microsoft Dynamics business solutions, including

- Microsoft Dynamics AX
- Microsoft Dynamics GP
- Microsoft Dynamics NAV
- Microsoft Dynamics SL, and
- Microsoft Dynamics CRM.

Certified for Microsoft Dynamics is a worldwide programme.

3.9.   Limitations

It is important that any business contemplating the purchase of this software reviews the functionality described and refers to the reselling consultant and publishing vendor for any detailed requirements.

The product does have some limitations, which while not adversely impacting upon this evaluation may be of importance to some businesses. It is important that any business contemplating the purchase of software reviews the functionality described and refers to the vendor for any detailed requirements.

Attention is drawn in particular to the following areas where the product is commonly enhanced by resellers or additional procedures are used to provide additional control:

- No password history is maintained at the application level;
- The software does not handle cash accounting;

- There is no standard proforma invoice functionality: country specific proforma invoices would need to be configured as required;
- There is no formal requirement for customers to do a month end procedure;
- The EC code is not a standard VAT field but can be easily added to the relevant Customer card;
- Non-standard VAT schemes such as flat rate or accounting on the margin are not supported by NAV 2009 ;
- Specific VAT reports would need to be configured as the standard set is limited to basic VAT reporting;
- There is no standard aged stock report;
- The ability to accepts orders over the web is not available as standard but Biz Talk functionality or third party add-ons can be used to provide this;
- Relevant database knowledge is required to run backup and database maintenance tasks;
- Some security reports e.g list of all users with their rights, security violations, do not exist as standard but can be created if required;
- Invoice matching is a manual process although third party software can be used to automate it;
- Standard VAT reports cannot currently be directly input or loaded to the HMRC web site;
- There is no detailed or summary analysis of all transactions included in each VAT return sorted by VAT code and transaction type on the VAT 100 Form; and
- There are no printed manuals for NAV as standard. However, on-line help can be printed.

4.   Evaluation conclusion

There were no areas in the evaluation that gave cause for concern. Microsoft Dynamics NAV 2009 is a well designed and presented accounting package that is supported by Microsoft Business Solutions and its network of Value Added Resellers. In terms of the functionality that is available in the current 2009 version and the target market for this product, the product has been adequately specified. It is comparatively easy to use and relatively flexible in its approach through its configuration options.

Disclaimer

John Oates is a Partner in Baker Tilly Tax and Accounting Limited. Any organisation considering the purchase of Microsoft Dynamics NAV 2009 should consider their requirements in the light of proposals from Microsoft or its dealers and potential suppliers of other similarly specified products. Whilst the contents of this document are presented in good faith, neither the ICAEW nor Baker Tilly Tax and Accounting Limited can accept liability for actions taken as a result of comments made herein.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment

5. Security and continuity of processing

Question	Supplier Response	Evaluator's Comment
5.1. What security features are included to control access to the application?	Two options for managing Access Control (i.e. creating application logins): 1 Windows Login: NAV access is mapped to users Windows credentials. 2 Database Login. NAV access is via a database login and password. User login can be mapped to a number of "Roles". Each Role has associated permissions granted to it, e.g. SUPER role has all NAV permissions required for most operations. Role permissions can be customised. New Roles can be created and maintained by system administrator. If using the SQL option then SQL Server security functionality is utilised to enforce permission checking. If using SQL option Administrator can define simplified "Standard" security model which creates a single SQL application role used by all users. Alternatively they can use "Enhanced" security model which will create one SQL application role for each database login.	Confirmed. It is possible to use Navision or Windows security. Real security is set at the SQL level – all security at the data level is set through SQL Server. There is a set of standard roles – custom roles can also be created. Read, Write, Execute, Delete (RWED) security is set at the object level.
5.2. Can access to application functions be managed so users can only see (in menus and other links) and access those functions they are authorised to access?	Yes	Confirmed. The menu suite is used to define user menus.
5.3. Is this access to the application managed by:- 5.3.1. Individual user profiles? 5.3.2. User groups based on their job roles?	Individual user profiles. "Roles" can be used to simplify administration however.	Confirmed.
5.4. If menus can be tailored would this override the application access control?	No	Confirmed.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
5.5. Passwords	Yes. Either directly via a database login password or by virtue of Windows credentials (which are password protected).	Confirmed.
5.5.1. Is access to the software controlled by password?		
5.5.2. Please state the basis of control available (e.g., role based etc).	Permissions are granted to "Roles" and Roles are associated with user logins.	Confirmed.
5.5.3. If there is no password facility please state how confidentiality and accessibility control can be maintained within the software?	N/A	N/A
5.5.4. Are single user systems access controlled by password?	Yes. Either directly via a database login password or by virtue of Windows credentials (which are password protected).	Confirmed.
5.5.5. Does the software allow for each user to have separate log on (user ids)?	Yes.	Confirmed. Every user has a separate log-on.
If No:- 5.5.5.1. How does the software track user activity?		
5.5.6. Is each user required to have a personal password?	Yes. Either directly via a database login password or by virtue of Windows credentials (which are password protected).	Confirmed. This depends upon Windows credentials. If using a database log-on, it is not possible to have a blank password.
5.5.7. Are passwords one-way encrypted? [i.e. Is it impossible for anyone to see other user's passwords in the software?]	Yes, passwords are encrypted.	Confirmed.
5.5.8. Are passwords masked when entered by any user logging in?	Yes.	Confirmed.

Question	Supplier Response	Evaluator's Comment
5.5.9. Is password complexity available at application level? If Yes:- 1.1.1.1. Please specify [e.g. Number of digits, requirement for special characters, numeric, upper/lower case etc.]	If using the SQL option then password complexity is an option. Otherwise, no. Also, note that if using Windows authentication then the password is not controlled at the application level. If password complexity is turned on for SQL access then the password must be at least eight characters long. The password must contain characters from three of the following four categories: • Latin uppercase letters (A through Z) • Latin lowercase letters (a through z) • Base 10 digits (0 through 9) • Non-alphanumeric characters such as: exclamation point (!), dollar sign ($), number sign (#), or percent (%).	Confirmed. Windows authentication is recommended. Confirmed.
5.5.10. Is there a facility to enforce password changes after a chosen period of time?	If using the SQL option then enforcing password expiration is an option.	Confirmed. For Windows, it can be set individually or at the group level. For SQL, it is as described in the text.
5.5.11. Is there a facility to specify a minimum age for passwords (e.g. 1 day)?	No	N/A
5.5.12. How many previous passwords are retained by the system to limit users recycling passwords (e.g. 24 or 32)?	Zero - NAV does not prevent password recycling at the application level. However, if Windows authentication is used then the Windows password recycling prevention is available and limit is configurable at the Windows level.	Confirmed.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
5.6. Please state how security allows for access to be specified separately for :- 5.6.1. Read?	Direct or Indirect "Read" permissions can be granted to "Roles" for specific items of the following categories (i.e. object types): Table Data, table, form, report, dataport, CodeUnit, xmlport, MenuSuite or system.	Confirmed.
5.6.2. Read and write?	Direct or Indirect "Read" and "Write" permissions can be granted to "Roles" for specific items of the following categories (i.e. object types): Table Data, table, form, report, dataport, CodeUnit, xmlport, MenuSuite or system.	Confirmed.
5.6.3. Delete and amend?	Direct or Indirect "Modify" and "Delete" permissions can be granted to "Roles" for specific items of the following categories (i.e. object types): Table Data, table, form, report, dataport, CodeUnit, xmlport, MenuSuite or system.	Confirmed.
5.7. Are any data files, such as budgets or price updates, imported by users validated by the application software before main data files are updated?	Yes – budget uploads	Confirmed. Imports can be performed through data ports or web services. Business logic requires that the data meets data input rules.
5.8. Does the software require higher or specific levels of user access for changes to sensitive data, such as customer credit limits?	This can be configured but is not turned on by default.	Confirmed. This is the choice of the customer.
5.9. Please specify the specific security procedures (by passwords or warnings) over the:- 5.9.1. Update of ledgers	Updating a ledger can only be done via a document process or a Journal. An approval process can be configured for document processes. If this is configured a user will get a warning message if they try to process a Sale or Purchase before approval and will not be able to continue with the transaction. Journal processes are controlled by permissions. If user does not have the required permissions they will get a warning message and not be able to	Confirmed. This is all dependent upon what permissions are set for the users concerned.

Question	Supplier Response	Evaluator's Comment
	proceed with the transaction.	
5.9.2. Closing of accounting periods	Closing of accounting periods is controlled by permissions. If user does not have the required permissions they will get a warning message and not be able to proceed with the transaction.	Confirmed. This is all dependent upon what permissions are set for the users concerned.
5.9.3. Deletion of transactions	Deletion of transactions is controlled by permissions. If user does not have the required permissions they will get a warning message and not be able to proceed with the transaction.	Confirmed. This is all dependent upon what permissions are set for the users concerned.
5.9.4. Archiving of transactions.	No archiving process is built into the product. Partners could develop their own solution however and this could be controlled by permissions.	Confirmed. This is all dependent upon what permissions are set for the users concerned.
5.10. Is it impossible to delete a transaction?	Transactions posted to the GP cannot be deleted.	Confirmed.
If No: 5.11. How are deletions controlled by the system?	N/A	If a transaction has been posted to the GL, it cannot be deleted – it can only be reversed. Transactions in progress can be deleted.
5.12. Are deleted transactions retained in the audit trail and denoted as such?	All posted transactions are retained in the audit trail.	Confirmed. It is also possible to turn on auditing at the SQL level. If this change log is turned on, all data changes will be recorded. Exactly what is recorded will depend upon how it is configured. It is possible to set recording at the field level if required. There is also a Navision user log that records all user activity.
5.13. Can a report be produced detailing all current users, via user groups if relevant, and their authority levels and/or access rights?	Yes such a report could be created.	Confirmed. This report would have to be built – it is not standard.
5.14. If data can be accessed by separate reporting facilities, such as ODBC or	Yes	Confirmed.

Question	Supplier Response	Evaluator's Comment
separate report writer, is the user access security control applied?		Users would not have direct access to tables.
If No:-		
5.15. Please explain any other protection in place to prevent unauthorised access to data with such facilities.	N/A	N/A
5.16. Is the level of security (described with this section) appropriate for the expected size of business using the software?	Yes	Confirmed.
5.17. Is there a clear indication in the software or manuals as to how the data is:- 5.17.1. Backed-up? 5.17.2. Recovered?	Yes	Confirmed. For Navision, full on-line help facilities are provided. Microsoft also provide standards on providing help to their partners. Also, Adobe files detailing what to do are provided on CDs when Navision is purchased. This is also true for SQL.
5.18. Back ups How are back ups provided:- 5.18.1.1. Within the software application? 5.18.1.2. Within the operating software?	Dynamics NAV provides full or partial backup features via the user interface. If using the SQL option then full SQL Server backup functionality is also available via the SQL management tools. If using the Native database option a backup utility called "Hotcopy" is also available. File level backups could be taken although this would not be common.	Confirmed. This is under the 'Tools' menu. Confirmed.
5.18.2. Are backup procedures automatic?	Not by default but they can be automated.	Confirmed.
5.18.3. Is the user forced or prompted to back-up at certain intervals?	No.	Confirmed.
5.18.4. Can the intervals be customised?	Backup routines can be automated and the intervals between backups can be customised according to user requirements.	Confirmed. If using SQL, the scheduler option within this can be used. Within Navision, a utility called 'Hot Copy'

Question	Supplier Response	Evaluator's Comment
		can be used.
5.19. Recovery		
5.19.1. Please state how the software facilitates recovery procedures in the event of software failure? (E.g. roll back to the last completed transaction).	Full or partial database recovery is available depending on backup strategy and database option. Point-in-time and transaction level recovery is available (with the SQL option).	Confirmed. There are multiple recovery features within SQL. Within Navision, it is possible to restore the entire database or selected companies. This is based upon the chosen back-up regime. The recommended recovery route is to use SQL.
5.19.2. If software failure occurs part way through a batch or transaction, will the operator have to re-input the batch or only the transaction being input at the time of the failure?	Database is updated by atomic transactions. Therefore, if a transaction fails only the failed transaction would need to resubmitted.	Confirmed. There is real time system recovery, i.e. the last item saved is recovered.
5.19.3. Are these automated?	Database level transactions are used automatically.	Confirmed.
5.19.4. Do the recovery procedures work?	Yes	Confirmed.
5.20. What features are available within the software to help track down processing problems?	Application pop-up messages; Windows Event logging; SQL Server errorlog (if using SQL option); SQL monitoring tools (if using SQL options); NAV client monitor; NAV client debugger; Reporting	Confirmed. This is based upon process logic.
5.21. Are software messages clear?	Yes	Confirmed. Messages directed at users are very clear. All can be checked in the supplied on-line help and knowledge bases.

