

**Institute of Chartered Accountants in England & Wales**

**Accreditation Scheme**

**(Online Non-Accounting Software)**

**Sales Invoice Discounting & Factoring Software Evaluation**

**RBS FacFlow**

**[November 2008]**

**Invoice Finance**



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**Date completed: 12 November 2008**

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# Functional requirements questionnaire

## Sales Invoice Discounting & Factoring Software

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## 1 Summary

### 1.1 Introduction

The suitability of sales invoice discounting & factoring 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 or a service is selected. The quality of the developer of the software and the provider of the sales invoice discounting & factoring service should also be considered at the outset.

### 1.2 Fundamentally, good sales invoice discounting & factoring software should:

- Effectively and securely facilitate the provision of the sales invoice discounting & factoring service for which it was designed.
- Be capable of supporting the functions for which it was designed.
- Be effectively supported and maintained.

It is also desirable that a good online non-financial software product or service 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 any product or service is implemented, for appropriate support and training to be available.

## 2 Approach to evaluation

### 2.1 Objective

To evaluate RBS FacFlow against a set of criteria developed by the ICAEW to ensure that the software meets the requirements of a good sales invoice discounting & factoring software, as laid down in the summary.

This evaluation only considers the functionality of the RBS FacFlow software and its suitability to facilitate the RBS sales invoice discounting & factoring service. The evaluation does not extend to the sales invoice discounting & factoring service itself and the evaluation is therefore not intended to endorse or reprove any aspect of that service.

### 2.2 Approach and Work performed

In order to effectively evaluate RBS FacFlow a product specialist from RBS Invoice Finance completed the detailed questionnaire and provided it to the evaluator to examine. The evaluator then visited the RBS Invoice Finance office in Feltham and in conjunction with the operation of the various aspects of the system assisted by the RBS Invoice Finance product specialist checked the answers to confirm their validity. The questions were individually reviewed and commented on and the majority of assessments were confirmed.

The evaluator discussed the assessments with a member of RBS Invoice Finance staff in order to clarify certain points. In the event of disagreement between RBS Invoice Finance and the evaluator, the evaluator's decision was taken as final and the response changed accordingly.

RBS FacFlow was used throughout the evaluation. The evaluation covered the different functions applicable to invoice discounting and factoring.

When the evaluation had been completed, the responses were typeset by the evaluator and draft copies sent to the ICAEW for review before completion of the final report.

#### 2.3 Software/hardware utilised

The system was evaluated on a PC with Internet Explorer 7 running under Windows XP on the RBS Invoice Finance network. In order to simulate a user's experience, further sample evaluation was performed from a remote site via a standard broadband Internet connection using a PC with Internet Explorer 6 running under Windows XP.

#### 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 purchasing**

#### 3.1 General overview

Developed by RBS Invoice Finance, FacFlow is a web-based Invoice Finance software application. With easy-to-use invoice management functions, FacFlow provides both a channel for submission of Invoice Finance information to RBS Invoice Finance as well as a comprehensive management reporting tool that gives everything required to check customer details as well as the transfer of funds to client bank accounts.

#### 3.2 Supplier background

RBS Invoice Finance is part of the Royal Bank of Scotland with a network of offices across the UK and a presence in key cities in France and Germany. The Royal Bank of Scotland Group has a history of nearly 300 years and is now one of the largest financial services groups in the world.

#### 3.3 Product background and Suitability for user

FacFlow is a web-based application specifically designed for all RBS Invoice Finance customers. Although current financial arrangements may be adequate, businesses of all sizes find the working capital injection that invoice finance provides a much needed boost to the cash management of their business. With a full range of Invoice Finance products available – from Invoice Discounting where businesses require only finance, to Factoring, where all sales administration, including debtor collections, is provided by RBS Invoice Finance, all submissions and communications are made and received securely through FacFlow.

The original version of FacFlow which was used to support a dial-up debt factoring service was originally accredited in 2002. The product has now been recreated to operate as a web based application and supports both debt factoring and invoice discounting services.

#### 3.4 Typical implementation

FacFlow is used by clients of RBS Invoice Finance in order to manage and monitor the provision of invoice discounting or factoring services. There is no restriction on the number of users but, for security reasons, within any client organisation the system is typically accessed by a small number of users fulfilling different roles e.g. a director and one or more members of finance or administration staff. The access levels provided to

different users can be defined according to a number of pre-defined profiles to ensure that information and features available to each user are appropriate.

### 3.5 Vertical applications

FacFlow can be used by any client of RBS Invoice Finance without modification or further development.

### 3.6 Software and hardware specifications

FacFlow is a web based product that can be accessed through a compatible Internet Browser. The service is compatible with either:

PCs:

- Windows 2000, XP or Vista
- Microsoft Internet Explorer 6 / 7 or
- Firefox 1.0 / 2.0

Macs:

- Mac OS 8.1 and above
- Firefox 1.0 / 2.0

These browsers permit Secure Sockets Layer (SSL) encryption, which is required in order to protect information during transmission.

It is necessary to have cookies enabled to use FacFlow through the Internet. A 'cookie' is information that a website stores on your computer so that it can remember something about you at a later time.

### 3.7 Software installation and support

All of the features of FacFlow can be accessed through a web browser. This means that users do not have to install specific software and will automatically have access to the latest features as they are released.

### 3.8 Partner network and related accreditation process

FacFlow is provided to clients of RBS Invoice Finance to facilitate their Invoice Discounting and Factoring services. FacFlow and the services it facilitates are provided and supported entirely by RBS Invoice Finance. In most cases clients require no further assistance but if any client requires on-site help with implementation this can be provided via a third party introduced by RBS Invoice Finance.

