



# F300 Intercompany Transactions

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# Training Rules

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- Download training materials related to the webinar. You can find the links to the training materials in the Reminder email sent by RingCentral platform to you.
- This webinar is NASBA compliant. If you want to get CPE credits, you will need to answer 3 polling questions per 1 CPE credit. Questions will be asked at random times.
- You can repeat the lessons after the instructor. Instructor will show you how to complete lessons from the guide.
- If you have any questions, you can select the Q&A option and leave your question there. Instructor will answer them at the end of the session.
- Use chat to inform the instructor whether you hear him or her.
- We encourage you to fill in the survey when the webinar ends.

# Timing and Agenda

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June 8, 2020 12PM - 1 PM Central Time

## Day 1

Discovery

Models of Organization

Companies & Branch Configuration

June 9, 2020 12PM - 1 PM Central Time

## Day 2

Companies & Branch Configuration Continued if needed

Processing Documents

# Timing and Agenda

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June 10, 2020 12PM - 1 PM Central Time

**Day 3**

**User Role**

**ARM Sets**

**Segmented Keys for Companies & Branches**



## SweetLife Fruits & Jams Discovery

# Discovery

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- **SweetLife Fruits & Jams:** Mid Size Company located in NY and started Operations in January 2018 and converted to Acumatica in November 2018
- **They have 3 Branches:**
  - **Head Office & Warehouse Center:** a Jam Factory and Large Warehouse
  - **Store:** a retail shop with a small warehouse. This warehouse is replenished from the Warehouse Center
  - **Service & Equipment Sales Center:** a service center and a small warehouse that stocks juicers. They sell, install and repair juicers along with training on the use of the juicers. This branch started operations in January 2019
- **Products they Purchase**
  - Fruits, Spices and Juicers and Juicer Installations
  - Jars, Labels and Paper Bags
  - Office Supplies, Computers and Accessories

# Discovery

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## SweetLife Continued

- Sales and Services
  - **Head Office & Warehouse Center Sells:**
    - Jams and Fruit to Restaurants and Café at wholesale prices
    - Home canning training customer locations
    - Webinars on the company Website
  - **Store Sells:**
    - Fresh fruit , berries and jams
    - Customer pick up from web orders
  - **Service & Equipment Sales Center:**
    - Juicers, training and Installation of juicers

# Discovery

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- **Muffins & Cakes Company**
  - Subsidiary / Division SweetLive
- Started operations in January 2019
- They have 2 Branches:
  - **Head Office and Wholesale Center:**
  - **Retail Shop:**
- Purchases:
  - Stationery
  - Advertising Services
  - Cake making Supplies



# Discovery

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## Muffins & Cake Company Continued

### ➤ Sales and Services

- **Head Office and Wholesale Center:** Baked Good and Goods for baking are sold to wholesale customers such as restaurants and Cafes. They conduct baking classes at customer location.
- **Retail Shop:** Retail customers purchase baked goods or pick up the good they order on the website.



# Inter-Company Transactions

# Inter-Company Transactions

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## Multiple Companies can be configured with in one Tenant

- A different company is usually a legal entities with an independent balance sheet and separate tax reporting
- **Companies must share the 3 C Rule**
  - ✓ **Currency**
  - ✓ **Chart of Account**
  - ✓ **Calendar**
- Companies may have no branches or multiple branches

# Inter-Company Transactions Continued

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- **Type of Multi Branch Companies being used for this lesson:**
  - **Organization with centralized accounting**
    - ✓ Legal entity and consists of multiple branches
    - ✓ Each branch is a company office
    - ✓ Management doesn't need a separate balance sheet for each branch
    - ✓ Management needs a separate P & L for each Branch.
    - ✓ Balancing entries are not needed for this type of structure
    - ✓ Branches use one posting ledger

# Inter-Company Transactions Continued

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- **Organization with autonomous (independent) branches**
  - Number of branches with separate accounting
  - Each branch need a separate balance sheet
  - Each branch needs a separate P & L
  - Automatic balancing entries are required for transaction involving more then one branch
  - They share the same Actual ledger
- **The Muffins & Cakes and CowZilla Meat & Knives companies have independent branches**
- First phase of configuration of Acumatica is creating your company and it's branches
- **A branch not requiring balancing will not have a separate balance sheet for the branches**

Please turn to page 10 of your training manual

# Lesson 1.1: Configuration of Co with Branches no balancing required

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## Learning Objectives:

In this lesson, you will learn how to enable the necessary set of features, define the appropriate settings for a company with branches that do not require balancing, and define the needed setting for the branches of the company if the is created in a tenant in which other companies already exist.