Question	Supplier Response	Evaluator's Comment
5.22. Are user responses properly structured to ensure that erroneous key strikes do not lead to inappropriate actions?	Yes	Confirmed.
5.23. I s there a software log which details:-		
5.23.1. Error messages?	Yes	Confirmed.
		There is the SQL error log and the Windows event log.
5.23.2. Security violations?	Not by default although some security violations can be configured at the SQL Server level (if using SQL option).	Confirmed.
5.24. Audit trail		
5.24.1. Does the software have a detailed audit trail?	Yes – The Audit Trail allows you to see what transactions make up a balance on Chart of Accounts (any balance in general ledger). This, NAV does automatically and it cannot be turned off.	Confirmed.
		There are also SQL logs available that record details such as who logs on and when.
	In addition to this, NAV has a configurable "Change Log" where you can record changes to any tables including master data etc. This works independently and separately from the audit trail functionality. This feature can be turned on and off.	
5.24.2. Is it impossible to turn off or delete the audit trail?	Yes	Confirmed for basic table logs.
		As above.
5.24.3. Are all master file changes recorded in the audit trail? If Yes:-	Yes	Confirmed for basic table logs.
		As above.
5.24.3.1. Does each change have a system generated reference allocated?		
5.24.3.2. Are the originator and authoriser identified?	Yes	Confirmed for basic table logs.
		As above.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
5.24.3.3. Is the change date and time stamped?	Yes	Confirmed for basic table logs.
5.24.4. Are all standing data changes recorded in the audit trail? If Yes:-	Yes	As above. Confirmed.
5.24.4.1. Does each change have a system generated reference allocated?	All changes are recorded in relevant, underlying tables - reports can be configured to track any chosen field, including master data fields.	
5.24.4.2. Are the originator and authoriser identified?	Yes All changes are recorded in relevant, underlying tables - reports can be configured to track any chosen field	Confirmed.
5.24.4.3. Is the change date and time stamped?	Yes All changes are recorded in relevant, underlying tables - reports can be configured to track any chosen field	Confirmed.
5.24.5. Is all input data included within the audit trail, including amendments, deletions, journals etc?	Yes All changes are recorded in relevant, underlying tables - reports can be configured to track any chosen field	Confirmed.
5.24.6. Does the software allocate a system generated unique reference number to each transaction?	Yes All changes are recorded in relevant, underlying tables - reports can be configured to track any chosen field	Confirmed.
5.24.6.1. Is this stamped with a user id?	Yes All changes are recorded in relevant, underlying tables - reports can be configured to track any chosen field	Confirmed.
5.24.6.2. Is this unique reference number presented to the user at time of input?	Yes All changes are recorded in relevant, underlying tables - reports can be configured to track any chosen field	Confirmed.

Question	Supplier Response	Evaluator's Comment
5.24.6.3. Is the transaction date and time stamped?	Yes All changes are recorded in relevant, underlying tables - reports can be configured to track any chosen field	Confirmed.
5.24.7. Are all imported /interfaced transactions allocated a software generated reference number?	Yes Any record created has a unique identifier whatever the source	Confirmed. It is impossible for the database to have transactions without these identifiers.
5.24.8. How are transactions differentiated within the audit trail?	Yes Any record created has a unique identifier whatever the source	Confirmed. It is impossible for the database to have transactions without these identifiers.
5.25. What are the procedures for handling dates? (E.g. 2 digit years, 4 digit years).		
5.25.1. In the case of two digits what is the break point for the century?	1/1/1930 – 31/12/2029	Confirmed. If the figure input is less than 30, the system adds 20 in front of it. If the figure input is greater then 30, the system adds 19 in front. All dates are stored as 4 digits within SQL.
5.25.2. Are dates handled consistently throughout the software?	Yes.	Confirmed. It is possible to set full 4 digit dates as an option within the application. All dates are stored as 4 digits within SQL.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment

6. **Input of transactions**

The following sections in Input of transactions, File maintenance, Processing and Reports are primarily aimed at the three main accounting ledgers and where applicable Sales Order Processing, Sales Invoicing, Purchase Order Processing and Stock Control.

Question	Supplier Response	Evaluator's Comment
6.1. Is data input controlled by self-explanatory menu options?	Yes, the data input is controlled by self explanatory menus that are easy to follow and they are granule / module specific.	Confirmed.
6.2. Are these menus application-specific?	The menus are role specific. For example, a Sales Order clerk has a different number of options than a PO clerk.	Confirmed. Roles define menus.
6.3. Does the software provide input validation checks such as account code validation, reasonableness (limits, VAT or discount checking) and validity checks (VAT check-digit calculations)?	Yes, the system will not allow you to post a transaction if the account code does not exist, or there is no way to calculate the VAT. The system will give you an error message for this. This discount posting is also worked out depending on the type of discount that is granted to the customer or from the supplier.	Confirmed. This depends upon the way the input controls on the fields within the application are configured.
6.4. Can the user amend data on an input screen prior to update?	Yes, with permissions the user can change the data on the input screen prior to posting.	Confirmed.
6.5. What control features are within the software to ensure completeness and accuracy of data input?	Navision has built in features which test all necessary data that is entered, and that the transaction is in balance.	Confirmed. Input controls can be configured as required for each data field.
6.6. Are all input transactions subject to this control?	User screens and access to the relevant data is controlled via security and screen design.	Confirmed. Input controls can be configured as required for each data field.
6.7. How does the software ensure uniqueness of the input transactions? (i.e. to avoid duplicate transactions)	There is a numbering series control	Confirmed. There are ranges of numbers in use.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
6.8. Does the software allow for batch control totals?	No, Navision is an online system. However multiple entries may be posted as a batch.	Confirmed.
If Yes:-		
6.8.1. Are batches automatically numbered?	N/A	N/A
6.8.2. Are batches forced to balance before ledger update?	All entries are forced to balance before they can be posted to the general ledger.	Confirmed.
6.8.3. Does the software allow the temporary halting of input of a batch to allow for queries or other activities to take priority (e.g. set up a new account)	Navision checks the validity on entry before processing commences. When entering any data for example a batch the user can always (a) open another window and perform another task. (b) The user can also drill down or navigate throughout the system to handle any other queries.	Confirmed.
6.8.4. Is the user forced to confirm batch totals?	No, there are no batch totals in the standard system.	Confirmed.
6.8.5. Is attempted posting of unbalanced journals rejected? (G/L).	The system will never post an unbalanced journal.	Confirmed.
6.9. Are input errors highlighted?	Validation for entities such as customer, supplier and account codes is mandatory.	Confirmed. A warning message is given on screen.
6.10. If Yes are they:-		
6.10.1. Rejected and reported on screen?	The errors are rejected and displayed on screen, in the form of an error message once the user tries to post the entry.	Confirmed.
6.10.2. Rejected and error reports generated?	If the user uses the test report function then it will be highlighted there as well.	Confirmed.
6.10.3. Accepted and posted to suspense?	No, the system will not do this at all. The user would need to correct the journal first before this journal can be posted.	Confirmed.
6.11. Does the software have an automatic facility to correct/reverse/delete transactions?	Yes, you could create a maintenance routine to amend the transactions.	Confirmed. Manual reversals and corrections can also be performed.
If Yes:-		
1.1.1. Are all the double entry transactions documented in the	Yes. All double entry transactions are fully auditable.	Confirmed.

Question	Supplier Response	Evaluator's Comment
audit trail?		
6.12. What are the controls to ensure the internal integrity of the ledger(s) or the accounting information, e.g., control of accounts.	Navision will always check that all the entries are in balance before it will post. Should hardware failure occur, the error will be reported as a corrupt database. To minimise the risks the Super Users / Administrator should test the database first, using the function database, test, on a regular basis before the backup.	Confirmed.
6.13. Is it possible to allocate input values directly to ledger control accounts?	In a system where security has been set up correctly the users would not be allowed to post directly to a control account.	Confirmed. Posting to control accounts is possible but not recommended.
If Yes:-		
1.1.1. Please note the mechanisms available to allow the user to establish why the total balances on individual accounts do not agree to a respective control account?	The user would need to check the control account total against the sub ledger reports to ensure totals.	Confirmed.
6.14. Can automatic accruals or prepayments be generated?	You can create recurring journals within the system. The journal should be posted as part of the month end procedure.	Confirmed.
6.15. Will these automatically be reversed after the period end? (G/L)	If they are set up to be reversing then they will reverse the day after the posting date.	Confirmed.
6.16. Does the software have a purchase invoice register?	Yes	Confirmed.
6.17. Does the software permit multi debit/credit journals?	Yes, each journal can have as many entries as required.	Confirmed.
6.18. How are transactions identified on screen/reports as to:-		
6.18.1. Type?	Yes, the document types are identified as either a payment, invoice, credit memo, reminder, finance charge memo or blank (any other transaction type).	Confirmed.
6.18.2. Debit or credit?	Usual method	Confirmed.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
		Displayed as '+' or '-'.
6.19. Can separate nominal analysis codes be input for each invoice line?	Yes, there are separate lines that can be entered to specify whether the line is a Stock Item, G/L Account No, Resource, Fixed Asset, Charge (Item), or blank line for entering in the standard texts which can be applied to invoices, orders etc.	Confirmed.

If Yes:-

6.20. Does this cover:-

6.20.1. Sales ledger?	Yes	Confirmed.
6.20.2. Purchase ledger?	Yes	Confirmed.
6.20.3. Stock?	Yes	Confirmed.
6.21. Can receipts and payments be matched to specific invoices?	Yes, you apply the payments that you receive or pay to the invoices. If you are using the apply to oldest method for the application then the system will automatically take this off the first invoice that it can find for the customer or vendor.	Confirmed.
If Yes:- Is this 6.21.1. Automatic or manual?	Manual, although additional 3rd party software can be purchased to carry out invoice matching.	Confirmed.
6.22. Will the software permit part payments?	Yes, the system does have the facility to handle part payments and it will have a Remaining Amount, which is next to the Original Amount in the ledger entries for customer and vendor and item cards. You can then apply the part payments to the invoice as you receive them.	Confirmed.
6.23. Will the software allow:- 6.23.1. Payments to be made to customers?	Yes	Confirmed.
6.23.2. Receipts to be received from suppliers?	Yes	Confirmed.
6.24. Does the software handle purchase credit notes?	Yes	Confirmed.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
6.25. Is there an ability to automatically amend stock if applicable?	Stock will be automatically updated on creation of credit notes.	Confirmed.
6.26. Can the software generate sales credit notes?	Yes the system will create credit notes	Confirmed.
6.27. Does the software handle discounts and promotions?	Yes, the system can handle discounts and promotions through either standard SOP or Campaigns in the CRM element of the software.	Confirmed.
6.28. Does the software provide for early settlement discounts?	Yes, the system does have early settlement for payments either paid or received. It is set up in the terms and can apply to the customer and vendor cards.	Confirmed.
6.29. Can early settlement discounts be automatically generated?	Yes, when you are receiving a payment from a customer and you specify that it is a payment and you apply the payment to the invoice as this will determine the terms for the document. The system will then calculate the payment discount that will be granted. When you pay your vendors and use the find payment discounts when running the Suggest Vendor Payments then the system will find the early settlement and pay that vendor and take the discount that is due.	Confirmed.
6.30. Are there controls over accepting settlement discounts (e.g. time limits)?	There are time limits and the system is very date sensitive. So if it is past the time limit as to when the discount is due then the discount will not be taken or granted.	Confirmed.
6.31. Is VAT treated correctly on early settlement discounts?	Yes	Confirmed.
6.32. `Will the software permit the posting of unallocated cash to the ledgers?	Yes, the system will allow the posting of unallocated cash to the Bank Account / General Ledger. But the payment that this is received or paid will remain in the debtors or creditors ledger as an open item. Thereby waiting for the allocation to take place.	Confirmed. The cash can be allocated at a later date as required.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
Does this apply to:- 6.32.1. Sales ledger?	Yes	Confirmed.
6.32.2. Purchase ledger?	Yes	Confirmed
6.33. Are unallocated cash/credit notes specifically reported for follow up?	Yes, there is a flag on each open entry, full lists can be obtained via filters.	Confirmed This is available through standard reporting.
6.34. Are outstanding transactions displayed for allocation?	Yes, in the Sales and Purchase ledgers the outstanding transactions are marked as open and can be allocated.	Confirmed.
If Yes does this apply to:- 6.34.1. Sales ledger?	Yes	Confirmed.
6.34.2. Purchase ledger?	Yes	Confirmed
6.35. Is it possible for new accounts to be created during input?	Yes: providing permissions have been granted to that user	Confirmed. This depends upon the security set-up.
6.36. Does this cover the following ledgers:- 6.36.1. Sales?	Yes	Confirmed
6.36.2. Purchases?	Yes	Confirmed
6.36.3. General?	Yes	Confirmed
6.36.4. Stock?	Yes	Confirmed
6.37. What controls are there over the creation of new accounts?	Via set up security so that only certain people have access to this function. If you use Change Log you also get an audit trail.	Confirmed. This depends upon the security set-up.
6.38. Is the originator and/or authoriser identification logged by the software?	If the change log functionality has been enabled.	Confirmed.
6.39. Is the user prevented or warned from overriding credit limits or discounts? (S/L).	When processing sales documents there is a warning. If the customer is blocked you are prevented from processing.	Confirmed.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
6.40. Does the software have a bank reconciliation facility?	Yes	Confirmed.
6.41. Does the software enable transactions to be posted to the ledgers whilst performing a bank reconciliation (e.g. standing charges, bank charges etc)?	Yes, you can enter the transactions in the bank reconciliation statement and post them back to the general ledger and these will be shown on any reports taken after	Confirmed.
6.42. Are these adequately reported?	Yes, either standard or bespoke reports can be used.	Confirmed.
6.43. Does the software accept input files from other computer packages?	The system can accept input files from other computer packages provided that the dataports are created for the file import are in the correct format.	Confirmed.
If Yes:-		
6.43.1. What formats are accepted?	Formats can be user definable	Confirmed
6.43.2. What controls are in place over the interface?	If dataports, XMLports or Web Services are used then all business logic within NAV is used.	Confirmed.
6.44. Does the software have a facility for calculating interest on late payments?	Yes, there is a Finance Charge facility that will allow you the charge interest.	Confirmed. An interest invoice can be generated if required.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
7. File maintenance		
7.1. Are ledgers:- 7.1.1. Open item? 7.1.2. Balance forward?	The system is Open Item in all the S/L, P/L and G/L.	Confirmed.
7.2. Does the above cover:- 7.2.1. Sales ledger? 7.2.2. Purchase ledger? 7.2.3. General ledger?	As above	Confirmed
7.3. Is a month end routine required to be undertaken?	It's not required. Periods can be kept open, but controlled via "Allow posting from/to" in G/L Setup.	Confirmed. There is month end functionality provided, but no required routine. The system keeps all data in the same tables.
7.4. Is the creation or amendment of standing data (e.g. customer account details) controlled by menu options?	Yes	Confirmed.
7.5. Are menus:- 7.5.1. Application specific? 7.5.2. User specific?	Menus are specific in each application area. Users can customize the Navigation Pane (Add / show items, and create shortcuts), or administrator can customize the Navigation Pane and assign to individual users	Confirmed.
7.6. Is it <u>im</u>possible to delete accounts if the balance if Nil but transactions have been recorded against the code. Does this apply to:- 7.6.1. General Ledger? 7.6.2. Sales Ledger? 7.6.3. Purchase Ledger? 7.6.4. Stock?	It's impossible to delete an account that has transactions in an open fiscal year. If there are only transactions in a closed year, it depends on "Allow G/L Acc. Deletion Before" in G/L Setup. "Allow G/L Acc. Deletion Before" only applies to GL. For other ledgers, it's still impossible to delete an account with transactions in an open fiscal year, or with open entries in any fiscal year, or for stock entries, transactions that are not fully invoiced.	Confirmed. If there is any data relating to the current financial year, it cannot be deleted. For GL accounts, it is possible to configure the system to strengthen the standard controls over data deletion.
7.7. Are there any other constraints over the deletion of accounts?	N/A – see above	Confirmed.