### 3.9 Limitations

FacFlow is only available to clients of RBS Invoice Finance.

#### **4 Evaluation conclusion**

There were no areas in the evaluation that gave cause for concern. FacFlow is a well-designed sales invoice discounting & factoring system that is supported by RBS Invoice Finance.

In terms of the functionality that is available in the current version and the target market for this service, the system has been adequately specified and is easy to use.

#### **5 Disclaimer**

*Any organisation considering the use of FacFlow should consider their requirements in the light of proposals from RBS Invoice Finance and potential suppliers of other similarly specified systems. Whilst the contents of this document are presented in good faith, neither 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: RBS FacFlow**  
**Version: [ November 2008 ]**

Question	Supplier Response	Evaluation Confirmation
<b>6.1 Security and continuity of processing</b>		
1 i) Are different levels of passwords provided to control access?	<p>Yes. Each user is allocated one of the following profiles:</p> <ul style="list-style-type: none"> <li>• Supervisor (all rights),</li> <li>• Input Operator</li> <li>• Payment Operator</li> <li>• Support Operator</li> <li>• Assistant Operator</li> <li>• Internal User</li> <li>• Internal Account Manager</li> <li>• Internal Admin</li> <li>• Internal Security Admin</li> </ul>	<p>Confirmed – pre-defined user profiles available via administration function.</p> <p>“Internal“ user profiles available to RBS staff only.</p>
	<p>To each of the profiles, individual functions (controlling specific parts of the application) are attached,</p> <ul style="list-style-type: none"> <li>• View Accounts</li> <li>• View Limits</li> <li>• View Payment Availability</li> <li>• View Reports</li> <li>• View System Log</li> <li>• Enter Client Direct Input</li> <li>• Enter Limit Request</li> <li>• Enter Payment Requests</li> <li>• Manage Accounting Periods (ID only)</li> <li>• Manage Customer Accounts</li> <li>• Manage Mail Messages</li> <li>• Manage Preferences</li> <li>• Manage Users</li> <li>• Upload File (ID only)</li> <li>• View</li> <li>• Create Site Requests</li> <li>• Manage Users</li> <li>• Manage Internal Users</li> <li>• Administration</li> </ul>	<p>Confirmed – the functions attached to each profile are pre-defined.</p>
ii) Is this level of security appropriate for the expected level of business using the software?	Yes.	<p>Confirmed – sufficient differing levels of security are available for the different types of roles that user sites are likely to require.</p>

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**Version: [ November 2008 ]**

Question	Supplier Response	Evaluation Confirmation
2 What forms of user authentication are supported e.g. user names, passwords certificates, tokens etc?	<ul style="list-style-type: none"> <li>• Accessible by HTTPS only and browser support for 128 bit SSL</li> <li>• External users are required to authenticate using Partial PIN Partial Password</li>   <li>• Initial activation process two part process with both E-mail and mailed activation letter required to be used.</li> <li>• Internal users are required to authenticate using Windows NT LAN Manager (NTLM)</li> </ul>	<p>Confirmed – GlobalSign certificate valid until May 2010.</p> <p>Confirmed – users enter site ID and username. This is followed by a partial PIN &amp; password challenge each being a random 3 characters from a 4 digit PIN and 6+ character alphanumeric password.</p> <p>Confirmed</p> <p>Applies to RBS staff only.</p>
3 What is the maximum number of users that can be set-up for any single implementation of the product/service?	No maximum	Not practicable to verify but the RBS infrastructure appears to be sufficiently scalable for the foreseeable future.
4 What is the maximum number of concurrent users for any single implementation of the product/service?	No maximum	Not practicable to verify but the RBS infrastructure appears to be sufficiently scalable for the foreseeable future.
5 i) Is each user required to have a personal password?	Yes.	Confirmed – each user is required to choose their own PIN & password following activation.
ii) Can a report be produced detailing all current users and their authority levels?	Yes. This information can be viewed online within the application by a supervisor. Screen shots can be obtained if necessary.	This is available on-screen and as a PDF report.
6 Are passwords encrypted? [i.e. Is it impossible for anyone to see other user's passwords in the software]	Yes	Confirmed.
7 Is it possible to set policies to enforce:	Yes.	<p>These policies are set by RBS. Currently 6+ alphanumeric including at least one numeric digit Currently monthly. Users are locked out after 3 failed attempts. Supervisor can unlock. If only user / supervisor at a site is locked RBS need to issue new activation code by email.</p>
▪ Password complexity?	Yes.	
▪ Periodic password changes?	Yes.	
▪ Lockout after failed login attempts?	Yes.	

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Question	Supplier Response	Evaluation Confirmation
8 Do the security features cover:	i) System access? Yes. ii) Company access? Yes. iii) Menu access (ledgers)? Yes. iv) Sub menu access (ledger facility)? Yes. v) Field access? Yes.	Confirmed.
9 Does security allow for read and read/write access to be specified separately?	Yes.	Confirmed. One role is read-only excluding reports, another is read-only including reports. Other roles provide input rights, payment request rights and administrator rights.
10 Where the product/service is provided by an ASP, what controls are provided to ensure the confidentiality of data in storage and during transmission? e.g. encryption	Yes. Service provision is undertaken by RBS Invoice Finance.	Confirmed – all data and applications hosted internally by RBS using 128-bit encryption.
11 Can the menus be tailored by the software house or an educated user so that an individual user can only access those functions they are authorised to access?	No. However, the access to specific menus is controlled through the user profiles.	Pre-defined menus relevant to different roles are provided via the choice of user
12 Does the system provide specific levels of password control to authorise master file amendments?	N/A. All these functions are undertaken by the Supplier (RBS Invoice Finance).	N/A
13 Are there specific security procedures (by passwords or warnings) over the:	i) Transmitting of ledgers? Yes. All input is followed by an input confirm, complete process.  iii) Deletion or archiving of transactions Yes. Once submitted the data can not be deleted by a user.	Confirmed  Deletion / archiving only available to RBS.

