



# **Intercompany Integration Solution for SAP Business One**

Intercompany Allocation



## TABLE OF CONTENTS

<b>OVERVIEW .....</b>	<b>3</b>
<b>GENERAL LEDGER ALLOCATIONS – KEY FEATURES .....</b>	<b>4</b>
<b>GL Allocation Posting Templates .....</b>	<b>4</b>
<b>Recurring GL Allocation Postings .....</b>	<b>4</b>
<b>Rejection of Journal Vouchers.....</b>	<b>5</b>
<b>A/P Service Invoice Allocations .....</b>	<b>5</b>
<b>Allocation – Workflow .....</b>	<b>6</b>
<b>Allocation - Business Transaction Notifications.....</b>	<b>7</b>
<b>BUSINESS BENEFITS.....</b>	<b>7</b>

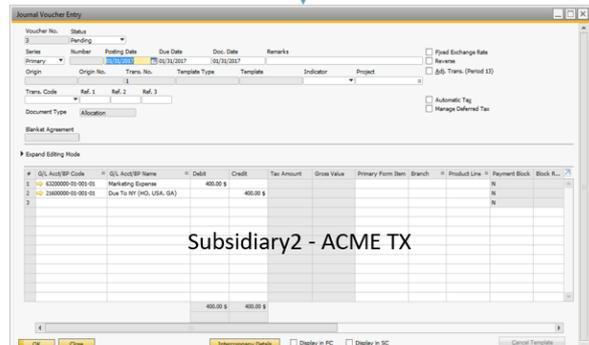
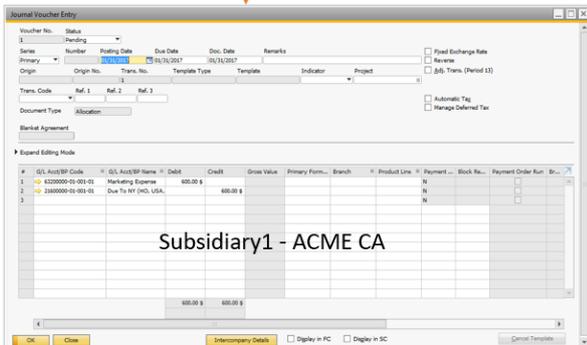
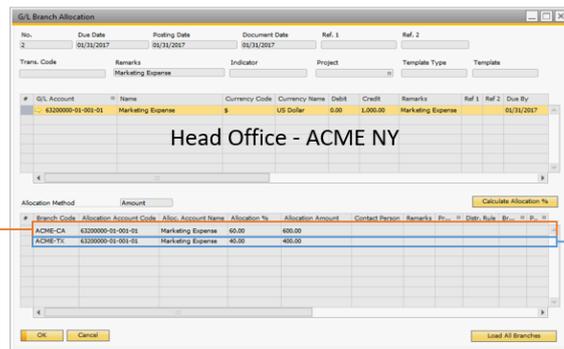
**OVERVIEW**

Growing organizations that control more than one legal business entity are sometimes faced with the challenge of how to share data between partner companies.

The Intercompany integration solution for SAP Business One enables businesses running SAP Business One to manage Intercompany transactions for multiple companies by automatically replicating corresponding transactions across multiple company databases. Automating the replication of such transactions significantly reduces the amount of end-user effort needed to maintain Intercompany financial statements.

Intercompany Solutions allows user to allocate income and expenses such as travel, payroll, and audit fees across branch companies.