Question	Supplier Response	Evaluator's Comment
7.8. What is the size and format of reference numbers and descriptions within:- 7.8.1. General Ledger? 7.8.2. Sales Ledger? 7.8.3. Purchase Ledger? 7.8.4. Stock?	20 alphanumeric numbers. No. Series can be set up to assign numbers from one or more series. Same for all ledgers.	Confirmed.
7.9. Is the scope of the reference number adequate to permit sufficient depth of analysis?	Reference numbers can be set up to permit any depth of analysis needed.	Confirmed. Navision can be configured to use any number series. Dimensions can be used to give GL codes numbers of up to characters. Dimensions can also be arranged in a hierarchy.
7.10. How does the software guard against/warn about, duplicate account numbers on set up?	It's impossible to create an account with a duplicate number.	Confirmed.
7.11. How does the software enable the traceability - from, to and through the accounting records - of any source document or interfaced transaction?	Navigate functionality allows to drill down from a transaction to the source document or visa versa.	Confirmed. Drill down is possible. Also, 'drill up' is possible using the Navigate function.
7.12. What drill down/around functionality is available within the software?	Every flowfield (calculated total) has automatic drill down to the underlying transactions, enabling extensive drill down functionality throughout the application.	Confirmed.
7.13. Can reports be invoked which identify all the fields which have been modified?	Yes, change log enables this.	Confirmed. This is true if the log is activated.
7.14. If the software uses a lot of standing information which changes frequently or regularly, does the software allow for such changes to be effected through the use of parameters or tables?	Yes, most of the system parameters are frequently defined in tables, therefore, it is easy to change parameters once.	Confirmed. Mass updates can be performed through SQL. Budgets can be exported into Excel, updated and then loaded back in NAV.
If Yes: – 7.14.1. Is the use of such parameters or tables adequately reported?	Yes, change log can be set up to log the use or change of any parameter	Confirmed. This is true if the log is activated.

Question	Supplier Response	Evaluator's Comment
7.15. What controls are within the software over changes to parameters and tables e.g. reporting, password etc?	Change log can be set up to track changes. Permissions can be set up to allow or deny read/insert/modify/delete for each user for each table.	Confirmed. Changes can be tracked in any table as required. The ability to make changes is determined by access rights.
7.16. Does the software allow selective archiving of old data on a user-defined basis?	Yes, you can run date compression to compress old entries.	Confirmed. It is possible to compress within Navision or archive tables directly from SQL. Deletion options are also available within SQL if required.
7.17. What controls are in place over the handling of archived data?	User permissions.	Confirmed.
7.18. Can archived data be used for reporting purposes?	Data can only be compressed, so you lose details. But the compressed data can still be used for reporting	Confirmed. Only totals are retained when data is compressed. It is not possible to reverse compression.
7.19. Does the software allow for the restoration of achieved data for audit without affecting current accounting data?	Only via restore of old backups	Confirmed. Recovery is not possible if the data has been compressed.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
8. Processing		
8.1. Does the software ensure that menu options or programs are executed in the correct sequence (e.g. ensure outstanding transactions are processed before month end procedures run)?	No, it would be up to the user to define local procedures and set up accordingly.	Confirmed.
8.2. After an external document (e.g. sales invoice or cheque payment) has been generated and posted to the accounts is it impossible to amend this data?	Yes, it is impossible.	Confirmed.
8.3. Is there an audit trail of all changes to transactions which have updated the ledgers?	Navision has a register and every time something is posted anywhere in the system the register will be updated. It therefore keeps an audit trail of all the entries. You can navigate and drill down to the original source document from this entry number.	Confirmed.
8.4. Can the software calculate prices or values by reference to master file data?	Navision is a fully integrated system, and specific customer prices are automatically shown when invoice lines are entered based on master file data.	Confirmed.
8.5. Does the software provide automatic recalculation, where appropriate, of data input? (e.g. VAT)	Yes, Navision recalculates on the entry as it goes. The combination of the VAT Business Posting Group and the VAT Product Posting Group will be used.	Confirmed.
8.6. Does the software warn the user when the ledger is out of balance?	The nature of the on-line posting to all sub-ledgers at the same time does not allow the system to go out of balance.	Confirmed.
8.7. How is this done e.g. when the software is switching on or on ledger update?	NA	Confirmed.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment

9. Performance of requisite accounting functions

Question	Supplier Response	Evaluator's Comment
9.1. What control features are provided by the software to support effective user controls?	Transaction sequencing, time stamping of transactions, change log/audit trail	Confirmed.
9.2. Is there:		
9.2.1. Transaction sequencing?	Every time a transaction is posted unique entry number is generated.	Confirmed.
9.2.2. Automatic dating of posting transactions?	Yes, this is governed by the user set up.	Confirmed.
9.2.3. Identification of user id or source of document?	Yes, the user id and the source code are recorded against the transaction that is posted.	Confirmed.
9.3. Is the software available as multi user?	Yes, it is a multi-user client server system based on a three tier architecture.	Confirmed.
9.4. Can the same function be used by more than one person at the same time, whilst still retaining the separate user identities?	Yes, concurrent users are allowed to change one record at the same time. However only the first change will be saved, the others will be rejected as they are now working on the latest version of the data (version principle.)	Confirmed.
9.5. Is the software available as multi-company? If Yes:- How many companies are supported?	Yes, Navision can support an unlimited number of companies, departments or projects and the companies can be consolidated.	Confirmed. This can be viewed using Dimensions.
9.6. Is a group consolidation facility available?	Unlimited	Confirmed.
9.7. Can the software consolidate entities with different charts of accounts?	Yes, on the account card in Navision, there is a consolidation tab. There is a debit and a credit field. The user needs to fill in the account number for the consolidation company. Thereby giving the functionality that it does not need to have the same account numbers across the group.	Confirmed. Configuration and mapping will be key

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
9.8. How many levels of nominal analysis can be handled by the software?	By using Dimensions, the depth of analysis is unlimited.	Confirmed.
9.9. How does the software handle cost centres, departments, divisions?	Cost centres, departments and divisions can be set-up as Dimensions to enable deep analysis.	Confirmed.
9.10. How are periods handled by the software?	Accounting periods in NAV 2009 are user specified references to time. Periods can either created manually or automatically.	Confirmed.
9.11. How many:-		
9.11.1. Accounting periods can be set up?	Accounting periods are specified by the user. It can be 12 periods of 1 month each (the dates can also be specified), 365 periods of 1 day, 52 periods of 1 week, or 13 periods of 4 weeks each. This is totally up to the user.	Confirmed. These are examples only.
9.11.2. Years can be set up?	User definable	Confirmed.
9.12. Can the length/ number of periods be adjusted to suit different user requirements?	The Accounting periods can be totally suited to the user and the starting and ending dates can also be changed – if the user wants to end on the 25th of the month then the date just needs to be set up.	Confirmed.
9.13. How many accounting periods can be open at any one time?	As many as the user requires. Navision only requires the accounting periods to be closed when running a year end.	Confirmed.
9.14. How many years can be open at any one time?	The user can have as many years open as needed. But permission to post to these periods would need to be set up in the user permissions. All prior years would need to have been closed to run a year end procedure.	Confirmed.
9.15. Can a period or year be re-opened after it has been closed? If Yes:- 9.15.1. What controls are in place over this function?	No, once a period is closed it cannot be re-opened This does not mean that posting is restricted to that period. Posting can still take place and data can still be easily accessed for reporting purposes. However, one	Confirmed. It cannot be re-opened, but it is possible to post transactions as prior year entries.

Question	Supplier Response	Evaluator's Comment
	would restrict users via the user security to prevent posting to the closed periods.	
If No:-		
9.15.2. Is the data archived on the server?	The data is kept in the database unless archived to a separate database server.	
9.15.3. Is this accessible for reporting purposes?	Yes. The data is kept in the database unless archived to a separate database server.	
9.15.4. Can a previous year be restored from backup?	Yes SQL Server functionality will allow restoration.	
9.16. Can data from all accounting periods and years be accessed at any one time?	All data can be accessed at any time, so long as the Date Compression function has not been run.	Confirmed. Compression removes access to the data.
9.17. Can previous months and years be accessed for enquiries or reports?	Yes	Confirmed.
9.18. Does the software handle posting date as well as document date? If Yes:- 9.18.1. Are transactions analysed by posting date or document date?	NAV records both "Posting Date" and "Document Date". Any reporting can be done on either.	Confirmed.
9.19. Can transactions be posted to more than one accounting period at any point in time?	Yes, if required then this should be set up in user security.	Confirmed.
9.20. Does this cover:- 9.20.1. General ledger? 9.20.2. Sales ledger? 9.20.3. Purchase ledger?	 Yes Yes Yes	
9.21. Is it possible to allocate transactions to:	It is possible to post a transaction in the future providing this is allowed in the user id permissions. You can restrict the posting dates of a user, in the General Ledger, Set up.	Confirmed. This depends upon system configuration and user access rights.
9.21.1. Future periods? 9.21.2. Previous closed periods? 9.21.3. A previously closed year?	Yes Yes Yes	

Question	Supplier Response	Evaluator's Comment
If Yes:-		
9.21.4. What controls are in place e.g. level of authorisation and on screen warnings?	The system can be configured to have warnings in place	
9.21.5. Will the software revise subsequent periods accordingly?	Yes, including updates to the NL Account structure. Yes, it will include all open entries from the previous periods on the next VAT return.	
9.22. How will transactions outside the current period be:-		
9.22.1. Reported	This is part of standard functionality, therefore all relevant data will be made available to reports	Confirmed.
9.22.2. Accounted for in the VAT return?	It will include all open entries from the previous periods on the next VAT return.	Confirmed.
9.23. Does the software permit use of budgets and provide comparisons between budgets and actuals?	Yes, Navision does have budgets and it has an online drill down facility between the budget for the account and the account general ledger entries. It also has the comparison and a % variance. Navision does not have Purchase Ledger or Sales Ledger Budgets.	Confirmed.
If Yes:-		
9.23.1. How many versions of budgets/forecasts can be maintained on the system?	This is unlimited due to the Copy Budget feature.	
9.24. Are budgets available for:		
9.24.1. General ledger?	Yes	Confirmed.
9.24.2. Sales ledger?	Yes	
9.24.3. Purchase ledger?	Yes	
9.24.4. Overheads?	Yes (GL)	
9.24.5. Balance sheet?	Yes (GL)	
9.25. Can budgets be set by:	The budget can be set by the day, period or year depending on the user's choice. Periods and years can either be according to the normal calendar or the periods/years that the user has defined in the Period Set up form.	Confirmed.