**Functional requirements questionnaire**  
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Question	Supplier Response	Evaluation Confirmation
14 Where the product/service is provided by an ASP:		
i) What are the implications of the Data Protection Act over information held by the ASP?	Full conformity with the Data Protection Act is observed at all times.	All data is secured.
ii) What precautions to prevent a disaster have been implemented?	Full annual test of Business Plan Continuity.	Confirmed – a disaster recovery site is available which could be in operation within a few hours.
iii) Are security controls in place over <ul style="list-style-type: none"> <li>▪ premises?</li> <li>▪ systems?</li> <li>▪ server?</li> <li>▪ applications?</li> <li>▪ data?</li> </ul>	<p>Yes.</p> <p>Yes.</p> <p>Yes.</p> <p>Yes.</p> <p>Yes.</p>	Confirmed – premises are secured by an electronic door access system. Servers are located in a secure room to which only authorised staff have access.
iv) What Business Continuity plans are in place?	Full disaster recovery and business continuity plan in place. Regardless of severity level, all key applications will be recovered within 48 hours. Clients service and payment availability will be recovered within 4 hours.	Confirmed – a full disaster recovery site is available at alternative RBS premises.
v) How often are the Business Continuity plans tested?	Full annual test undertaken.	Confirmed.
vi) What is the proposed product/service availability percentage?	99%.	Confirmed.
vii) Is the service available 24x7 or are there downtime periods for maintenance?	24/7.	Confirmed.
viii) Is a service level agreement offered regarding service availability?	Yes – 99%.	Confirmed.
ix) Is the customer made aware of maintenance periods in advance?	Yes. However any maintenance to the system is limited to occasional hours and late night implementation.	Confirmed.
x) What are the implications if the ASP ceases to exist?	RBS Invoice Finance is part of Royal Bank of Scotland Group.	Confirmed.

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Question	Supplier Response	Evaluation Confirmation
xi) Is a system log maintained by the ASP that details user activity, error messages and security violations?	Yes.	Confirmed – only available to RBS.
xii) Is this log available to the customer?	No.	N/A
15 What is the maximum number of users in total that the product/service can handle at any one time?	15,000.	Based on current projections the current infrastructure is expected to be sufficient until 2013 but is scalable if requirements should exceed this.
16 Does the product/service require the use of any technologies that may be considered as a security risk? e.g. ActiveX, JavaScript, Cookies.  If so, describe how the user can mitigate this risk.	Cookies must be enabled to use FacFlow through the Internet. Cookies are commonly used on the Internet.  The browsers permit Secure Sockets Layer (SSL) encryption, which is required in order to protect information during transmission	Confirmed – standard industry practice not generally considered to be a risk.
17 Where the product/service relies upon downloading and running an executable program, has that program been secured with a digital certificate to verify the source and integrity of the program?	N/A	N/A – entirely browser based.
18 Is the level of security (described with this section) appropriate for the expected nature & size of business using the product/service and the purpose of the product/service?	Yes.	Confirmed.

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Question	Supplier Response	Evaluation Confirmation
19 What facilities are included with the product / service to ensure that data and system settings are backed up and can be recovered in emergency?	Once submitted all data is backed up. Full disaster recovery testing is tested and, completed annually to ensure full recovery.	Confirmed – backups performed by RBS, no user intervention required.
20 Are back-ups performed by: <ul style="list-style-type: none"> <li>▪ An ASP</li> <li>▪ A system administrator</li> <li>▪ An end-user?</li> </ul>	Yes. No. No.	Confirmed – backups performed by RBS, no user intervention required.
21 Where back-ups are performed by the end-user, is there a clear indication in the software or manuals as to how the data is backed up and recovered?	N/A	N/A
21 Are backup procedures automatic?	Yes	Confirmed – backups performed by RBS, no user intervention required.
22 Is the user forced or prompted to back-up at certain intervals?	N/A	N/A
23 Can the back-up intervals be customised?	N/A	N/A
24 Does the system facilitate recovery procedures in the event of system failure? (eg Roll back to the last completed transaction).	The application is used for input and viewing of ledger information. It does not do transaction processing. However, if the failure occurs in middle of inputting a batch of invoices, only the last incomplete invoice will have to be re-entered.	Confirmed – the previously entered transaction will be available.
25 If system failure occurs part way through input or transmission of 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?	If the failure occurs in middle of inputting a batch of invoices, only the last incomplete transaction will have to be re-entered.	Confirmed – each transaction is saved before proceeding to the next.