## Company Requirements:

- Company has grown and added a company that sells wine
- Located in Monterey, California with the following branches
  - ✓ WineLove Wholesale Center
  - ✓ WineLove Liquor Store
- Company has centralized accounting and going to use the default functionality of Acumatica

Let's go do it!

# Lesson 1.2: Configuration of Co with Branches require balancing

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## Learning Objectives:

In this lesson, you will learn how to do the following

- ✓ Enable the minimum set of features before starting configuration of a company
- ✓ Perform configuration of a company with branches that require balancing.
- ✓ Required for Intercompany Transactions.

## Company Requirements:

- Company has grown and established CowZilla Meat & Knives Company
- Located in Houston, Texas with the following branches
  - ✓ CowZilla Meat Shop
  - ✓ CowZilla Knife Shop
- Company requires a separate Balance Sheet & P & L for each branch

Let's go do it!

## Lesson 1.3: Configure Account Mapping Rules for Inter-Branch Transactions

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### Learning Objectives:

In this lesson, you will learn how to configure account mapping rules for transactions between companies and between branches that require balancing

- **Inter-branch or inter-company transactions:**
  - ✓ Debit & Credit amounts are posted to different branches or companies
  - ✓ Branch / Company may not be in balance
- **You need to configure the system to automatically generate balancing entries so both branches / companies stay in balance.**



## Lesson 1.3: Configure Account Mapping Rules for Inter-Branch Transactions Cont.

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### Inter – Branch Balancing Entries

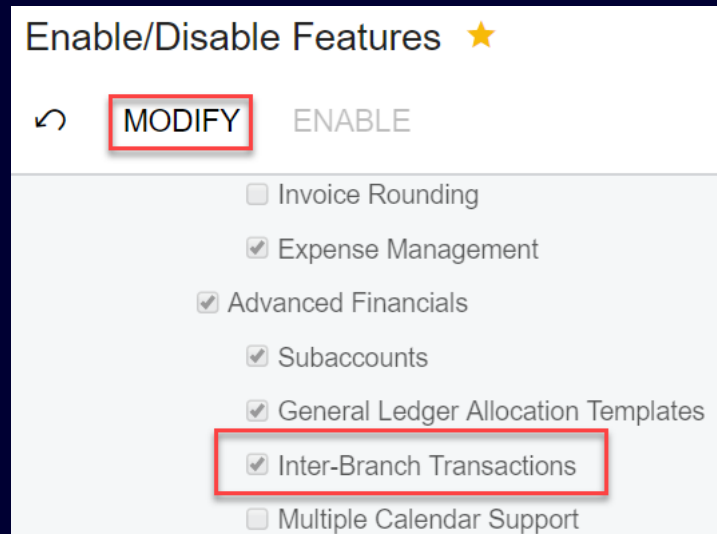
- Balancing entries are need if you do any of the following type of transactions
  - Between different companies
  - Between branches of different companies
  - Between branches of one company that have separate accounting. “ Branches Requiring Balancing” Selected as the company type



## Lesson 1.3: Configure Account Mapping Rules for Inter-Branch Transactions Cont.

### What we need to do:

- Inter-Branch Feature must be enabled
- Define the rule that tells the system how to generate balancing entries by using the Inter-Branch Mapping Form (GL101010)







Enable/Disable Features ★


↶ **MODIFY** ENABLE

- Invoice Rounding
- Expense Management
- Advanced Financials
  - Subaccounts
  - General Ledger Allocation Templates
  - Inter-Branch Transactions
  - Multiple Calendar Support





## Lesson 1.3: Configure Account Mapping Rules for Inter-Branch Transactions Cont.

### Inter-Branch Account Mapping

← SAVE & CLOSE   +   < > >>

Originating Branch: MRETAIL   
Posting Ledger: MFACTUAL - Accrual ledger for i





**TRANSACTION IN ORIGINATING BRANCH** TRANSACTION IN DESTINATION BRANCH


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Destination Branch	* Account From	* Account To	* Offset Account	* Offset Subaccount
MHEAD	00000	99999	19000	000-000