Question	Supplier Response	Evaluator's Comment
9.25.1. Period?	Yes	
9.25.2. Annually?	Yes	
9.26. Can the software automatically generate budgets?	Yes	Confirmed.
If Yes:- Please state how this is achieved.	A report allows the user to create a new budget based on either an existing budget data or actuals. The report allows the use to enter an Adjustment Factor. The report can be run for any period length.	Confirmed. Existing data can be used to create budgets.
9.27. What is the maximum value of transactions and of totals that can be handled by the software?	-1015 to 1015. Decimal numbers can be held in memory up to 18 significant digits.	Confirmed.
9.28. What is the maximum number of transactions that can be handled by the software?	The maximum number of transactions is 2,147 million.	Confirmed.
9.29. What is the maximum number of accounts on each ledger:		Confirmed.
9.29.1. Sales ledger?	100x109	
9.29.2. Purchase ledger?	100x109	
9.29.3. General ledger?	100x109	

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment

10. Reports

Question	Supplier Response	Evaluator's Comment
10.1. Are all reports adequately titled and dated? (E.g. report name, client name, data, period, batch, last entry number, period end, pages, numbers etc.)	Yes, the reports are detailed in terms of the dates for which the data is required the Title, the date the report is printed, the filters that were set to print the report, the page number, the Amount and the VAT amount. It will also give the register number and the entry number depending on the report that you are printing.	Confirmed.
10.2. Do the reports provide totals where applicable?	Yes, the reports do provide sub-totals where applicable.	Confirmed.
10.3. Are these totals calculated or taken from a control file?	The totals are calculated.	Confirmed.
Please state the reports that do not feature calculated totals.	N/A	N/A
10.4. Is it clear when the report has ended? (totals or end markers)	There is a grand total on reports, or others can be modified to show where the report ends.	Confirmed.
10.5. Can reports be saved in electronic format (as distinct from just printing)?	Navision can either print reports to file, or save the report as a HTML document. Or can be saved to XML using the command SAVEASXML.	Confirmed.
10.6. Are such files adequately protected from deletion or amendment?	No. Reports can be saved in secure directories and all reports can be recreated as original transactions are not deleted,	Confirmed. Security depends upon where the reports were saved to.
10.7. Is a report writer provided as part of the software or as an add on? Please state the name of any third party package.	Yes, the system has an integrated report designer / generator called 'Report Writer'. You can also export data to Excel or Word from anywhere in the application, and then build reports there.	Confirmed. It is called 'Report Writer' and is an integral part of the application.
10.8. What level of knowledge is required to use the report writer e.g. beginner, regular user, expert?	Report generator is typical Windows. Simple reports should be within the ability of the user with basic training. More complex reports may require more training or users may wish to employ a partner to undertake the task.	Confirmed. There is user friendly wizard that can be used to produce reports as required.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
10.9. Can the report writer make use of user-defined fields (including external fields)?	Yes, Navision can use user defined fields which have been set up and external fields, depending on the source.	Confirmed. Reports can include all custom fields and custom tables.
10.10. Does the report writer enable:- 10.10.1. Separate access to each system area? 10.10.2. Reports to be prepared which combines related data from a number of system areas (e.g. Customers – Sales – Stock items) in the same report?	The report writer has access to the whole application / all application areas. Only restricted by the users permissions and license.	Confirmed. Security restrictions apply to reports as they apply to data.
10.11. Can users define the parameters, columns, fields and selection criteria used on reports reported?	Users can define the parameters used when printing a report. On some reports, they can also define further selection criteria, depending on the report.	Confirmed.
10.12. Are standard reports always produced, even when they are nil returns?	A report with no data will typically not be printed.	Confirmed. The user will get a blank screen.
10.13. Is there an option for reports to exclude nil balances, this year or where there are nil balances this year and last year, to enable a comparative report to be produced with the completeness of both years' being maintained?	Yes. For example "Detail Trial Balance" report has options for "Exclude G/L Accounts". That Have a Balance Only" and "Include Closing Entries Within the Period". On all reports with dates or date-dependent calculations, the user can set a date filter.	Confirmed. Each report has an entry screen where required results can be filtered and defined. Each report has its own bespoke entry screen.
10.14. Can screen layouts, reports and transaction formats be easily adapted to users' requirements?	Yes. Form designer and Report designer both have drag and drop functionality to adapt the layout.	Confirmed.
10.15. Can a hard copy be produced of all screen enquiries?	User can use copy and paste, or from any screen, use Export to Word or Excel functionality. Or capture screenshots.	Confirmed.
10.16. Can transaction files for all previous periods of the year be retained in the software to permit enquiries and reports?	Yes. Previous periods are not moved, so can be accessed just like the current period.	Confirmed.

Question		Supplier Response	Evaluator's Comment
10.17.	Are reports of all changes to standing data on customers, suppliers, tax rates etc automatically generated or stored for later printing?	This can be set up with Change Log functionality as required.	Confirmed. These can be configured as edit reports if required.
If Yes:-			
10.17.1.	Is the report able to capture the nature of the change, user id and data and time of the change?	Change log captures User ID, Date and time, type of change, old and new value.	Confirmed.
10.18.	Are all transactions on all reports individually identifiable?	Yes, when printed, transactions will show document no.	Confirmed. This applies if it is a transactional report.
10.19.	Do the reports show whether items are debit or credit?	When relevant, yes reports have separate columns for debit and credit. All other places, negative numbers are credit and positive are debit.	Confirmed.
10.20.	Do reports give sufficient narrative and coding to enable cross referencing?	Yes.	Confirmed. Help files exist to assist with this.
10.21.	Is it possible to drill down from reports to the ledgers and original transactions?	No.	Confirmed. It is possible to drill down from list enquiries, though.
10.22.	Can the software produce all requisite reports:-	Yes	Confirmed. The application produces standard finance reports. In addition, definable enquires can be run and balances can be interrogated directly. With regard to customs reports, the data is available but reports are not currently available that allows direct input / loading to the HMRC web site. However, such reports can be built as required.
10.22.1.	Day books		
10.22.2.	Trial balance		
10.22.3.	Profit and loss account		
10.22.4.	Balance sheet		
10.22.5.	Aged debtors		
10.22.6.	Aged creditors		
10.22.7.	Aged stock		
10.22.8.	Aged unallocated cash (debtors)		
10.22.9.	Aged unallocated cash (creditors)		
10.22.10.	Budgets		
10.22.11.	Cash flow statement		
10.22.12.	VAT reports		
10.22.13.	VAT form 100		
10.22.14.	EC Sales Listings		
10.22.15.	Intrastat returns (SSD)		

Question	Supplier Response	Evaluator's Comment
10.23. Are the above reports standard within the software or do they have to be written?	Above are all standard reports.	Confirmed.
10.24. Is the age criteria fixed or user definable?	User can set date filters	Confirmed.
10.25. Can the aged analysis and day book reports be in summary and detail?	User can choose whether to print details.	Confirmed.
10.26. Do standard reporting options give sufficient flexibility to tailor individual reports?	Every report can be tailored to the individual customer.	Confirmed.
10.27. Can all reports be reproduced after the period end but @ the month end date:- 10.27.1. Transaction listings? 10.27.2. Day books? 10.27.3. Trial balance?	Navision has a soft month end function. The day book reports can be produced after a period end has been run, the only condition is that the Date Compression has not been run.	Confirmed.
10.28. Is it possible to print out retrospective month end aged sales and purchase ledger reports that agree back to the month end trial balance control account figures as at the month end?	Yes, aged reports and statements provide this detail	Confirmed. Specific reports are available.
10.29. Do the standard budget reports provide sufficient analysis of variances?	The reports that would use the budget as a variance factor would be in the account schedules, you can provide your own formulas for the comparison. Further analysis can be achieved by exporting data into a spreadsheet.	Confirmed. It is possible to set up budgets and track to actuals if this is desired. This would be achieved through the use of GL codes, accounts and ranges.
10.30. Do such reports provide exception reporting, percentage analysis and comparatives?	The Account schedules can provide percentage analysis and the variances between various months, years and budget months, year's etc. Further analysis can be achieved by exporting data into a spreadsheet.	Confirmed. This depends upon how they are configured.
10.31. Do standard reports show sufficient analysis of trading results? (E.g. sales analysis by region)?	Yes, reports will show full analysis depending on the data set up.	Confirmed.

Question	Supplier Response	Evaluator's Comment
10.32. Are all movements during each accounting period shown on sales, purchase, general, stock ledger detail reports?	Yes, in Navision if the detail is there it will be printed. A user can choose to print a detailed Trail Balance Report and all the transactions for the specified period will be printed.	Confirmed.
10.33. Do the sales and purchase ledger reports show how all partial payments or allocations (unallocated cash) have been treated?	Yes, you can easily identify unallocated or partial payments	Confirmed.
10.34. Is there a general ledger report that shows balances brought forward and carried forward plus all posted transactions in the period?	Yes	Confirmed.
10.35. Can the management accounts, profit and loss account and balance sheet be sufficiently analysed by:	The management accounts can show the level of detail – depending on the set up by the user using dimensions.	Confirmed. This is where dimensions can be used – exactly how depends upon how the accounts have been set up.
10.35.1. Project/job	Yes	As above
10.35.2. Cost centres	Yes	As above.
10.35.3. Department	Yes	As above.
10.35.4. Division	Yes	As above.
10.35.5. Company	Yes	As above.
10.35.6. Group (if applicable)	Yes, Analysis by dimensions	As above.
10.35.7. Can the above be user defined by Period and/or range?	Yes	As above.
10.36. What controls are there in place so that the user is aware of partly processed transactions:- 10.36.1. Unposted invoices 10.36.2. Uninvoiced dispatches 10.36.3. Payments 10.36.4. Receipts	Under Sales & Marketing, Inventory & Pricing, Reports there is a report called "Inventory – Sales Back Orders". In Sales & Marketing, Inventory & Pricing, Reports, there is a report called 'Stock Shipped not Invoiced'. There is also a function called Combine Shipments. This function will take all the orders that have been shipped out of stock but not yet invoiced for the customer, and add them together in one invoice for the customer. Customer statements and Aged Accounts receivables / payables	Confirmed. These are available through the standard suite of reports. In addition, bespoke reports can be produced as required.

Question	Supplier Response	Evaluator's Comment
	reports. Moreover detailed aging reports In Purchase, Inventory & Pricing, Reports, there is a report called 'Stock Received not Invoiced'.	
10.37. State the controls that are in place to ensure that the correct price/discount has been applied to invoices/credit notes? (e.g. Gross Margin reports)	Data is pulled from the master file depending on the customer set up etc, and reports can be used to highlight the gross margin inconsistencies perhaps Sales – Statistic report.	Confirmed. This depends on the system configuration and security settings at the time of data input and capture. Price change reports can also be configured and used.
10.38. Detail all automatically generated documents for external use. (E.g. sales invoices and statements, remittance advices.)	Can be achieved, but requirements need to be established and set-up by the partner.	Confirmed.
10.39. Can the software reproduce source documents? [E.g. sales invoices; POs, Remittance advices……]	Yes, you can do a copy document where you have the choice to include header or recalculate the lines.	Confirmed. Any system document can be re-printed as required.
10.40. Are the duplicates an exact replica of the relevant financial and VAT accounting information as stored on original documents [i.e. they do not take account of any subsequent changes to the standing data?	Navision will not post the same Document Type and Document number. In the Purchases and Payables the vendor document number if mandatory will not allow the user to use the same vendor invoice number twice for the same vendor. You can copy earlier documents but you have the choice to include header or recalculate lines.	Confirmed. The information is the same each time. All documents are saved as read only.
10.41. Are these clearly identified as duplicates?	Yes, Invoice copies are clearly identified.	Confirmed. Document prints can be marked as copies as required. Statistics are maintained on the number of prints for each document. If the figure is greater than one, the print is marked as a copy.
10.42. Does the software force the production of month-end reports?	Navision does not force the production of month end reports as it does not have a strict month end.	Confirmed. These can be produced as required.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
10.43. Can the reporting function make use of external data files?	Yes, depending on the external data source.	Confirmed. All data in the underlying SQL tables can be reported upon.
10.44. Does the report writer have the facility to scroll up and down when output to screen?	Yes, you can use the mouse or the keyboard to scroll up and down the report. You also have the facility to zoom in and out of the report.	Confirmed.
10.45. Can all reports be run without the need for period-end procedures to be initiated?	All reports can be run without the need for a period-end to be run.	Confirmed.
10.46. Does the report writer allow print previews of all reports?	Yes	Confirmed.
10.47. Can transactions and standing data be output directly to other formats e.g. CSV, txt, XML, PDF etc. for any period of time required?	Yes, for formats CSV, txt, XML but not PDF. You can print PDF.	Confirmed.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment

11. Value Added Tax

The following sections detail the general requirements/features of an accounting package in handling VAT. It cannot cover all eventualities or all users and where necessary members should contact their local HMRC office for detailed guidance. The overall objective is to accurately record the accounting for VAT in order to support VAT returns to HMRC.