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Question	Supplier Response	Evaluation Confirmation
26 Are there any features provided with the software to help track down processing problems?	Yes. The application caters for 'processing exceptions' and other problems. The message is displayed and the user prompted to enter additional details. This is then transmitted to ourselves. For minor problems, a log file is written which also gets transmitted to ourselves.	Confirmed – users are alerted of obvious input errors. Exception logs only available to RBS for investigation as required.
27 Are system messages clear and are user responses properly structured to ensure that erroneous key strikes do not lead to inappropriate actions?	Yes.	Confirmed.
28 Is there a system log which details:	i) User activity? Yes. ii) Error messages? Yes. iii) Security violations? No. But the user will not be able to access any of the functions to which he is not authorised.	Basic information regarding user activity available to the supervisor user, detailed logs only available to RBS. 3 failed access attempts results in the account being locked.
29 What are the procedures for handling dates? (e.g. 2 digit, 4 digit).	4 digits internally, although on the screen it may be formatted as two digits.	Confirmed.
i) In the case of two digits what is the break point for the century? ii) Are dates handled consistently throughout the software??	Two digits for view purposes only. Data is stored as four digits in the database Yes.	
30 Economic and Monetary Union. What approach will the supplier take towards handling the euro? Consider requirements:	We deal with international and multi currency client ledgers, and can report in sterling or legacy currency.	Confirmed.
- before the UK joins the EMU; - transition period, i.e. dual currency in the UK; - post the transition period.		

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Question	Supplier Response	Evaluation Confirmation
<b>6.2 Input / Import / Upload of data</b>		
The following sections in Input of transactions, File maintenance, Processing and Reports are primarily aimed at the sales ledger.		
1 Is data input / import / upload controlled by self-explanatory menu options (and are these menus application-specific)?	Yes.	Confirmed – menus are clear and easy to use.
2 i) What validation checks does the system provide to ensure accuracy & completeness of data?	Both field level validation and business rules are applied.	Confirmed.
ii) Can the user amend data on an input screen prior to transmission?	Yes.	Confirmed – every input screen is followed by a confirmation screen before the entry is processed.
3 What are the control features which ensure completeness and accuracy of data input eg, batch control, matching, review of audit trail; are all input transactions subject to this control?	Users are required to complete mandatory fields, batch total all transactions, sequencing of transaction references and values. A full audit trail is available consequent to the transaction as well as periodic transaction audit trails.	Confirmed. Batch totals apply to factoring. With invoice discounting, totals are reconciled with month-end declarations.
4 What warnings are provided if data import / upload is unsuccessful?	Error reporting and business rule reporting is provided at field level.	Confirmed.
5 Does the system allow for batch control totals? If so:	Yes.	Confirmed – applies only to factoring.
i) Are batches automatically numbered?	Yes.	Confirmed.
ii) Are batches forced to balance before transmission to server?	Yes.	Confirmed.
iii) Does the system allow the temporary halting of input of a batch to allow for queries or other activities to take priority (eg set up a new account)	Yes.	Confirmed – the user can return to an unsubmitted batch (referred to as a schedule). Users are alerted to the existence of unsubmitted schedules.

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Question	Supplier Response	Evaluation Confirmation
iv) Is the user forced to confirm batch totals?	Yes. The user inputs the batch total prior to inputting the individual invoices/credit notes.	Confirmed.
6 Is attempted transmission of unbalanced journals rejected?	Batches containing errors will be marked as such and will not be transmitted.	Users are alerted to the existence of unsubmitted schedules.
7 Are input errors highlighted? Are they:	Yes.	Confirmed.
i) Rejected and reported on screen?	Yes.	Confirmed.
ii) Rejected and error reports generated?	No.	N/A users must correct entries before proceeding.
iii) Accepted and posted to suspense?	No.	N/A users must correct entries before proceeding.
8 Is a detailed audit trail of all input data generated?	Yes. All transactions are reported in the Event Log (user side only)	Confirmed. Authorised users can access a log of data changes. Detailed audit trails only available to RBS.
i) Are transactions allocated a unique reference number by the system?	Yes. Every data input is automatically allocated a sequentially incrementing number.	Confirmed.
ii) Is this trail adequately protected from deletion?	Yes.	Confirmed - user event log can be accessed at any time. Detailed audit trails available to RBS only.
9 i) What are the controls to ensure the internal integrity of the ledger(s).	The application utilizes fully relational database, with validation and cross referencing at every level.	Confirmed.
iii) Is there a mechanism to allow the user to establish that the total balances on individual accounts agree to a respective control account? eg System Integrity Check.	Yes. All debtor balances equal the Sales Ledger Control Account, accessible by the user.	Confirmed.
10 Is the ledger "open item", rather than "balance forward" (or capable of being maintained as either)? (S/L, P/L, G/L).	Open Item	Confirmed – only relevant to factoring.

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Question	Supplier Response	Evaluation Confirmation
11 Does the system permit multi debit/credit journals?	N/A	N/A
12 Can separate nominal analysis codes be input for each invoice line? (to integrate with accounting system)	No. However, the field 'order ref' partly fulfils this role.	N/A
13 Can cash receipts and payments be matched to specific invoices?	Receipts are matched at server side to specific invoices, and are shown as allocated to the user.	Confirmed.
14 Will the system permit part payments?	N/A	Part payments can be entered but funds are not available against part paid invoices.
15 Will the system generate credit notes in the sales ledger?	Yes.	Relevant to factoring only. Invoices and credit notes can be recorded but these are generated by the users own sales ledger system.
16 i) Does the system provide for early settlement?	Yes. Standard terms are set by the client, for all customers or special terms can be set for each invoice. Administrated by server side.	Confirmed – standard terms are applied to all invoices but these can be varied for individual invoices.
ii) Can these be automatically generated?	Yes is setup on standard terms	Confirmed.
iii) Are there controls over accepting settlement discounts (eg time limits)?	Yes. Discount % is allowed for settlements within x days.	Confirmed.
iv) Is VAT treated correctly on early settlement discounts?	Yes.	Confirmed.
17 Will the system permit the posting of unallocated cash to the ledgers?	Yes. Part payments are processed and where appropriate are shown either as 'Unallocated' or 'Part Paid' with a balance 'Unallocated'.	Part payments can be entered but funds are not available against part paid invoices.
18 Are outstanding transactions displayed for allocation?	Yes.	Confirmed.
19 Is it possible for new accounts to be requested during sales invoice input?	Yes.	Confirmed – any new accounts need to be approved by RBS before they can be used for factoring.