## Lesson 1.3: Configure Account Mapping Rules for Inter-Branch Transactions Cont.





Inter-Branch Account Mapping

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Originating Branch: MRETAIL 

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TRANSACTION IN ORIGINATING BRANCH TRANSACTION IN DESTINATION BRANCH

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Destination Branch	* Account From	* Account To	* Offset Account	* Offset Subaccount
MHEAD	00000	99999	26000	000-000

## Lesson 1.3: Configure Account Mapping Rules for Inter-Branch Transactions Cont.

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### Company Requirement:

- Muffins & Cake Co does transactions between it's branches in the system
- The branches use separate accounting so they require balancing
- Does transactions with the SweetLife Head Office and Retail Shop
- Mapping rules have been done for the Muffins & Cakes head office branch (MHEAD)
- Mapping rules have been done for the Muffins & Cakes retail store branch (MRETAIL)
- Mapping rules between the Muffins & Cakes head office & SweetLife head office (HEADOFFICE)
- Mapping must be done between Muffins & Cakes head office & SweetLife retail shop (RETAIL)

Let's go do it!

# Lesson 2.1: Processing a Bill Between Branches not requiring Balancing

## Learning Objectives:

In this lesson, you will learn how to do the following:

- Process a bill between branches that do not require balancing
- Review the balances of accounts involved in transactions

## Bills w/ Branches not requiring balancing. (Page 27)

HeadOffice Purchase from themselves & Retail

Branch	Account	Debit	Credit
HEADOFFICE - Originating Branch	20000 - Accounts Payable	\$0.00	\$450.00
HEADOFFICE - Originating Branch	62400 - Office Expense	\$300.00	\$0.00
RETAIL - Destination Branch	62400 - Office Expense	\$150.00	\$0.00

Headoffice purchases for Retail only

Branch	Account	Debit	Credit
HEADOFFICE - Originating Branch	20000 - Accounts Payable	\$0.00	\$450.00
RETAIL - Destination Branch	62400 - Office Expense	\$450.00	\$0.00

## Lesson 2.1: Processing a Bill Between Branches not requiring Balancing Cont

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### Company Requirements:

- Head Office of SweetLife needs to process a bill for 450.00 from the stationary store
- Expense is for March 2, 2020
- The distribution of the bill is as follows
  - SweetLife Head Office Branch – 300.00
  - Sweetlife Retail Store – 150.00
- Remember Branches do not require balancing

Let's go do it!

# Lesson 2.2: Bills with Branches Requiring Balancing

## Learning Objectives:

In this lesson, you will learn how to do the following:

- Process a bill between branches that require balancing
- Review the balances of accounts involved in transactions

## Bill requiring balancing (page 32 & 33)

MHEAD purchases themselves & Retail

Branch	Account	Debit	Credit
MHEAD - Originating Branch	20000 - Accounts Payable	\$0.00	\$350.00
MHEAD - Originating Branch	62400 - Office Expense	\$250.00	\$0.00
MRETAIL - Destination Branch	62400 - Office Expense	\$100.00	\$0.00
MHEAD - Originating Branch	19000 - Due from Related Entity	\$100.00	\$0.00
MRETAIL - Destination Branch	26000 - Due to Related Entity	\$0.00	\$100.00

Purchase for MRETAIL only

Branch	Account	Debit	Credit
MHEAD - Originating Branch	20000 - Accounts Payable	\$0.00	\$350.00
MRETAIL - Destination Branch	62400 - Office Expense	\$350.00	\$0.00
MHEAD - Originating Branch	19000 - Due from Related Entity	\$350.00	\$0.00
MRETAIL - Destination Branch	26000 - Due to Related Entity	\$0.00	\$350.00



# Bills with Branches Requiring Balancing Continue

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## Company Requirements:

- Muffins & Cakes Company received a bill for 350.00
- Bill is from Spectra Stationery Office that needs to be processed on 3/2/2020
- Stationery being purchased for the head office branch (MHEAD) 250.00
- Stationery being purchased for the retail branch (MRETAIL) 100.00
- Balancing entries are required for this transaction

Let's go do it!

