



Accounting Information System for Shipping Companies
TRANS-Account Introduction Case Study Interview in Singapore

We constructed Maritime ERP by interfacing with the systems of different vendors



Mr. Kenji Shigemi
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Tokyo Marine Asia Pte Ltd (headquarters: Singapore) jointly invested with Jo Tankers A/S (headquarters: Norway) to establish a pool company, Milestone Chemical Tankers Pte. Ltd. in September 2013. Milestone is currently 3rd in the world with regards to total stainless steel tank capacity on chemical ships. The company is in a position to assign vessels to almost every sea route in the world and is able to respond to the demands of diverse clients. Milestone introduced the accounting system TRANS-Account and the operation management system IMOS simultaneously. We asked Kenji Shigemi, Manager at Tokyo Marine Asia Pte Ltd and implementation project leader about its details.

The deciding factors in adopting TRANS-Account were the strong support system and the understanding of the shipping industry

-- Please tell us the reason that you decided to introduce TRANS-Account

Mr. Shigemi: First of all, we decided to adopt IMOS from VESON as a system to manage worldwide operations. However, we judged that it would be difficult to conduct accounting processes for all transactions exclusively with the IMOS accounting module as we also deal with corporate transactions other than those for operations. This was when TRANS-Account was brought up as a candidate as there were many cases of successful introduction at maritime companies in Japan and it had good results in operating together with IMOS.

At the time, we needed to progress with system introduction in a limited time period. One of the greatest reasons for deciding to introduce this system was that it functions as much more than accounting system and AIS already had a support base in Singapore with a support system in both English and Japanese. The AIS people understand the business conditions of the maritime industry and it is not

necessary to explain our requirements from scratch. It was an exact vendor match for a maritime company such as ours that uses accounting systems centering on Singapore.

-- Did you have any problems with the introduction of TRANS-Account?

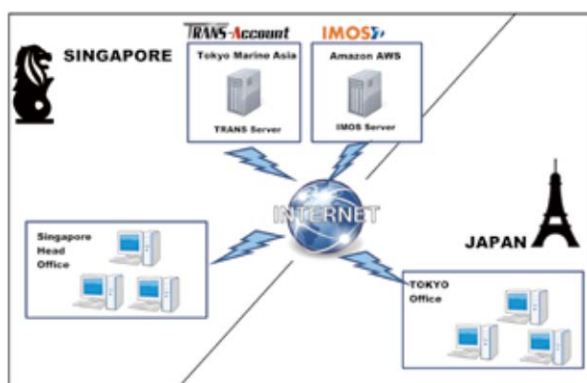
Mr. Shigemi: The Jo Tankers A/S and Tokyo Marine Asia Pte Ltd company project was between two different countries and two different corporate cultures so we had difficulty in unraveling the unique business rules of each company and in adjustments such as designing a unified chart of accounts structure. From the point of view of accounting, TRANS-Account was a standard system structure so I think that is why it was so smoothly introduced. We conducted training sessions in both Tokyo and Singapore and we managed to get through to proper operation.

Also, in our case, we aimed for the simultaneous operation of IMOS and TRANS-Account from the very beginning of the project. There was the possibility that inconsistencies would occur with data if it was input in duplicate and the advantages of introducing both systems in the first place faded because we considered that it was no longer ERP (Enterprise

Resource Planning).

At the beginning of operations, there were issues with getting used to the system such as not having input entries that should have been input, etc. and there were frequent sending/receiving errors for various reasons such as unexpected transaction patterns. It took quite a long time to stabilize system operation.

System Usage Image



-- How do the two systems specifically interface currently?

Mr. Shigemi: The data handled can be roughly divided into 2 types: account transaction data and master data. With regard to account transaction data interface, IMOS has “Chartering” that assigns vessels and estimates voyage profits and “Operation” that manages voyage profit performance including status management.

In the sequences of these processes, operating expense invoices are created for things such as freight rates, port expense and bunker expense. When these are approved (in the system), data flows from IMOS to TRANS-Account.

On the TRANS-Account side, received invoice data is temporarily calculated as credit or debt. Furthermore, in contrast, the results of receipt or payment processing are sent back from TRANS-Account to IMOS and this is reflected as receipts and expenditure results on the IMOS side.

Master data interface is always synchronized with codes used on both systems (counterparty, vessel, port) being passed from IMOS to TRANS-Account and exchange rate information being passed from TRANS-Account to IMOS. All data sending and reception is conducted in real time without an intermediary.

Efficient and speedy maritime ERP is achieved with system interface

-- What do you feel that the merits of introduction are?

Mr. Shigemi: I was aware that problems went hand in hand with introducing new systems. In particular, it is necessary to solve interface problems between the

systems of different vendors on the data sending side, the data reception side or both sides but the TRANS-Account side responds in a flexible manner and I feel that it absorbed a fair amount of the causes of problems.

I think it is the difference between whether they are foreign or Japanese vendors but if both systems lack flexibility, a standstill occurs as soon as there is any of the above-mentioned kind of trouble. I don’t believe that we would have been able to achieve simultaneous operation of IMOS and TRANS-Account without AIS. I feel that this kind of support has an even greater merit than the system. Even if the package systems are from different vendors, as long as it is possible to coordinate their various specialties in a good way, I really feel that it is possible to achieve efficient and speedy maritime ERP.

-- Is there anything you expect from TRANS-Account in the future?

Mr. Shigemi: This time Milestone Chemical Tankers Pte. Ltd. introduced only General Ledger and Account Receivable/Account Payable management modules but Tokyo Marine Asia Pte Ltd is interested in other management modules such as TRANS-Account fixed assets management or loan management. I have confidence in AIS’s complete support system for future introduction but as a company with its headquarters overseas with the prerequisite of communication in English, we would like the preparation of an even better global support system with more English-language software such as system manuals, etc.



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