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Question	Supplier Response	Evaluation Confirmation
20 Is there control over the creation of new accounts?	Yes.	Confirmed.
21 Is the user prevented or warned from overriding credit limits or discounts? (S/L).	No warning is given as Facflow reacts to events already completed. Therefore, any overriding of credit limits or discounts would have occurred on the user's system.	N/A – the user's own accounting system would be used for credit control.
22 i) Does the system accept input files from other computer packages?	Yes.	Relevant to factoring only – CSV files can be uploaded to input transactions.
ii) What are the controls in place over the interface?	The user can do exact mapping of the imported fields to those used by the application. Then the standard validation routine would follow.	Confirmed.
23 Does the system have a facility for calculating interest on late payments?	The system does not calculate interest and automatically issue the invoices. There is a facility to input a (SRI) sales interest invoice.	N/A – this would be a function of the user's own accounting system. FacFlow is able to record interest charges however.

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Question

Supplier Response

Evaluation Confirmation

**6.3 Value Added Tax**

The VAT facility on the system is not designed for VAT control and analysis purposes. The system does not issue the invoices nor is it meant to replace the existing sales invoicing and sales ledger systems within the users' systems. There is therefore no need to track different types of VAT (eg. EC VAT and sales). The FacFlow system uses gross invoice values for its calculations and stores the VAT element for memorandum purposes only.

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Question	Supplier Response	Evaluation Confirmation
<b>6.4 File maintenance</b>		
1 Is the creation or amendment of standing data (eg customer account details) controlled by menu options and are these menus application-specific?	Yes.	Confirmed – relevant to factoring only.
2 Does the system provide input validation checks? (eg account number validation by displaying the underlying information relating to the account codes such as the description, completeness checks and format checks, i.e checking that the information has been keyed in correctly).	Yes.	Confirmed. In factoring, account codes are validated and accounts can be selected from a list.
3 Are input errors highlighted? Are they:	Yes.	Confirmed.
i) Rejected and reported on screen?	Yes.	Confirmed.
ii) Rejected and error reports generated?	No.	N/A users must correct entries before proceeding.
iii) Accepted and posted to suspense?	No.	N/A users must correct entries before proceeding.
4 I) Does the system prevent an account from being unassigned while account is active	An account is only unallocated to a ledger if there are 13 months of inactivity. The client side has no control over this.	Confirmed.
ii) Are there other constraints over the unassigned accounts?	No	N/A
5 i) Are reports available for users to identify all master file changes?	Yes. (Note client static data can not be altered in Facflow, only debtor and user data can be altered).	Data changes screen available to the user – detailed logs only available to RBS.
ii) Can reports be invoked which identify the fields which have been modified?	Yes.	Data changes screen available to the user – detailed logs only available to RBS.

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Question	Supplier Response	Evaluation Confirmation
iii) Would it be possible to show that these reports provide a complete record of all such changes?	Yes – via the Event Log.	Confirmed - detailed logs only available to RBS.
iv) Do the reports show how the fields have been modified? (eg before and after).	Yes. Where applicable (e.g. credit limit changes).	Confirmed.
6 If the system uses a lot of standing information which changes frequently or regularly, does the system allow for such changes to be effected through the use of parameters or tables?	N/A	N/A – users' own accounting systems would be used for this.
7 If so, is the use of such parameters or tables adequately reported?	N/A	N/A
8 Is proper control to be exercised over changes to such parameters? (If so, how? For example, through the use of system facilities such as passwords or by inspection of appropriate reports).	N/A	N/A
9 i) Does the system allow selective archiving of old data on a user-defined basis?	No. The archiving is completed globally.	Transactions are stored for the current month plus the previous 12.
ii) Can this data still be used by the report generator?	No, however, all data can be recreated for user access.	Archived data available to RBS only.
iii) Can archived data be restored?	Yes. But requires a request to RBS Invoice Finance Web Business Support Team.	Archived data available to RBS only.
iv) Are there password controls over the handling (retrieval/saving etc) of archived data?	No. All archiving is undertaken internally.	N/A – performed by RBS only.

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Question	Supplier Response	Evaluation Confirmation
<b>6.5 Processing</b>		
1 Does the system ensure that menu options or programs are executed in the correct sequence (eg ensure outstanding transactions are processed before month end procedures run)?	Yes. This is more relevant to certain users' input and applying of the acknowledgements.	Confirmed – the system workflow is logical and easy to follow.
2 i) After an external document (eg sales invoice or cheque payment) has been generated and transmitted to the accounts is it impossible to amend this data?	Yes. The invoices are editable up until the point of transmitting. After that they are not editable.	Confirmed – the system records transactions but does not generate external documents (except paying-in slips). Once a transaction has been confirmed it can only be amended by the RBS support team to correct an error.
ii) Is there an audit trail of all changes to transactions which have updated the ledgers?	All transactions are available to view in the Data Changes menu options.	Data changes list available to the user, detailed audit trail available only to RBS.
3 Can the system calculate prices or values by reference to master file data?	No. Facflow is reactive to past transactions and only net, vat, and gross amounts (where appropriate) are calculated.	N/A – this would be performed by the user's accounting system.
4 Does the system provide automatic recalculation, where appropriate, of data input? (eg VAT)	Yes.	Gross values are input, VAT is only calculated for memo purposes.
5 Does the system warn the user when the system is out of balance?	Yes.	Input schedules are highlighted as unbalanced until they have been correctly completed.
6 Does the system include routines for recovery from abnormal termination (eg power cuts)?	Yes. The last completed entry will be available.	Confirmed – each transaction is saved when confirmed.
i) Are these automated?	Yes.	Confirmed.
ii) Do they rollback to the last completed transaction?	Yes.	Confirmed.