## Lesson 2.3: Processing Payments for a Shared Vendor

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### Learning Objectives:

In this lesson, you will learn how to do the following:

- Create bills for different companies that share a vendor
- Prepare payments from the companies that share the vendor



## Lesson 2.3: Processing Payments for a Shared Vendor Continued

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### Company Requirements:

- SweeLife Company head office has received a bill for advertising for 2,000.00
- Bill is from Blueline Advertisement vendor and needs to be processed on 1/30/2020
- Muffin & Cakes head office has also received a bill from the same vendor for 1,500.00 – 1/30/2020
- Need to create bills and payments for both the bills

Let's go do it!

# Lesson 2.4: Processing an Invoice Between Branches Not Requiring Bal

## Learning Objectives:

In this lesson, you will learn how to do the following:

- Process an Invoice between branches that do not require balancing
- Review the balances of accounts involved in transactions

## Invoice w/ Branches not requiring balancing. (Page 41 & 42)

### HEADOFFICE invoices for themselves & RETAIL

Branch	Account	Debit	Credit
HEADOFFICE - Originating Branch	11000 - Accounts Receivable	\$290.00	\$0.00
HEADOFFICE - Originating Branch	40000 - Sales Revenue	\$0.00	\$90.00
RETAIL - Destination Branch	40000 - Sales Revenue	\$0.00	\$200.00

### HEADOFFICE invoicing for RETAIL

Branch	Account	Debit	Credit
HEADOFFICE - Originating Branch	11000 - Accounts Receivable	\$290.00	\$0.00
RETAIL - Destination Branch	40000 - Sales Revenue	\$0.00	\$290.00

## Lesson 2.4: Processing an Invoice Between Branches Not Requiring Bal Cont.

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### Company Requirements:

- SweetLife Co issues an invoice to FourStar Coffee & Sweet Shop for 290.00 on 3/2/2020
- SweetLife Head Office & Wholesale Center provide canning training for 90.00
- SweetLife Store provide fruits and berries in the amount of 200.00
- These transaction do not require balancing entries

Let's go do it!

# Lesson 2.5: Processing an Invoice Between Branches Requiring Balancing

## Learning Objectives:

In this lesson, you will learn how to do the Following:

- Process an invoice between branches that require balancing
- Review the Balances of accounts involved in transactions

## Invoice w/ Branches requiring balancing. (Page 45)

HEADOFFICE invoices for themselves & RETAIL

Branch	Account	Debit	Credit
MHEAD - Originating Branch	11000 - Accounts Receivable	\$600.00	\$0.00
MHEAD - Originating Branch	40000 - Sales Revenue	\$0.00	\$100.00
MRETAIL - Destination Branch	40000 - Sales Revenue	\$0.00	\$500.00
MHEAD - Originating Branch	19000 - Due from Related Entity	\$0.00	\$500.00
MRETAIL - Destination Branch	26000 - Due to Related Entity	\$500.00	\$0.00

HEADOFFICE invoicing for RETAIL

Branch	Account	Debit	Credit
MHEAD - Originating Branch	11000 - Accounts Receivable	\$600.00	\$0.00
MRETAIL - Destination Branch	40000 - Sales Revenue	\$0.00	\$600.00
MHEAD - Originating Branch	19000 - Due from Related Entity	\$0.00	\$600.00
MRETAIL - Destination Branch	26000 - Due to Related Entity	\$600.00	\$0.00

## Lesson 2.5: Processing an Invoice Between Branches Requiring Balancing Cont

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### Company Requirements:

- 3/2/2020 Muffins & Cakes Company invoices GoodFood One Restaurant in the amount of 600.00
- Muffins Head Office provided baking classes for 100.00
- Muffins Retail Shop provided baking ingredients for 500.00
- Create invoice and release
- Transaction require balancing.

Let's go do it!