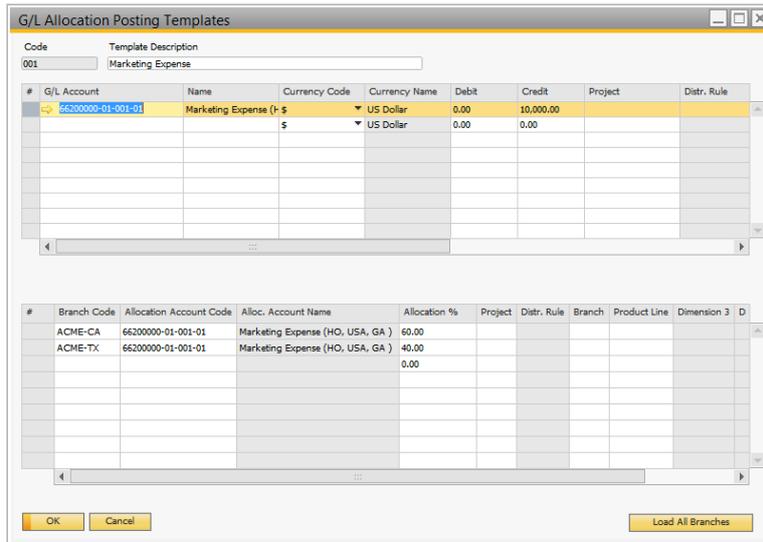
At the end of the month, an accountant allocates a portion of any centrally incurred expenses across all organization units that contribute to, or benefit from, that expenditure/income, based upon a calculation that represents a reasonable allocation of how that expense/income should be split. For example, marketing expense incurred in head office (ACME NY) company ledger is allocated to subsidiary 1 (ACME CA) and subsidiary 2 (ACME TX).



**GENERAL LEDGER ALLOCATIONS – KEY FEATURES**

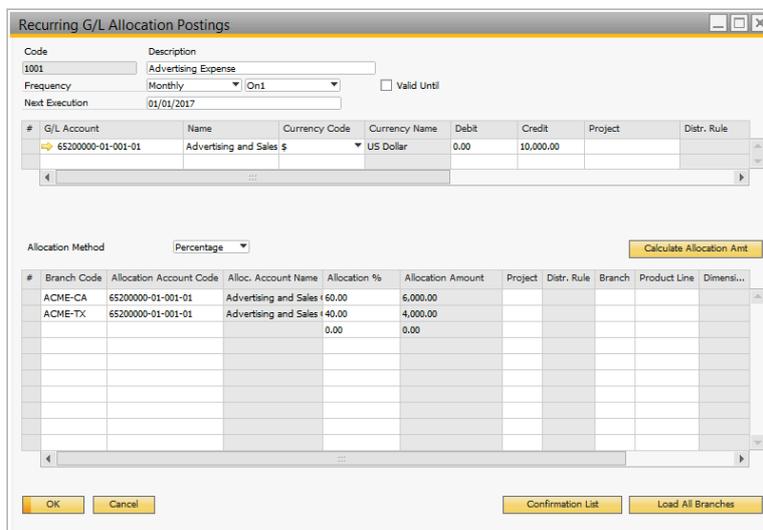
**GL Allocation Posting Templates**

Commercial organizations may have allocation transactions presented in a template format where only the recorded amounts vary from transaction to transaction. This feature enables the user to create pre-defined templates for expenses or profit allocation that can be used to record recurring transactions. For example, overall marketing expenditure to be allocated in a pre-defined percentage amongst the subsidiaries can be setup as a template.



**Recurring GL Allocation Postings**

Every business may have recurring transactions, say on daily, weekly, monthly or annual basis. This feature enables to create templates for recurring allocation postings, which can be executed based on the recurring frequency. Such recurring transactions can be configured in the Recurring G/L Allocation Postings screen. If the recurring transactions have been configured, the application prompts the user at application startup to post the scheduled recurring transactions.



**Rejection of Journal Vouchers**

If a journal voucher is rejected in the receiving company, the application creates a reversal journal entry in the sender company.