Software features

Question	Supplier Response	Evaluator's Comment
11.1. Does the software have the facility to hold the following VAT information:-		
11.1.1. UK VAT registration number?	You can enter the companies VAT Registration number and Customer and Vendors VAT registration number.	Confirmed.
11.1.2. Intrastat code?	Yes. Although this is not a standard field. NAV uses Tariff numbers. Transaction Types and Transport Methods to obtain the necessary information for Intrastat reporting.	Confirmed. The tariff number of the item needs to be recorded.
11.1.3. EC Code?	This is not a standard field but could be added to Foreign Trade tab on Customer Card	Confirmed.
11.1.4. EC VAT registration numbers (10)?	There are more than enough characters on the Customer and Vendor Card to enter the VAT Registration number. Maximum 20 characters alpha numeric.	Confirmed.
11.1.5. VAT rates (please specify number available)	Yes the VAT rate % can be entered as nn.nnnnn	Confirmed.
11.2. How does the software handle roundings?	Rounding is set up via the rounding method table.	Confirmed. This is controlled within the GL set-up.
11.3. Is this applied consistently?	It can be applied separately for Foreign and Local currency.	Confirmed.
11.4. Does the software handle VAT Scale charges with automatic double entry processing?	Yes. The program automatically calculates the VAT using the customer's VAT Bus. Posting	Confirmed.

Question	Supplier Response	Evaluator's Comment
	Group and the item's VAT Prod. Posting Group.	
11.5. Does the software handle VAT calculation tolerances? If Yes do any discrepancies produce:- 11.5.1. Warning?	You can also manually enter the VAT amounts, if the amount calculated by the program is slightly different to that calculated by your customer or vendor, for example, due to rounding.	Confirmed.
11.5.2. Appear in the audit trail	Every posting that involves VAT creates an entry in the VAT Entries window.	Confirmed.
11.5.3. Appear in the VAT exception report?	You define a VAT statement that can highlight exceptions if this is required.	Confirmed.
11.6. What security features (password/ audit trail) are in place to control changes made to: 11.6.1. General ledger VAT control accounts?	There are both global and user specific parameters that can be set by the system supervisor. Users must ensure this part of the system is correctly set-up.	Confirmed.
11.6.2. VAT tables set up and change?	As above.	As above.
11.6.3. Tolerance levels?	As above.	As above.
11.6.4. Invoice sales number table?		
11.6.5. Changes on VAT code on customer files?	As above.	As above.
11.6.6. Changes on VAT code on stock files?	As above.	As above.
11.6.7. VAT calculated on sales invoices or credit notes?	As above.	As above.
11.7. Does the software store and report a VAT return identifier [VRI]?	Each entry in the VAT statement has a unique identifier.	Confirmed.
11.8. How does the software ensure that that each eligible posting is reported only once in a VAT return?	The program contains some special tables to manage the tasks necessary for settling VAT and reporting to the customs and tax authorities. You can use	Confirmed. Table 254 is the VAT entry table.

Question	Supplier Response	Evaluator's Comment
	these tables to have the program: - Calculate the VAT due for a period - Prepare and print the VAT statement The program creates an entry in the VAT Entries window for each posted transaction that involves VAT. These entries are used to calculate the VAT that must be settled for a given period.	

Method of operation

Question	Supplier Response	Evaluator's Comment
11.9. VAT basis. Can the software handle: 11.9.1. Invoice (standard) accounting?	The system handles the standard invoice VAT accounting.	Confirmed.
11.9.2. Cash accounting?	The standard system does not handle this.	Confirmed.
11.10. If the software can handle both invoice (standard) and cash methods of accounting for VAT is the basis clearly identified during set up?	NA. The system cannot handle cash accounting.	Confirmed.
11.11. Does the software allow for a switching between methods?	You can calculate and display VAT amounts in sales and purchase documents differently depending on the type of customer or vendor that you are dealing with. You can also override the VAT amount calculated by the program to match the VAT amount calculated by your vendor on a given transaction.	Confirmed.

Question	Supplier Response	Evaluator's Comment
11.11.1. If Yes:- Is the change fully supported by audit trails to ensure proper VAT treatment of all transactions?	VAT Exceptions Report This report displays the VAT entries that in connection with a VAT difference were posted and placed in a G/L register. The report is used to document adjustments made to VAT amounts calculated by the program for use in internal or external auditing. You can define what will be included in the report by setting filters. You can set additional fields on the tab by clicking the Field field, then clicking the Assist Button that appears to the right.	Confirmed. This is controlled through VAT tables.
11.11.2. Is this ability to change a basis of accounting clearly flagged, i.e. users warned etc.	Confirmed. However it is unlikely that Navision will be appropriate to a business with turnover lower than the VAT threshold.	N/A
11.11.3. Does the software alert the user that they require HMRC authorisation if they attempt to apply, retrospectively, the 'Cash Accounting Scheme' for VAT accounting?	N/A	N/A
11.11.4. Does the software provide useful and relevant information on switching in the software help section?	N/A	N/A
11.12. Can the software handle the following VAT schemes:-	No one of these are managed in Navision	N/A
11.12.1. Annual accounting scheme?		
11.12.2. Flat rate scheme?		

Question	Supplier Response	Evaluator's Comment
11.12.3. Retail schemes?		
11.12.4. Account for VAT on the margin?		
11.13. Can the software be configured to handle partial exemption methods?	Exempt rate will be determined again by combination of VAT Business Posting Group and the VAT Product Posting Groups.	Confirmed.
11.14. Please state the number of VAT codes available for VAT analysis.	As in Navision VAT code are setup in the VAT posting group you can insert all the combination that you want. You can analysis VAT data using the VAT statement	Confirmed.
11.15. How does the software handle:- 11.15.1. Outside scope?	A VAT business group would need to be created to identify Outside Scope.	Confirmed.
11.15.2. Distance selling (supply to an unregistered EC customer)?	If you are going to export to a third party then it would depend where the bill to customer and sell to customer is situated. As a general rule the currency and VAT rate gets picked up from the Bill to customer. There is a 3rd Party check box on the Invoice that should be checked	Confirmed.
11.16. How the software handle EC VAT:-	The EC VAT with the reversible charge VAT works in the same principle. You need to set up the combinations of the EU business partner with the product. This will ensure that all the VAT relating to the goods and services are calculated correctly.	Confirmed.
11.16.1. Goods and related service?	Yes, with triangulation you can use as many codes as necessary.	
11.16.2. Services only?	As above	Confirmed.
11.16.3. Process?	As above	Confirmed.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
11.16.4. Triangulation?	As above	Confirmed.
11.17. Does the software include the functionality to identify EU acquisitions?	Yes	Confirmed.
If Yes:- 11.18. Can the software generate acquisition tax?	Unlimited number of VAT codes can be set up and handled via Reverse Charge VAT	Confirmed.
11.19. Can a report be generated of all EU acquisitions and the amounts of acquisition tax generated?	This is not a standard report but could be created.	Confirmed. A suite of standard reports is available and bespoke reports can also be configured.
11.20. Does the software include the functionality to identify transactions liable to reverse charge VAT?	If you choose the option under the VAT calculation type in the VAT posting set up and give the account numbers then it will reverse the VAT for the EU customers and vendors.	Confirmed.
If Yes:- 11.21. Can the software generate reverse charge VAT?	If you choose the option under the VAT calculation type in the VAT posting set up and give the account numbers then it will reverse the VAT for the EU customers and vendors.	Confirmed.
11.22. Can a report be generated of all transactions liable to reverse charge VAT, and the amounts of tax where so generated?	Yes this report could be created.	Confirmed. A suite of standard reports is available and bespoke reports can also be configured.
11.23. Does the software have a facility to reconcile the VAT returns amounts for input, output and net VAT payable/recoverable to the General ledger control account?	You can use the VAT statement and the Calc. and Post VAT statement This will show the total amount of VAT for the different VAT code used and will insert the payable/recoverable into the specified G/L account	Confirmed. This is the VAT Exceptions reports.

Question	Supplier Response	Evaluator's Comment
11.24. How does the software handle late transactions posted outside the closed VAT return period?	Navision will only report the VAT on the posted documents as standard, but a report can show entered un-posted invoices.	Confirmed.
Input VAT (purchases)		
11.25. Can the software handle VAT inclusive amounts and automatically calculate the input VAT?	Yes	Confirmed.
11.26. Does the software require the following to be entered:- 11.26.1. Supplier reference?	These fields exist within NAV and could be set to be mandatory input.	Confirmed.
11.26.2. Supplier document reference?	These fields exist within NAV and could be set to be mandatory input.	Confirmed.
11.26.3. Internal document reference?	These fields exist within NAV and could be set to be mandatory input.	Confirmed.
11.26.4. Invoice tax point date?	These fields exist within NAV and could be set to be mandatory input.	Confirmed.
11.26.5. Invoice posting period date?	These fields exist within NAV and could be set to be mandatory input.	Confirmed.
11.26.6. Invoice gross total?	These fields exist within NAV and could be set to be mandatory input.	Confirmed.
11.26.7. Invoice VAT amount?	These fields exist within NAV and could be set to be mandatory input.	Confirmed.
11.26.8. Individual invoice lines:- 11.26.8.1. net amount	These fields exist within NAV and could be set to be mandatory input.	Confirmed.
11.26.8.2. VAT rate (optional from VAT code, product supplier)	These fields exist within NAV and could be set to be mandatory input.	Confirmed.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
11.27. Does the software validate individual invoice line VAT amounts against the total invoice of VAT (less early settlement at discount) and accept or reject the amount subject to the software tolerance?	No	Confirmed.
11.28. Can the user override the software derived input VAT amount and input VAT as shown on the supplier invoice?	Yes, if that user has the correct permissions.	Confirmed. The system set-up is important here. What users can do will be controlled by the defined business process and their permissions. Users normally have the ability to make items zero rated if required.
11.29. Does the software allow VAT to be reclaimed on the basis of registered but unposted invoices?	No	Confirmed.

If Yes:-

Question	Supplier Response	Evaluator's Comment
11.30. Does the software flag the status as:-		
11.30.1. VAT not yet reclaimed?	It is possible to set up this functionality.	Confirmed.
11.30.2. VAT claimed?	It is possible to set up this functionality.	Confirmed.

Output VAT (sales)

Question	Supplier Response	Evaluator's Comment
11.31. Does the software generate sales invoices?	Yes. NAV can generate sales invoices	Confirmed All the fields listed can be displayed on the sales invoice as required.

If Yes:-

Question	Supplier Response	Evaluator's Comment
11.32. For each invoice generated is the following information included on the sales invoice:-		
11.32.1. Unique software generated invoice reference	Yes. Navision will use the number series to determine the next number. Navision will not post the same document number twice and you will get an error message should you try this.	

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
11.32.2. Your name, address, EC country code and VAT number?	Yes. Navision will then ask for the supplier name and as this information is already entered into the system the address and ship to address will have the EC country code and the VAT number. This will already be on the invoice once you enter the vendor number.	As above
11.32.3. The time of supply (tax point)	Yes this can be entered	As above.
11.32.4. Date of issue (if different to the time of supply)	Yes	As above.
11.32.5. Your customer's name (or trading name) and address, EC country code and VAT number (if applicable)	Yes. The customer and vendor cards in Navision work the same way. Therefore as soon as you enter the number of the customer the address, country code, VAT number, currency code and language code will automatically be filled in from the customer/vendor card.	As above.
11.32.6. The unit price [applies to countable goods or services. E.g. an hourly rate; or a price for standard services.]	Yes	As above.
11.32.7. A description which identifies the goods or services supplied.	On the Invoice lines there is a type which would be the Account, Resource, Inventory, Fixed Asset, Charge (Item), Blank code. There is a description field which can be changed for the invoice but it will not alter the original text. There is a location code, quantity field, unit of measure, Unit Price Excluding VAT, Line Amount – which is the Quantity multiplied by the Unit Price Excluding VAT, less the discounts. There is also a VAT	As above.

Question	Supplier Response	Evaluator's Comment
	amount but to see that you would need to go to the View, Show Column.	
11.33. Does the software identify supplies that are zero-rated or exempt on an invoice and that there is no VAT payable?	This is shown on the face of the sales invoice. Further analysis is possible through a report	Confirmed.
If Yes: 11.34. Is this by way of a report?	Yes	Confirmed.
11.35. Does the software handle Proforma invoices?	There is no standard Proforma functionality.	Confirmed. Documents can be configured to meet required styles.
If Yes:- 11.36. Are the invoices clearly identified as "this is not a tax invoice"?	This can be added to the invoice if required.	Confirmed.
VAT Reporting		
11.37. Does the software produce a VAT 100 form as standard?	No.	Confirmed.
If No:- 11.38. Does the software have a means of producing reports that support the completion of the VAT return?	Yes - NAV can produce reports that support the completion of VAT returns.	Confirmed.
11.39. Is the VAT return information available by report on a three monthly basis or any other specified period?	Navision has the ability in the VAT report to specify the dates, therefore you can choose the dates that you wish to report on. Also, it can include a previous period, or exclude it, the system is very flexible on the reporting.	Confirmed.
11.40. Is there a detailed and summary analysis of all transactions included in each return sorted by VAT code and transaction type making up the total in each of the boxes on	No – not as standard	Confirmed.