# Lesson 2.6: Processing Funds Transfer Between Companies

## Learning Objectives:

In this lesson, you will learn how to do the following:

- Review Balances of due to and due from accounts
- Process a funds transfer between companies

## Funds Transfer w/ Branches requiring balancing. (Page 52)

MHEAD Branch transfers money to the HEADOFFICE Branch

Branch	Account	Debit	Credit
MHEAD - Originating Branch	10200 - Company Checking Account	\$0.00	\$70.00
HEADOFFICE - Destination Branch	10200 - Company Checking Account	\$70.00	\$0.00
MHEAD - Originating Branch	19000 - Due from Related Entity	\$70.00	\$0.00
HEADOFFICE - Destination Branch	26000 - Due to Related Entity	\$0.00	\$70.00



## Lesson 2.6: Processing Funds Transfer Between Companies Continued

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### Company Requirement:

- Ending 01-2020 the SweetLife and Muffins & Cake companies must reconcile the Due – To and Due From Accounts
- The companies must pay each other to clear these intercompany accounts
- Once we figure out how much we have to pay we will be using the funds transfer form to accomplish this transfer

Let's go do it!

## Lesson 2.7: Closing a Financial Period in a Company

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### Learning Objectives:

In this lesson, you will learn how to close periods for an individual company in all subledgers and the general ledger at the same time when the Centralized Period Management feature is disabled



You can manage financial periods at a company level and at the tenant level If Centralized Period Management feature is enabled

# Lesson 2.7: Closing a Financial Period in a Company Continued

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## When Centralized Period Management is enabled

- All companies within a tenant use the same calendar
- A particular financial period has the same status in all companies
- Allows you to do the following for all companies at the same time

Open

Close

Lock

Deactivate

Reopen

Unlock

## Lesson 2.7: Closing a Financial Period in a Company Continued

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### When Centralized Period Management feature is disabled:

- You set up the Master Financial Calendar Form
  - System Generates company calendars automatically when the master calendar is generated for companies that already exist
  - New company is created use the Manage Financial Periods form to change period statuses separately for each company
- 
- You can view the status of period on the Manage Financial Period
  - If a period was closed by mistake you can reopen it on the Manage Financial Periods Form

## Lesson 2.7: Closing a Financial Period in a Company Continued

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### Company Requirements:

- Need to close 2019 financial year in the sub ledgers and the GL at the same time
- For the following companies
  - SweetLife Fruits & Jams
  - Muffins & Cakes

**NOTE:** Centralized Period Management Feature has been disabled. Periods can be managed separately in each company

Let's go do it!

# Lesson 3.1: Exploring a User Role for Accessing a Branch

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## Learning Objectives:

In this lesson, you will learn how to create a user role specific to a branch in Acumatica ERP and how to assign the new branch specific role to the user.

## User Access to Branches

- Create a specific user role for each branch and assign user to the role
- If a user needs access to more than one branch you can assign that user to each branch they need
- You must assign the role to the branch
- Once one branch has a role assigned, branches without a role will not be accessible.
- Users must have access to a branch to select that branch for transactions within Acumatica
- Once a user is in a branch then the other roles that you have assigned them will kick in

# Lesson 3.1: Exploring a User Role for Accessing a Branch

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## Company Requirements:

- Need to define user roles for the new company and branches that we created during class
  - ✓ Need a user role that will allow users to access all branches in the WineLove Company
  - ✓ A user role for access to only the CowZilla meat Shop branch
  - ✓ A user role that will grant only access to the CowZilla Knife Shop branch.

Let's go do it!

## Lesson 3.2: Configure Arm Unit Sets for Consolidating Financial Statements

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### Learning Objectives:

In this lesson, you will learn how to create and configure a unit set and apply it to an analytical report to display consolidated and branch – specific financial data

### ARM report typically consists of the following elements:

- The row set – defines the rows to be used in the report
  - The Column set – defines report title, column headers and the columns for the report
  - The Unit Set – is optional feature. Defines the units to be used in the report. This allows you to quickly filter or consolidate report data
  - The Report Definition – Identifies a report. This links together the row set, column set and the unit set and defines the report parameters. Allows you to add report the site map
- A row set, column set and unit set can be use in multiple reports



## Lesson 3.2: Configure Arm Unit Sets for Consolidating Financial Statements

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### Filtering Data with Unit Sets

- When the groups of rows and columns included in the report use data from different data sources
- When formulas must be applied to calculate the report values based on the data from the explicitly defined groups or columns and rows
- The unit set can contain more than one set of units that specify how the data is selected, calculated, and displayed in reports
- You can view data for each individual unit like a branch or a cost center or all units

### Company Requirements:

- Balance Sheet need to be able to switch between consolidate for the SweetLife Co or detailed by the branches

Let's go do it!

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