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Question	Supplier Response	Evaluation Confirmation
<b>6.6 Reports</b>		
1 Are all reports adequately titled and dated? (eg report name, client name, data, period, batch, last entry number, period end, pages, numbers etc.)	Yes.	Confirmed.
2 i) Do the reports provide totals where applicable?	Yes.	Confirmed.
ii) Are these totals calculated or taken from a control file?	Calculated.	Confirmed.
3 Is it clear when the report has ended? (totals or end markers)	Yes.	Confirmed.
4 i) Can reports be saved in electronic format (as distinct from just printing)?	Yes. Reports are available in PDF and CSV and can be downloaded and printed.	Confirmed – most available in PDF & CSV, some only CSV due to large size.
ii) Are such files adequately protected from deletion or amendment?	Yes.	Confirmed – reports can be accessed at any time.
5 i) Is a report generator provided as part of the software or as an option associated with it?	Yes. All reports come with selection criteria where the user can modify the report parameter.	Confirmed – users can filter and sort results in pre-defined reports but cannot create new reports.
ii) What level of knowledge is required to use the report generator, eg beginner, regular user, expert?	No special knowledge required.	Confirmed.
iii) Can the report generating facility make use of user-defined fields (including external fields)?	No. Except where the user wishes to use its own ledger identifiers.	N/A
6 Does the report writer cover all ledgers (transactions) files and balance (all value fields eg prior year etc.) files?	Yes.	Confirmed – the range of pre-defined reports covers all information relevant to the system.

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Question	Supplier Response	Evaluation Confirmation
7	i) Are all the parameters or selection criteria used on reports reported?	Confirmed.
	ii) Is there an option for reports to exclude nil balances?	Confirmed – where relevant.
8	Can screen layouts, reports and transaction formats be easily adapted to users' requirements?	Confirmed.
9	Can a hard copy be produced of all screen enquiries?	Confirmed.
10	Can transaction files for all previous periods of the year be retained in the system to permit enquiries and reports?	Confirmed.
11	Can all reports be reproduced after the period end?	Confirmed. Users' accounting systems would be used for historical sales ledger reporting.
12	Are reports of all master file changes automatically generated or stored for later printing?	Confirmed.
13	Can full lists of master file information be produced?	Confirmed.
14	i) Are all transactions on all reports individually identifiable?	Confirmed.
	ii) Do the reports show whether items are debit or credit, and do they give sufficient narrative and coding to enable cross referencing?	Confirmed.

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Question	Supplier Response	Evaluation Confirmation
15 Can the system produce all requisite reports? (For example trial balance, profit and loss account, balance sheet, cash flow statement and VAT reports, (including VAT return, EC Sales Listings and Intrastat returns (SSD), if applicable, in addition to ledger reporting requirements)	Yes. All reports potentially required for the type of business (Invoice Finance) had been predefined.	Confirmed – all relevant reports provided. Others would be provided by the user's accounting system.
16 i) Do standard reporting options give sufficient flexibility to tailor individual reports?	Reports are static however many reports contain selection criteria set by the users.	Confirmed.
ii) Do these reporting facilities permit multiple key-sorting, variable report intervals and optional selection parameters?	Yes.	Confirmed.
17 Are standard reports always produced, even when they are nil returns?	Yes, but the users can choose to use the selection criteria to exclude certain items.	All reports can be produced at any time.
18 i) Are all movements during each accounting period shown on ledger detail reports?	Yes.	Confirmed.
ii) Do these reports show how all partial payments or allocations (unallocated cash) have been treated?	Yes.	Confirmed.
19 i) Can sales ledger aged analysis reports be obtained?	Yes.	Confirmed (relevant to factoring only).
ii) Are the age criteria fixed or user definable?	User definable.	Confirmed.
iii) Can the age analysis reports be in summary and/or detail (for credit control)?	Yes - both.	Confirmed.

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Question	Supplier Response	Evaluation Confirmation
20 What controls are there in place so that the user is aware of partly processed transactions (e.g. unposted invoices or uninvoiced dispatches)?	The status of each entry would change from "Sent or Submitted" to "Processed", once the acknowledgement is received it would change accordingly. Finally there is a warning message when starting the application of any unprocessed effects.	Confirmed – the status of each transaction is clearly shown.
21 Can the system automatically generate documents for external use? (For example sales invoices and statements, remittance advices and cheques).	No. All of the paperwork is generated at the server side.	N/A – these documents would be produced by the user's accounting system.
22 i) Can the system control duplicated documents e.g. sales invoices?	Yes. All transactions require unique references numbers.	Confirmed – the system prevents entry of duplicate invoice numbers.
ii) Are these clearly identified as duplicates?	N/A	N/A
23 Does the system force the production of month-end reports?	N/A	N/A – month end reporting would be performed by the user's accounting system.
24 Following a month end can transactions still be viewed and can the reports be rerun as at a previous month end?	There is no specific month end procedure. The information continues from one month to another. Only certain reports can be run retrospectively	N/A
25 Can the reporting function make use of external data files?	No.	N/A
26 Does the report generator have the facility to scroll up and down when output to screen?	Yes.	Confirmed.
27 Can all reports be run without the need for period-end procedures to be initiated?	Yes.	Confirmed.
28 Does the report generator allow print previews of all reports ?	Yes.	Confirmed.