Question	Supplier Response	Evaluator's Comment
the VAT 100 Form?		
11.41. Can the VAT return be recreated showing all the transactions which were included in the original VAT return?	No	Confirmed.
11.42. Does the software have a separate VAT audit log?	No	Confirmed.
		Items are recorded in the VAT transaction table.
		Such changes can be recorded if logging is switched on and appropriately configured.
11.43. Note where the software details the following non routine event in the audit trail or VAT audit log etc:-	No	Confirmed.
		Such changes can be recorded if logging is switched on and appropriately configured.
11.43.1. Changes to VAT tables.		
11.43.2. Change from invoice/cash VAT accounting or other Schemes.	No	Confirmed.
		Such changes can be recorded if logging is switched on and appropriately configured.
11.43.3. VAT tolerance.	No	Confirmed.
		VAT tolerances can be used.
		Such changes can be recorded if logging is switched on and appropriately configured.
11.43.4. Changes to VAT rates on customer, supplier, product master files.	No	Confirmed.
		Such changes can be recorded if logging is switched on and appropriately configured.
11.44. Are the above changes noted above stamped with a:-	Yes	Confirmed.
		All transactions have these details recorded.
11.44.1. User id?		

Question	Supplier Response	Evaluator's Comment
11.44.2. Software generated unique reference number?	Yes	Confirmed. All transactions have these details recorded.
11.44.3. Date and time?	Yes	Confirmed. All transactions have these details recorded.
11.45. VAT postings	Yes	Confirmed.
11.45.1. Are all VAT postings recorded in the audit trail or VAT audit log?		There is no separate log but all VAT transactions are recorded in the VAT transactions table. Such transactions can be recorded in the change log if logging is switched on and appropriately configured. Specific logs can also be configured as required.
11.45.2. Does the software denote whether each transaction has been included in a reconciled VAT return?	Yes	As above.
11.45.3. How does it denote which VAT Return the transaction has been included in?	Yes	As above.
11.46. Does the software produce a VAT Exception report detailing such transactions as:-	There is a VAT exception report and the registers for the audit trail.	Confirmed. Specific reports can also be configured if required.
11.46.1. VAT amounts outside tolerance levels?		
11.46.2. Manual changes to software generated VAT?	As above	As above.
11.46.3. Write offs	As above	As above.
11.46.4. Zero value invoices?	As above	As above.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
If No for any of the above:- 11.47. How does the software document these occurrences?	N/A	N/A
11.48. Does the software handle "intra-community" supply of goods?	N/A	N/A
11.49. Does the software support production of an EC Sales List?	Yes	Confirmed.
If Yes:- 11.50. Does the report show the country code, the customer name, their EC VAT number, the invoice reference and indicators for different types of despatches?	Yes, but only shows the EC VAT number and different type of Despatches, not the invoice reference	Confirmed.
11.51. Does the software produce invoice level reports that enable every value on each EC Sales List report to be traced to source documents?	No	Confirmed.
11.52. Does the software have a means of ensuring that each eligible posting on the EC Sales List is reported only once? (Please state how this is done within the software).	Yes	Confirmed.
11.53. How does the software handle triangulation? E.g. a movement of goods without a related invoice transaction.	You can set up as many triangulation codes as are necessary.	Confirmed.
11.54. Does the software produce the relevant documents in a format [e.g. CSV or XML] that can be uploaded direct to the HMRC	The documents can be produced in an XML or CSV format.	Confirmed.

Question	Supplier Response	Evaluator's Comment
gateway?		
11.55. Can these be electronically transmitted direct from the system?	It is possible to have documents transmitted directly from NAV	Confirmed.
11.56. Does the software produce Intrastat reports where applicable?	Yes. NAV can provide Intrastat reports where applicable. Intrastat is under the Periodic Activities in Financial Management, General Ledger.	Confirmed.
11.57. How are errors on VAT accounts corrected?	If an incorrect entry has been made you should reverse the transaction and correct it.	Confirmed.
11.58. How does the software handle the VAT on purchase and sales ledger contras?	Contras are handled via journals. The VAT will be reported both as purchase as well as sales.	Confirmed.
11.59. How does the software handle partially allowable expenditure, e.g. VAT on petrol invoices where employees are provided with petrol (adjustment required for own use)?	During entry, using the Full VAT feature, or as an adjustment in a journal at a later stage.	Confirmed.
11.60. Can the software handle cheque refunds to customers? If Yes:- 11.61. How is the VAT accounted for under cash accounting?	Using Financial Management, Payables, Payment Journals, a cheque can be created for a customer.	Confirmed.
11.62. Can the software handle invoices with multiple rates of VAT?	Navision can handle multiple rates of VAT on one invoice.	Confirmed.
11.63. How does the software handle write off of bad debts and the related VAT?	Handled as a journal.	Confirmed.

Question	Supplier Response	Evaluator's Comment

12. Currency

12.1. Is multi-currency processing available?	Yes and one can view an Additional Reporting Currency in the General Ledger, this was introduced especially for the Euro Zone.	Confirmed.
If Yes:-		
12.1.1. State number of currencies available.	Any number of currencies can be defined.	
12.1.2. Does this cover:-	General Ledger the base currency is defined and all the postings are converted to this base currency for the	
12.1.2.1. General ledger	General Ledger.	
12.1.2.2. Sales ledger	Individual Debtor accounts may be held in a foreign and domestic currency. The gain/loss on currency is realised at the time of receipt.	Confirmed.
12.1.2.3. Purchase ledger	Individual Creditor accounts may be held in a foreign and domestic currency. The gain/loss on currency is realised at the time of payment.	Confirmed.
12.1.2.4. Stock	Stock can be reported in base and additional currency.	Confirmed.
12.1.3. Is conversion to sterling automatic?	Yes	Confirmed.
If Yes:-	Yes	Confirmed.
12.1.4. Does this cover- 12.1.4.1. General ledger		
12.1.4.2. Sales ledger	Yes	Confirmed.
12.1.4.3. Purchase ledger	Yes	Confirmed.
12.1.4.4. Stock	Yes	Confirmed.
12.1.5. Can the user select which currency to value each of the ledgers?	See below	
If Yes:-		
12.1.6. Does this cover:- 12.1.6.1. General ledger	Base and Additional Reporting currency can be used	Confirmed.
12.1.6.2. Sales ledger	Document and Local Currency	Confirmed.

Question	Supplier Response	Evaluator's Comment
12.1.6.3. Purchase ledger	Document and Local Currency	Confirmed.
12.1.6.4. Stock	Base and Additional Reporting Currency	Confirmed.
12.1.7. What are the currency capacities?	Navision can have as many currency codes as needed by the user.	Confirmed.
12.1.8. What are the maximum and minimum exchange rates?	The minimum would be 1 exchange rate per currency code. The exchange rates per currency code are held on a date basis, you can only have 1 rate per day. There is no maximum number of exchange rates.	Confirmed.
12.1.9. What approach will the Software House take towards handling the EURO?	You can view an Additional Reporting Currency in the General Ledger, this was introduced especially for the Euro Zone.	Confirmed. It is possible to have the Euro as one of the chosen currencies.
12.2. What currency information is held:		
12.2.1. Currency Code/description?	A currency code and Description can be entered.	Confirmed.
12.2.2. Country?	The country can be added as part of the description.	Confirmed.
12.2.3. Currency rate table?	You can register exchange rates for each of the codes in the Currencies window. From the Currencies window, click the Exch. Rates button. The Currency Exchange Rates window appears for the relevant currency.	Confirmed.
12.2.4. Date rates effective from-to?	The exchange rate per currency code is date effective. The user would need to enter a start date and this will be effective until the next start date is entered.	Confirmed. It is possible to monitor the date the currency was last adjusted as a full history is recorded. This is recorded in the 'Historical Currency Changes' table. Each exchange rate is used until it is replaced by another one.

Question	Supplier Response	Evaluator's Comment
12.2.5. Previous rates held?	If the user so chooses they can keep all the history. Every time they wish to enter a new rate the user would need to enter a new record with the new start date and rate. Thus keeping the history.	Confirmed. It is possible to monitor the date the currency was last adjusted as a full history is recorded. This is recorded in the 'Historical Currency Changes' table. Each exchange rate is used until it is replaced by another.
12.3. Can a base currency be selected?	The base currency is set up in the General Ledger set-up. If currencies are being used then this is required.	Confirmed.
12.4. Can the user over ride the exchange rates during a transaction?	Yes, the user can choose to change the exchange rate during the time of a transaction.	Confirmed. It is possible to drill down and change at the point of entry.
12.5. Can the user change the exchange rates per account?	Currency codes are assigned to the customer and vendor master files, when a transaction is raised for the particular supplier or customer then the currency code will be used as default. Should the user wish to post directly to a General Ledger account via a journal then a currency code can be chosen and the exchange rate can be changed at the time the journal is entered.	Confirmed. They can be changed at input if the company requires this. Otherwise, the user has to have the appropriate permissions to change master data settings.
12.6. Is there a restriction on accounts to a single selected currency?	The default will be used as standard with the customer and vendor master files, with the General Ledger accounts a currency code can be chosen. The system will not restrict the user to a single currency for the account, however should the user require this functionality then their Partner can code this for them.	Confirmed.
If Yes:-		
12.6.1. What controls are in place over any changes?	You use the Change Exchange Rate window to change an exchange rate when posting a journal line or a sales or purchase document.	Confirmed.
12.7. Can the user manually over ride the currency calculation?	Yes, the user can manually over ride the amount in the local currency (LCY)	Confirmed.

Question	Supplier Response	Evaluator's Comment
	and Navision will calculate the exchange rate that is used.	They can be changed at input if the company requires this.
12.8. Are gains or losses on currency calculations automatically processed?	Yes, the realised gain or loss will be calculated once the payment is applied to the invoice. However, Navision is able to handle unrealised gains and losses where payment is not yet processed.	Confirmed. It is possible to run a batch job to reconcile standard and actual exchange rates and report the differences as variances.
12.9. Can the user over ride the calculation /processing of currency gains and losses?	No, Navision calculates the gain or loss in the background so the user would not be able to over ride the gain or loss on exchange. However a user can change the "Amount LCY" field, which will affect the exchange rate.	Confirmed. A report is produced to show this information.
12.10. Can a user override an exchange rate on each transaction?	You use the Change Exchange Rate window to change an exchange rate when posting a journal line or a sales or purchase document.	Confirmed. This can be done by a user who has appropriate access rights.
12.11. Can the user define the treatment of foreign exchange gains/losses i.e. where posted to in the general ledger?	The user can define the general ledger accounts for both foreign exchange gains and losses.	Confirmed. This depends upon how the Chart of Accounts is configured.
12.12. Can ledger accounts be defined to take invoices/payments in specified currencies/ multiple currencies?	Yes, general ledger accounts need to be specified for all currency codes. Therefore should a user invoice in one currency and the customer pay in another currency Navision will be able to calculate the profit / loss on the transaction.	Confirmed.
12.13. Does the software prevent the deletion of the active currency?	Yes, Navision will not allow the deletion of currency codes once they have been used.	Confirmed. The base currency is not listed in the currency table and therefore cannot be deleted.
12.14. Does the software prevent use of duplicate currency codes?	Yes, Navision will not allow duplicate currency codes to be entered.	Confirmed. The codes have to be unique.

Question	Supplier Response	Evaluator's Comment
12.15. Can currency transactions be entered in selected currency and/or base currency?	Yes, when entering a transaction you can choose the currency code. Should you not choose a currency code the system will automatically use the base currency.	Confirmed.
12.16. Can transactions be entered in multiple currencies?	No, A user can enter a transaction per currency in a journal. However, if the user wishes to raise an invoice then the currency code will be per invoice, not per invoice line item.	Confirmed. A user can use the base currency or the additional one – but not a mix of the two.
12.17. How does the software handle exchange differences?	Navision is date sensitive. Therefore, Navision will calculate the value of the invoice in local currency, using the date range specified in the currency table. Should the currency change (a new date and conversion factor must be entered) then at revaluation or payment, Navision will calculate the value accordingly and post the un-realised / realised profits / losses.	Confirmed.
12.18. How does the currency treat revaluations relating to:		
12.18.1. Ledgers (sales/ purchases)	When a currency is re-valued the sales and purchase ledgers hold the information in the detailed ledger entries. Until the invoices are paid and the profit or loss on the currency is realised. Debtors and creditors balances can be reported in both the currency in which the invoices are raised or the local currency.	Confirmed. Historical transactions are not changed but the ledgers will reflect the changes. In addition, commitments are not affected.
12.18.2. Monetary assets/ liabilities	Liquid assets are re-valued when required however the profits and losses are realised at the time of revaluation.	
12.18.3. General ledger accounts?	Navision allows for an additional reporting currency. Thus profits and losses on the exchange of the currency will be posted to a realised G/L gains or loss account that can be specified by the user.	