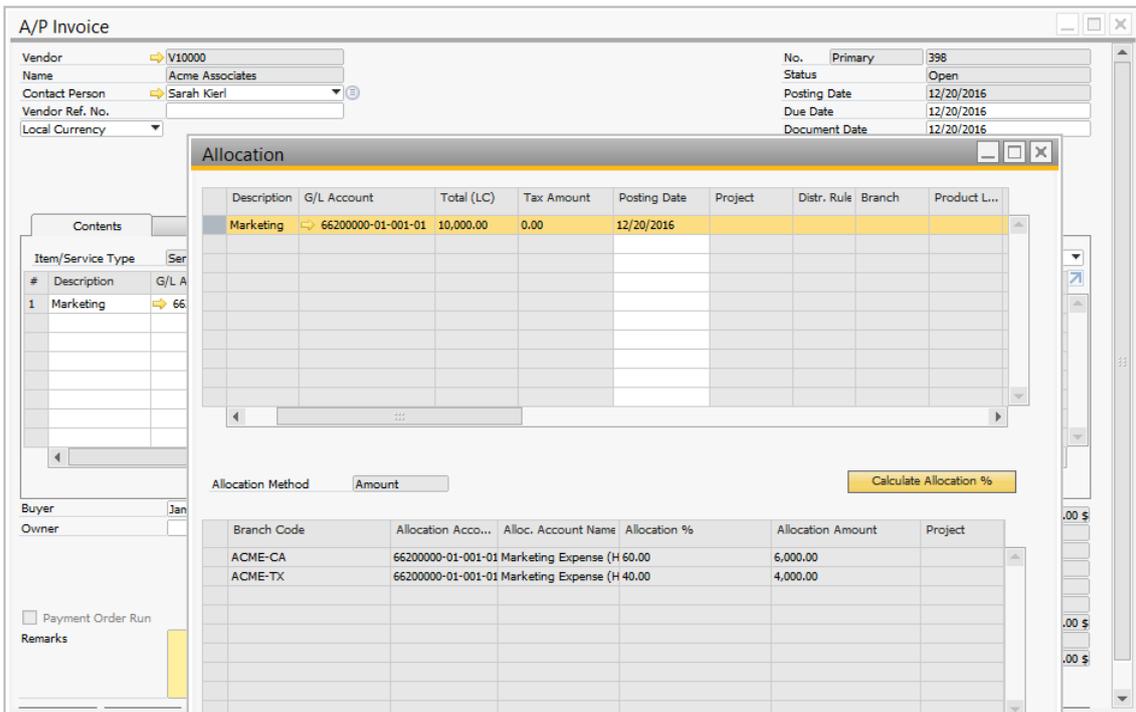
**A/P Service Invoice Allocations**

Another way to allocate expense amounts to other branch companies is by using the allocation feature on the A/P Service Invoice document.

The application allows for allocation of expenses booked through AP service invoices across branch companies.

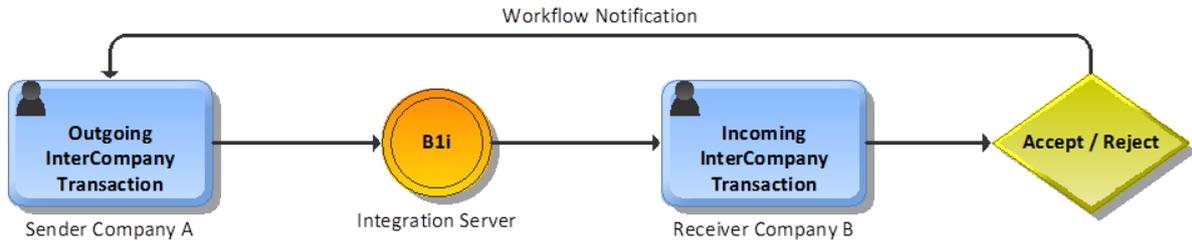
The Intercompany integration solution support following two methods of allocating expenses from an A/P service invoice.

- **Allocation by Invoice** – In this method of allocation, system creates draft A/R invoice as a result of allocation in the sender company. On adding these draft A/R service invoices to the system will automatically create draft A/P service invoices in the receiver companies.
- **Allocation by G/L** – This method of allocation is similar to G/L allocations. System creates the journal voucher in the receiving company as a result of allocation in the sender company.



**Allocation – Workflow**

Workflows can be setup in the allocation module to allow a business entity to accept or reject incoming intercompany transactions, and notify the sending business unit of the resulting decision.