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Question	Supplier Response	Evaluation Confirmation	
<b>6.7 Performance of requisite accounting functions</b>			
1	i) Can the software be used by more than one person at the same time?	Yes. Confirmed.	
	ii) Can the same function be used by more than one person at the same time?	Yes. Confirmed.	
2	Can the software support groups of companies, departments, branches? How many such branches or companies can be supported? Can they be consolidated?	Yes. The application supports a full matrix of companies, departments, branches and where required external accountants. There is no upper limit to the number of cross-connections allowed.	Confirmed – any site can have an unlimited number of ledgers.
3	Is multi-currency processing available? (What is the maximum number of currencies available?) Is conversion to sterling automatic? (G/L, S/L, P/L, stock)	Yes. There is no maximum number of currencies available. There is no need for conversion to GBP, any such conversions occur at the server side.	Confirmed.
4	What are the currency capacities?	Allowance has been made for up to thirteen numerical digits and two decimal places.	Confirmed.
	i) What are the maximum and minimum exchange rates	All possible exchange rate values are allowed.	Confirmed.
	ii) What is the maximum number of currencies?	There is no limit.	Confirmed.
5	What currency information is held?		
	i) Currency code/description	Yes.	Confirmed.
	ii) Country	Yes.	Confirmed.
	iii) Currency rate table.	No.	N/A – only current rates are relevant.
	iv) Date rates effective.	No.	
	v) Previous rates held.	No.	

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Question	Supplier Response	Evaluation Confirmation
6	User controls	
i) Can the base currency be selected?	Yes.	Confirmed.
ii) Can the user over ride the exchange rates during a transaction?	No.	N/A – only current rates are relevant, these are set by RBS and cannot be changed by users.
iii) Can the user change the exchange rates per account?	No.	N/A – as above.
iv) Is there a restriction on accounts to a single selected currency.	Yes. If second currency is required for a customer, a new account is requested.	Confirmed.
7	Currency processing	
v) Can ledger accounts be defined to take invoices/payments in specified currencies/ multiple currencies?	Yes.	Confirmed.
8	Currency input	
i) Does the system prevent use of duplicate currency codes?	Yes.	Confirmed.
iii) Can currency transactions be entered in selected currency and/or base currency?	In the selected currency.	Confirmed.
iv) Are transactions held in selected currency and/or base currency?	In the selected currency.	Confirmed.
v) Can transactions be entered in multiple currencies?	No. New schedule should be initiated for a different currency.	N/A – only the currency of the original transaction is relevant to factoring / invoice discounting.
9	How does the system handle exchange differences?	Confirmed.
10	i) What is the maximum value of transactions and of totals, that can be handled by the system?	Confirmed.
	Thirteen numerical digits and two decimal places.	

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Question	Supplier Response	Evaluation Confirmation
ii) What is the maximum number of transactions that can be handled by the system?	There is no upper limit.	Not practicable to verify but the infrastructure appears to be sufficiently scalable for the foreseeable future.
11 What is the maximum number of accounts on each ledger (eg sales ledger, purchase ledger, nominal ledger)?	There is no upper limit.	Not practicable to verify but the infrastructure appears to be sufficiently scalable for the foreseeable future.
12 What is the size and format of account numbers on each ledger?	8 digit alphanumeric	Confirmed.
13 Are the control features provided by the software adequate to support effective user controls?		
i) Transaction sequencing?	Yes. Automatic.	Confirmed.
ii) Automatic dating of posting transactions?	Yes, date when a transaction is posted.	Confirmed.
iii) Identification of user id or program generating (i.e the source) the transactions?	Yes. The current user id is recorded with each transaction.	Confirmed.
14 Does the system have a facility for calculating interest on late payments?	The system does not calculate interest and automatically issue the invoices. There is a facility to input a (SRI) sales interest invoice.	Users' accounting systems would be used to apply interest charges but FacFlow can record such transactions.
15 Does the system allow budgets to be set for:		
i) GL?	No.	Not applicable for factoring & invoice discounting.
ii) Sales?	No.	
iii) Purchases?	No.	
iv) Overheads?	No.	
v) Balance sheet?	No.	
16 What are the drill down features available on the system?	Data Changes, Availability, Accounts, Input, Customers, Cash, Reports, Messages, Administration and Select Ledger.	Confirmed.

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Question	Supplier Response	Evaluation Confirmation
<b>8 User documentation</b>		
This section applies to any of; online, hardcopy or other (e.g.WWW) documentation – specify which are applicable. A small booklet is produced covering the basics of the system. However, the system has an extensive electronic help/training facility. It is this electronic form described below, whenever there is a reference to a manual.		
1 Is the manual clearly laid out and understandable?	Yes.	Confirmed.
2 Is the manual comprehensive and accurate?	Yes.	Confirmed.
3 Is there an index to the manual?	A list of topics is provided in the online help system.	An index for the overall help system is provided when selecting help on initial access to FacFlow and the user can access this index at any time.
4 Is it easy to locate specific topics in the manual when required?	The online help has a contextual search facility to locate specific issues.	Confirmed.
5 Is it easy to follow through all procedures in the manual?	Yes.	Confirmed.
6 i) Does the manual include:		
a) A tutorial section?	Yes.	New users are provided with a quick reference guide which outlines the key functions and workflow.
b) A guide to basic functions?	Yes.	The online system includes a tutorial as well as a context sensitive help facility.
c) Pictures of screens?	Yes.	
d) Completed examples included in the manual?	Yes.	
e) Specific "error correction" procedures.	Yes. Manual as well as warning and error messages produced within the application.	
7 Does the documentation clearly specify the actions to be taken by users at each important stage of processing?	Yes.	Confirmed.