Question	Supplier Response	Evaluator's Comment

13. Sales Order Processing and Invoice Production

Question	Supplier Response	Evaluator's Comment
13.1. Does the software start with a quotation or the sales order?	The user has the option to choose whether to create a quote, order or invoice, there is no requirement to use all.	Confirmed.
13.2. Are recurring or schedule orders handled?	There are Blanket Orders in the system which could be used for recurring or scheduled orders.	Confirmed.
13.3. At quotation or initial order stage state how does the software:		
13.3.1. Checks stock availability.	If the user has specified it in the set up parameters the system will check stock availability when the user chooses to enter an Order or Invoice. In the Quote it does not check the stock availability, but when the Quote is converted to an order the system automatically (if selected in set up) checks stock availability.	Confirmed. It is possible to set the system up to notify stock-outs, and then to give a choice of whether to stop or proceed.
13.3.2. Highlight alternative stock.	In a Sales Order on the lines you can show a column called "Substitute Available", this will highlight whether the item chosen has substitutes available. To list substitutes go to the line, select the Item, Item, Substitution.	Confirmed. Substitutions can be set up on the Item Master file.
13.4. How does the software check credit status of customer: 13.4.1. On receipt of order? 13.4.2. Prior to dispatch?	Yes, Navision will check the customer credit limit on receipt of an order. The system will not check before the goods are dispatched. From our experience credit limit checking is handled differently by each customer, we would expect the Partner to implement specific user requirement in this area. No.	Confirmed. This depends upon the configuration. Settings can be such so that users are either stopped or warned when the credit limit is exceeded. This is set in Sales and Receivables set-up. N/A
13.5. Can the software block:		

Question	Supplier Response	Evaluator's Comment
13.5.1. Customer orders? 13.5.2. Deliveries? 13.5.3. Invoice production?	A full block can be put on a customer, which prevents any transaction being posted to the customer.	Confirmed. This is set on the Customer Card. Different options are available as required.
	A shipment block can be put on a customer, which prevents any new transactions being posted to the customer. Existing shipments not yet invoiced can be invoiced.	Confirmed. This is set on the Customer Card. Different options are available as required.
	A full block can be put on a customer, which prevents any transaction being posted to the customer.	Confirmed. This is set on the Customer Card. Different options are available as required.
13.6. Where stock is not available is a "back order" raised and a purchase order issued?	Yes, the stock automatically goes on "back order", and a requisition or purchase order can be created for purchasing and/or manufacturing.	Confirmed. Sales can be automatically linked to purchasing as required.
13.7. Does the software handle forward orders? If Yes is this:- 13.7.1. Only when stock is now available? 13.7.2. Allocated from future planned stock?	Yes, a sales order can be put on the system for future delivery. It can be allocated against current stock or require future planned stock.	Confirmed. There is a 'do not deliver before' date that can be used. Exactly what happens depends upon the configuration of the planning options for the item.
13.8. Can multiple addresses be held for each customer (invoice and delivery address).	Yes, multiple addresses can be allocated to one customer.	Confirmed.
13.9. Are the following documents produced: 13.9.1. Quotations? 13.9.2. Order confirmation? 13.9.3. Picking lists? 13.9.4. Labels? 13.9.5. Dispatch/Delivery note? 13.9.6. Invoices?	 Yes Yes Yes Yes Yes Yes	Confirmed. All of these are available as standard documents.
13.10. Are the following reports available: 13.10.1. Quotes for which orders not received? 13.10.2. Orders received (analysis)?	 Yes, Unposted Sales report Yes	 Confirmed. All of these are available as standard

Question	Supplier Response	Evaluator's Comment
13.10.3. Items placed on backorder and/or purchase orders raised? 13.10.4. Items dispatched not invoiced? 13.10.5. Items ordered but not dispatched due to stock out? 13.10.6. Gross margin (by invoice or item)?	Yes, Inventory Sales Backorders and Inventory Purchase Orders. Yes, Stock shipped not Invoiced Sales and Receivables – Customer order detail report, Sales Back Order Report in Inventory. Cust/Item Sales Report	reports.
13.11. Are invoice details derived from order input? (e.g. prices, quantity*)*	Yes, an invoice can be generated from an order and amended by the user should they need to.	Confirmed.
13.12. Can picking lists /dispatch notes be amended for non availability of stock? If Yes:- 13.12.1. Is this reported? 13.12.2. Are the items dispatched reflected in final invoice?	Yes, deficiencies highlighted during picking are corrected when the dispatch note and invoice is generated. Yes, the missing quantity will become a backorder. Yes, assuming corrections are made to dispatch notes.	Confirmed. The invoice remains the same whatever the circumstances. Should adjustments be required, either a Credit Note or a Goods Return is used.
13.13. Is there one dispatch note and invoice per order?	Yes, it can be more or less if combined. (User procedure).	Confirmed.
13.14. How does the software ensure all dispatches are invoiced? e.g. where multiple dispatches are raised per order, or several orders on a single dispatch note.	The order will remain in the system until all dispatches have been invoiced. The Stock Shipped Not Invoiced report can document precisely which orders have dispatches that have not been invoiced yet.	Confirmed. There is a standard report available. Internal processes flag the transactions as ready for invoicing based on the date and then apply a flag to show they have been invoiced. Routines are built in to check the status of despatches and invoices as appropriate.
13.15. Can manual invoices be raised (i.e. without a sales order)?	Yes, Sales invoices can be raised without orders first.	Confirmed.
13.16. Does the software produce proforma invoices as required?	No, not as standard	Confirmed. Invoices and other documents can be configured to look as required.
13.17. Can returned goods be processed to produce credit notes?	Yes	Confirmed.

Question	Supplier Response	Evaluator's Comment
13.18. Are these referenced to the original order/invoice?	Yes, if required	Confirmed.
13.19. Will the product accept orders from the Web? If Yes:-	No, not as standard but thru third party web services	Confirmed. Biz Talk functionality can be used to provide this functionality.
13.19.1. How are web orders integrated with the sales order processing ledgers?		Third party providers and partners can also help.
13.19.2. What control features are available for checking web orders before processing?		

Question	Supplier Response	Evaluator's Comment

14. Purchase Order Processing

Question	Supplier Response	Evaluator's Comment
14.1. Does the software generate suggested orders?	Yes, the system can generate suggested orders from the Requisition worksheet.	Confirmed.
14.2. Can orders be generated by the user?	Yes, quotes and orders can be generated by the user.	Confirmed.
14.3. Is the software easy and efficient to use, i.e. scroll backwards and forwards in the product file, tagging more than one item per order?	Yes, you can easily find the product that you want to order in the system by scrolling up and down the list on the order lines. You can also use the find function (Ctrl-F) and/or Filter functionality.	Confirmed.
14.4. Can more than one supplier be allocated to each product?	Yes, more than one supplier can be allocated to each product. The vendors own item number and item description can be stored as well.	Confirmed.
14.5. Does the software hold details of substitute products if applicable?	Yes, the system does hold a substitute item number on the item card.	Confirmed.
14.6. Based on automatic and manual order generation (above) does the software produce a list of proposed purchase orders, if so, can these be easily amended?	Yes, these can be manually amended before finalising.	Confirmed. They can also be authorised by workflow. A hierarchy based on sign-off amounts can be established.
14.7. Is stock availability updated for stock on order?	Yes, there is an item availability function that will show what is on Purchase Orders and what is on Sales Orders.	Confirmed. Stock is updated at the goods receipt stage.
14.8. Can the software handle partially completed orders and returns?	Yes.	Confirmed.
14.9. Are receipts checked to orders and discrepancies reported?	Yes, they are reported using the Inventory Purchase Order reports.	Confirmed. The reports identify open purchase orders.
14.10. Are purchase invoices checked to purchase orders, confirmed receipts and discrepancies reported?	Yes, they are reported using the Inventory Purchase Order reports.	Confirmed. This is part of the purchase matching process.

Question	Supplier Response	Evaluator's Comment
14.11. Are the following reports available:		
14.11.1. Purchase Orders raised (analysis)?	There is a Purchase Order Detail and Purchase Order Summary.	Confirmed.
14.11.2. Purchase Orders not received?	Purchase Order Detail and Purchase Order Summary.	These are all standard reports that are available.
14.11.3. Goods received discrepancies?	Inventory Purchase Orders Reports.	
14.11.4. Invoice to goods received discrepancies?	Inventory Purchase Orders Reports.	
14.11.5. Goods received not invoiced?	There is a Stock Received Not Invoiced report	
14.12. Can the software handle "back to back" ordering?	Yes	Confirmed. Drop shipments and special orders can be managed.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment

15. Stock Control

Question	Supplier Response	Evaluator's Comment
15.1. What information is held in respect of stock (and are there any limits):- 15.1.1. Item numbers/ description?	Item number 20 characters alphanumeric. There are 2 description fields, each 30 characters alphanumeric.	Confirmed. The Item Card holds this data – users can drill down from here to the required information. There is one such card for each individual stock item.
15.1.2. Location(s)?	Location code 10 characters alphanumeric, the description 50 characters long.	As above.
15.1.3. Quantity, (available, allocated, on order)?	Quantity is also on the item card, if you use the drill down feature you can see what is on the order.	As above.
15.1.4. Minimum and maximum stock levels?	The minimum and maximum levels are on the Planning tab of the item card.	As above.
15.1.5. Reorder lead times?	Lead time calculations and Safety lead times are on the Replenishment Tab.	As above.
15.1.6. Supplier(s)?	The Supplier information is entered on the item card under Purchases, Vendors or the Preferred Vendor can be entered on the Replenishment Tab on the Item Card.	As above.
15.1.7. Prices/cost/ discount details?	Navision has a wide range of discounts. Some are on the customer card and some are held in the item card. The Sales Quantity discounts are held on the Item Card under Sales. Part of the Customer/Item Discounts is between the customer card and the item card. The alternative price list is on the Item Card. The code for the alternative price list needs to be allocated to a customer card.	As above.
15.1.8. Batch/serial number?	There is batch and serial number traceability.	As above.
15.1.9. Weights etc?	Navision has a number of fields relating to stock items e.g. unit of measure, shelf / bin no, weights etc. For ease of use not all the fields are displayed in the standard system.	As above.

Question	Supplier Response	Evaluator's Comment
	The Partner would change the visibility of the relevant items for the client.	
15.1.10. Other – please specify?	N/A	N/A
15.2. How is stock updated?		
15.2.1. Dispatch of goods?	As soon as the goods are shipped the quantity is decreased.	Confirmed.
15.2.2. Receipt of goods?	As soon as the goods are received the inventory quantity is increased.	Confirmed.
15.2.3. Adjustments?	Adjustments can be made through the item journals.	Confirmed. Special journals are used for adjustments.
15.2.4. Transfers between locations?	Transfers are made through the Item Reclassification Journal or a Transfer Order.	Confirmed.
15.3. Is negative physical stock allowed?	Yes, but a warning is given.	Confirmed.
15.4. Can the software handle "sale or return" stock?	Yes, there are different ways to handle this depending on the customer requirements.	Confirmed.
15.5. Can the software handle variations to a standard pack of products?	Yes, you can change a BOM on a Sales Invoice Line.	Confirmed. Variants of BOMs can be held.
15.6. What methods of stock valuations are allowed?	FIFO, LIFO, Average, Standard and Specific.	
15.6.1. Average	Yes	Confirmed. These are set for each item individually.
15.6.2. FIFO	Yes	Confirmed. These are set for each item individually.
15.6.3. LIFO	Yes	Confirmed. These are set for each item individually.
15.6.4. Standard cost	Yes	Confirmed.

Question	Supplier Response	Evaluator's Comment
		These are set for each item individually.
15.6.5. Other – please specify	Specific	Confirmed.
		This is linked to item tracking.
15.7. How can stock enquiries be made, i.e. by product code, short name/supplier etc.	You can use the product code, description, the vendor number, the inventory posting group, the costing method, and a quick search or filter.	Confirmed.
15.8. Does the software track orders and enable enquiries by date, e.g. list of all stock due on a particular day; stock to be dispatched on a set date?	From the Items Availability by… you can drill down and on to the order for the item. The inventory, Item Reports, Inventory – Purchase Order, will give you the detail for all the expected receipt dates and shipment dates.	Confirmed. These are the stock reporting options.
15.9. Does the software facilitate the regular counting/ inspection of physical stock (e.g. by producing random/defined stock check lists)?	Yes, there is a Physical Inventory Worksheet. Physical stock quantities can be entered into the system and discrepancies can be reported and investigated. Consequently a stock adjustment is made.	Confirmed. This can be controlled on an item or item basis or through groups. Reports can be run to check stock check requirements.
15.10. Can the software handle more complex situations such as:		
15.10.1. Bill of materials	Yes, the system does handle BOMs.	Confirmed.
15.10.2. Links to CAD/CAM systems	Not in the standard system but this can be available via the Partners.	Confirmed. It can link to Visio and other third party products.
15.10.3. Job costings to collate and value WIP.	Jobs is a module in Navision. As the job incurs costs and revenues these are posted to the General Ledger.	Confirmed. There is a Jobs Module.