**Journal Voucher Entry**

Voucher No. 5

Status: Pending

Series: P - Pending

Primary: R - Reject

Origin: A - Accept

Date: 12/20/2016

Due Date: 12/20/2016

Doc. Date: 12/20/2016

Remarks:

Trans. Code: 1

Document Type: Allocation

Blanket Agreement:

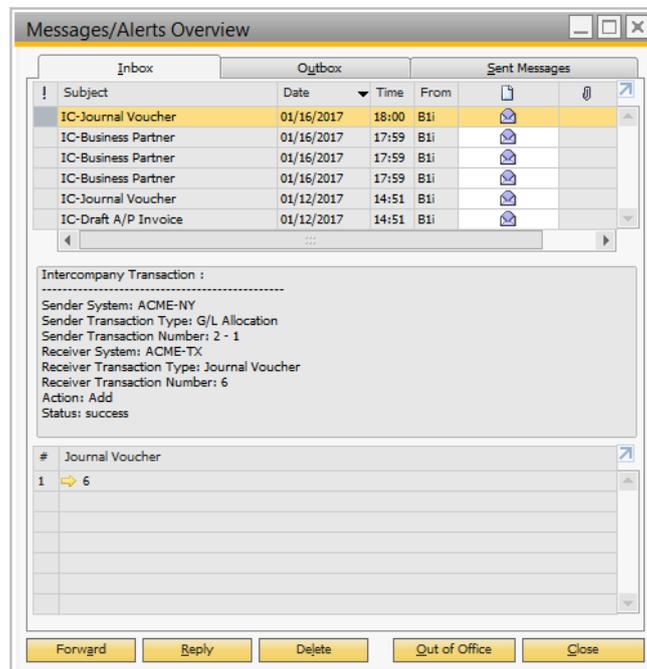
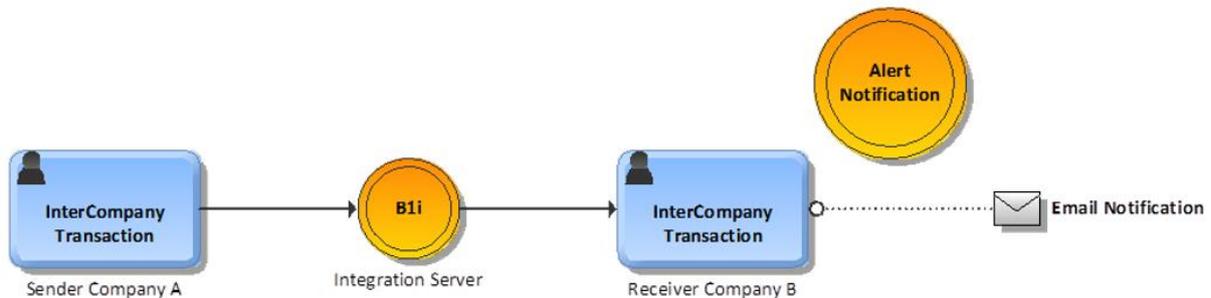
Expand Editing Mode

#	G/L Acct/BP Code	G/L Acct/BP Name	Debit	Credit	Tax Posting Account	Tax Code	Tax Jurisdiction Type	Tax Jurisdiction Code	Federal Tax ID
1	66200000-01-001-01	Marketing Expense (HO, USA, GA )	4,000.00 \$						
2	22190000-01-001-01	Due To NY (HO, USA, GA)		4,000.00 \$					
3									
			4,000.00 \$	4,000.00 \$					

OK Close Intercompany Details  Display in FC  Display in SC Cancel Template

**Allocation - Business Transaction Notifications**

Business transaction Notifications can be setup in the allocations module to notify subsidiaries in real time with alert messages and emails of the intercompany allocation transactions.



**BUSINESS BENEFITS**

- Minimize errors by automating allocation postings across participating companies
- Improvement in quality and accuracy of data
- Increase productivity by reduction in workload
- Overall increase in organizational efficiencies

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