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Question	Supplier Response	Evaluation Confirmation
8 i) Are help screens available relating to the task in hand? (context sensitive help).	Yes.	Confirmed.
ii) Do they provide on-line instructions on how to use particular features of the software?	Yes.	Confirmed.
iii) Can they be edited or prepared by the user?	No.	N/A
9 Will the software supplier make the detailed program documentation (eg file definitions for third party links) available to the user, either directly or by deposit with a third party?	No.	N/A

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Question	Supplier Response	Evaluation Confirmation
<b>6.9 Efficiency</b>		
1 Are the various functions of the system menu-driven, or otherwise easy to initiate? Is there a good response time in the initiation of functions?	Yes.	Confirmed – response time in remote testing via the Internet was good.
2 Is data entry easily repeated if similar to previous entry?	Yes.	The only repetitive input is entry of invoices in factoring. It is easy to add further invoices to a schedule but for large numbers of invoices it would be more efficient to make use of the facility to upload a CSV file.
3 i) Does the system prevent access to a record while it is being transmitted?	Yes. Transactions take less than one second to process, so access appears to be continuous.	Confirmed – no significant delay during transmission.
ii) Does the system allow for the running of reports whilst records are being updated?	Yes.	Confirmed - the status of each transaction is clearly shown.
4 Does the system 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?	Yes.	Data changes screen available to the user – detailed logs only available to RBS. Confirmed - the status of each transaction is clearly shown between 20 minute batch updates.
5 Can regular reports be easily duplicated if required?	Yes. Just reprint the report required.	Confirmed.
6 Does the system warn the user when space is becoming short?	No. Web based system with all resources on server side.	N/A

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Question	Supplier Response	Evaluation Confirmation
<b>6.10 Integration</b>		
1 i) Are the different functions of the product fully integrated?	Yes.	Confirmed.
ii) Are they integrated on real time basis or batch basis?	Batch basis updates updated every twenty minutes.	Confirmed – newly input transactions are recorded immediately and shown with a “sent” status. Following the next update the status is changed to “processed”.
2 What operating systems does the system run under?	<ul style="list-style-type: none"> <li>• Windows 2000 and XP</li> <li>• Mac OS8 and above</li> <li>• MS Vista</li> </ul>	Confirmed.
3 Can more than one system function be performed concurrently?	Per User – No Per Account - Yes	Due to the nature of the purpose of the system, performing more than one function at any one time is unlikely to be helpful. Where comparison with details in the accounting system is useful it would be possible to have both FacFlow and the accounting system on-screen at the same time.
4 i) Can the software be linked to other packages eg word processing, graphics, financial modelling, to provide alternative display and reporting facilities?	Yes. There is an export function for most of the data, as well as import for schedules.	Confirmed – import / export via CSV file.
ii) Can definable links to spreadsheets be created?	No.	N/A
5 Does the system integrate with any web trading software? External or suppliers own?	No.	N/A
6 With what other business application software will the system link? –e g: <ul style="list-style-type: none"> <li>■ Payroll</li> <li>■ Time/fees</li> <li>■ MRP</li> <li>■ Fixed assets</li> <li>■ Document management systems</li> <li>■ Job costing</li> </ul>	N/A.	Not applicable to factoring & invoice discounting – the only relevant system to link to is the accounting system

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7 Is the software compatible with XML standards? If so in what respect? (input/ output/ other)?	No.	N/A

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Question	Supplier Response	Evaluation Confirmation
<b>6.11 Support and maintenance</b>		
1 Will the supplier or dealer provide corrections to the programs? Are bug fixes free of charge - for how long?	Yes. All bug fixes are available to all the users and they are free.	Confirmed.
2 Will the supplier or dealer provide general enhancements to the programs? Will these be provided automatically? Will they be given free of charge?	Yes. We constantly work on improving the software and there is an automatic implementation process. All upgrades are free.	Confirmed.
3 Will the supplier provide "hot line" support to assist with immediate problem solving? If so, at what cost? At what times is support available?	Yes. This support is free and runs from 8am to 5:30pm, Monday to Friday.	Confirmed – support is available as part of the factoring & invoice discounting service and is not separately charged.
4 Is the supplier or dealer capable of giving sufficient ongoing education and training and other support?	Yes.	Support teams are available to assist clients to migrate from the previous dial-up system; to support the web based service and to assist clients in the use of factoring & invoice discounting.
5 Can the supplier, dealer or some other organisation provide all the hardware, software and maintenance requirements of the user?	No. The hardware and its maintenance are the users' responsibility.	N/A – web based service.
6 Is there nationwide support: <input type="checkbox"/> Telephone <input type="checkbox"/> Modem link/WWW <input type="checkbox"/> local dealers/support	Yes. N/A No.	Confirmed.
7 Is a warranty offered in respect of specification of the system?	N/A.	N/A – not sold as a software package but supports a web based service which is subject to a SLA
8 Will the software supplier/dealer make the program source code available to the user, either directly or by deposit with a third party (Escrow)?	No.	N/A
9 Are there any unduly restrictive conditions in the license for the software?	No.	N/A