Question	Supplier Response	Evaluator's Comment

16. User Documentation

This section applies to any of: online, hardcopy or other (e.g. WWW) documentation – specify which are applicable.

Question	Supplier Response	Evaluator's Comment
16.1. Is the manual clearly laid out and understandable?	There are no printed application manuals in Navision. Instead the online help is provided to assist the user and provide examples for the user.	Confirmed. There are several types of help available: - There is context sensitive help available via F1. - Training manuals and CDs are provided with the product if paid for. - There is also Customer Source – this is a separate site just for Navision customers. - There is e-learning via Customer Source. - There is a technical help and support line.
16.2. Is the manual comprehensive and accurate?	The online help is comprehensive and accurate.	Confirmed. As above.
16.3. Is there an index to the manual?	There is a search facility and an index for the online help.	Confirmed. As above.
16.4. Is it easy to locate specific topics in the manual when required?	Yes, the user just needs to press F1 and the system will provide help on the field or overview help functionality where the user is.	Confirmed. As above.
16.5. Is it easy to follow through all procedures in the manual?	Yes, the online help explains what the fields are used for, thus being comprehensive.	Confirmed. As above.
16.6. Does the manual include:		
16.6.1. A tutorial section?	If the user goes to Help – Navision help. There is an introduction on how to use the help.	Confirmed. As above.

Question	Supplier Response	Evaluator's Comment
	There is no tutorial section.	
16.6.2. A guide to basic functions?	Yes, there is an overview of the function keys (press Alt-F1) and all basic functions for entering information in fields, changing or deleting contents in a field etc are in the online help.	Confirmed. As above.
16.6.3. Pictures of screens?	As this is an online help the user would be in front of the screen, therefore pictures would not be necessary.	Confirmed. As above.
16.6.4. Completed examples included in the manual?	There are easy to follow step by step instructions that explain what the user needs to do to complete the task of maybe entering a journal or setting up a bank account, etc.	Confirmed. As above.
16.6.5. Specific "error correction" procedures?	No, as errors are self – explanatory.	Confirmed. As above.
16.6.6. VAT information?	Can be found in the Navision online help.	Confirmed. As above.
16.7. Does the documentation clearly specify the actions to be taken by users at each important stage of processing?	Yes, there are step by step procedures in the online help.	Confirmed. As above.
16.8. Are help screens available relating to the task in hand? (context sensitive help).	Yes, all the help is online help.	Confirmed. As above.
16.9. Do they provide on-line instructions on how to use particular features of the software?	Yes, as already explained the online help is very comprehensive.	Confirmed. As above.
16.10. Can they be edited or prepared by the user?	No, the online help cannot be edited by the user. However the user can add their own notes using the Company Notes Feature.	Confirmed. As above.
16.11. Will the Software House make the detailed program documentation (e.g.	Navision is a completely open system and the source code and the table	Confirmed.

Question	Supplier Response	Evaluator's Comment
file definitions for third party links) available to the user, either directly or by deposit with a third party?	definitions can be viewed provided that the User / Partner has the appropriate licence.	As above.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment

17. Efficiency

17.1. Are the various functions of the software menu-driven, or otherwise easy to initiate?	It is very easy to initiate the menus that the users need in fact you can specify what you want the users to see. So you can set up a specific menu for each user if you want. The response time is immediate. A Role Tailored Client is introduced in the latest version.	Confirmed.
17.2. Is there a good response time in the initiation of functions?	Yes	Confirmed. This depends upon the infrastructure, sizing, capacity and so on.
17.3. Is data entry easily repeated if similar to previous entry?	Yes, by pressing F8 you can copy from the line above. Another function Navision has is the same as Windows with the copy and paste functions. In the latest version the shortcut keys are standardised on Microsoft Office.	Confirmed.
17.4. Does the software prevent access to a record while it is being updated?	Navision works with optimistic concurrency so a record being updated does not prevent a user from reading another record. The SQL database works on the same principle as the Navision database Optimistic Concurrency Posting routines lock at record level.	Confirmed.
17.5. Is there locking at file or record level?	Yes	Confirmed.
17.6. Does the software allow for the running of reports whilst records are being updated?	Yes, the moment that you start a report it is like taking a "snap-shot" of the data, if changes occur this will not affect the report.	Confirmed.
17.7. Does the software retain a log of file updates until the next occasion on which the relevant information is reported or the relevant file used in a regular control procedure?	Navision is an online system therefore any changes are instantaneous. However, should a customer wish to update the system after hours then information will simply not be posted until the relevant time period.	Confirmed.
17.8. Can regular reports be easily duplicated if required?	Yes, reports can be easily duplicated if required by the user.	Confirmed.

Question	Supplier Response	Evaluator's Comment
17.9. Does the software warn the user when space is becoming short?	No, the system administrator should monitor the database information screen on a regular basis. This indicates the percentage used. In the SQL database – the SQL technology will apply.	Confirmed.

Question	Supplier Response	Evaluator's Comment

18. Integration and www facilities

18.1.	Are the different accounting modules integrated?	Yes the accounting modules are integrated. NAV is a fully integrated solution.	Confirmed.
18.2.	Are they integrated on real time basis or batch basis?	They are integrated on real time basis. Batch integration can be used for disperse implementations when required.	Confirmed.
18.3.	Can the integration of batches be by batch, weekly or monthly?	N/A	N/A
18.4.	Is the ledger updating process satisfactorily controlled by the production of control reports?	Not applicable as Navision is a real time system.	N/A
18.5.	What operating systems does the software run under?	Server – Windows NT, Windows 2000, Windows Server 2003 and Microsoft SQL, Windows 2008

Client – Windows 98, 2000, Server 2003, NT and XP, Windows Vista. | Confirmed. |
| 18.6. | Which databases can be used? | NAV 2009 is supported on Microsoft SQL Databases only.

Versions are SQL 2005 and SQL 2008. | Confirmed. |
| 18.7. | Can more than one software function be performed concurrently? | Yes more than one software function can be performed con currently. | Confirmed. |
| 18.8. | Can the software be linked to other packages e.g. word processing, graphics, financial modelling, to provide alternative display and reporting facilities? | NAV has very close integration to Microsoft Office.

NAV uses XML style sheets to provide customised documents to NAV customers.

NAV has one click export facilities to Word and Excel.

NAV uses SQL Reporting Services (SSRS) as the basis of its reporting. SSRS has export to Excel and PDF formats. | Confirmed. |

Question	Supplier Response	Evaluator's Comment
18.9. Can definable links to spreadsheets be created?	Yes. NAV has a record links facility that allows any record in NAV to be linked to any document type via internal hyperlinks.	Confirmed.
18.10. Does the software integrate with any web trading software?		
18.10.1. External	Yes, Commerce Gateway can integrate with Microsoft BizTalk for B2B integration.	Confirmed.
18.10.2. Suppliers own?	External 3rd Party web trading software can be purchased that provides off the shelf web shop integration.	Confirmed.
18.11. Note which other business application software that can be linked to the software:	All of the examples below are catered for within the extensive range of 3rd party software that is integrated into NAV. We currently have 1800 NAV add ins that are certified by Microsoft.	Confirmed.
18.11.1. Payroll?	There is a Payroll add-on available for Navision. It adds seamlessly to the functionality within the system. Links to external Payroll software can easily be made. Links to external Item/fees software can easily be made. Navision has MRP built in. Navision has Fixed Assets built in. Links to external Document management systems can easily be made. Navision has Job Costing built in.	
18.11.2. Time/fees?	See above.	See above.
18.11.3. MRP?	See above.	See above.
18.11.4. Fixed assets?	See above.	See above.
18.11.5. Document management software?	See above.	See above.
18.11.6. Job costing?	See above.	See above.
18.11.7. CIS?	See above.	See above.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment
18.11.8. Other – please specify?	NAV has over 1800 Microsoft recognised ISV add-ins.	Confirmed.
18.12. Is the software compatible with XML standards? If so in what respect? (input/ output/ other)?	NAV is fully compliant with XML standards. NAV uses XML as the basis for all is application integration. All pages and code units can be exposed as web services (WSDL).	Confirmed.

Question	Supplier Response	Evaluator's Comment

19   Support and maintenance

Question	Supplier Response	Evaluator's Comment
19.1 How is the software sold: 19.1.1 Direct from Software House?	Microsoft sells its software through a partner channel.	Confirmed.
19.1.2 Via Value Added Reseller (VAR)?	Microsoft uses a network of partners to re-sell Dynamics Software.	Confirmed.

19.2 How is the product supported:-
    19.2.1   Direct by Software House?
    19.2.2   By VAR?
	The channel strategy is that the Partner provides support. Prices and times may vary. Customers can take out a contract directly with Microsoft and this is an addition to the Microsoft Premier agreement. Direct support is not available without a premier agreement, details of our premier offering can be found here.
	
	http://www.microsoft.com/uk/services/premiersupport/default.mspx .
		Confirmed.

19.3 Is the software sold based upon number of users or number of concurrent users?	Yes	Confirmed.

19.4 Do VARs have to go through an accreditation process?
    19.4.1   If Yes please note the process.
    19.4.2   If No please explain how organisations are chosen to be VAR?
	Yes - Our accreditation works on two levels and dovetails into the broader Microsoft Partner Program.
	
	Firstly, (in accordance with the Solution Provider Agreement), in order to resell, and provide services around Dynamics NAV, Partners must demonstrate product expertise by passing the base-level product certifications.
	
	The second level of accreditation requires them to demonstrate experience at delivering these services. This is through the attainment of 3 validation references from NAV customers. When combined with the base accreditation above, the Partner is awarded the Microsoft Business Solutions competency and Microsoft Certified Partner status.
	
	A 3rd level of recognition, Microsoft
		Confirmed.

Question	Supplier Response	Evaluator's Comment
	Gold Partner status, is also attainable through the Partner Programme. Partners achieve this status through a number of metrics geared to providing a consistent level of service and satisfaction to a growing customer base.	
19.5 In the event of a dispute between Supplier and VAR how can the situation be resolved?	Complaints and disputes can be raised to our response management team who will work with all parties.	Confirmed.
19.6 Detail the types of cover available.	Two basic end user service plans are available for Microsoft Dynamics NAV - The Business Ready Enhancement Plan and Deluxe Support Services.	Confirmed.
19.7 Please note all method of support available :- 19.7.1 Telephone. 19.7.2 Modem link. 19.7.3 Internet. 19.7.4 Other - specify	The channel strategy is that the Partner provides support. Prices and times may vary. Customers on Premier support agreements have direct access to Microsoft and can raise calls via the phone and the web.	Confirmed.
19.8 Please provide an indicative cost of cover.	The channel strategy is that the Partner provides support. Prices and times may vary. Microsoft Premier contacts begin at around £30K per year	Confirmed.
19.8.1 Are bug fixes free of charge? 19.8.2 For how long?	Yes, whilst the product is within the product support lifecycle Product Support lifecycles are available and published here http://www.microsoft.com/lifecycle	Confirmed.
19.9 How often are general software enhancements provided?	Software enhancements for each version may be provided in services pack, these are made available as the product team sees the need to release them to the market.	Confirmed.
19.10 Will they be given free of charge?	Service packs are released through Partners as part of the individual arrangement. No charge is made by Microsoft for the service packs	Confirmed.

Question	Supplier Response	Evaluator's Comment
	however Implementation by the partner is normally chargeable.	
19.11 How are enhancements and bug fixes provided to customers?	Known bug fixes and service packs are available for down load via the web. Depending on the agreement with the partner implementation may be chargeable.	Confirmed.
19.12 Is "hot line" support to assist with immediate problem solving available?	The channel strategy is that the Partner provides support. Therefore they may or may not choose to include "hot line" support.	Confirmed.
19.13 If so, is there an additional cost involved?	This will depend on the partner offering	Confirmed.
19.14 At what times will this support be available?	Again this depends on the partner offering. Partners themselves and Premier customers can receive support 24x7 in the event of a system down. Normal support is 9-5 Monday – Friday, excluding public holidays	Confirmed.
19.15 Who provides training: 19.15.1 Direct from Software House? 19.15.2 From a VAR?	Training is available via the partner channel.	Confirmed.
19.16 Is hardware and maintenance provided by: 19.16.1 Software House? 19.16.2 VAR?	This depends on the Partner. Some can provide the total solution, others only the software. Microsoft provides no hardware support.	Confirmed.
19.17 Is a warranty offered in respect of specification of the software?	No	Confirmed.
19.18 Will the software supplier/dealer make the program source code available to the user, either directly or by deposit with a third party (Escrow)?	Source code for business logic is available to partners and is granted depending on the licence. Source code for the Kernel is not available.	Confirmed.
19.19 Are there any unduly restrictive conditions in the license for the software?	No, it is available in advance and expected to be signed in advance of the sale. Potential users should always check licence and other contract terms with the partner before purchase.	Confirmed.

Functional requirements questionnaire
Product Microsoft Dynamics NAV
Version 2009

Question	Supplier Response	Evaluator's Comment