

# Intercompany Integration Solution for SAP Business One

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

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

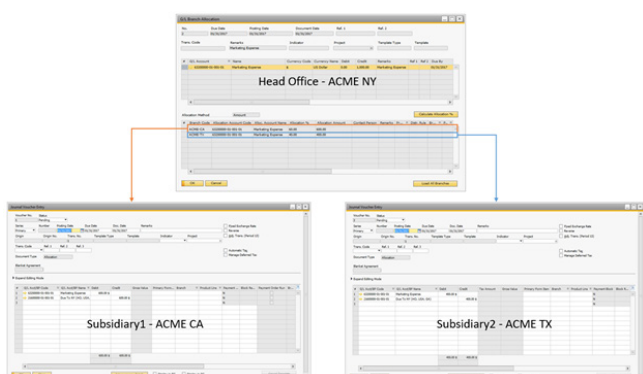
The Intercompany integration solution for SAP Business One enables businesses running SAP Business One to manage Intercompany transactions for multiple companies by automatically replicating corresponding transactions across multiple company databases. Automating the replication of such transactions 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).

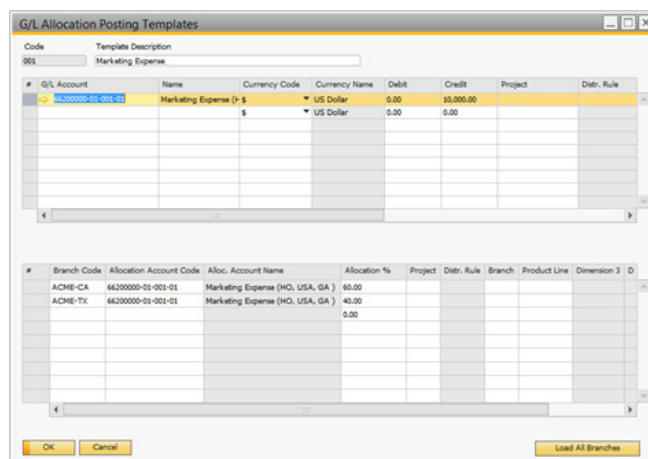
Head Office – ACME NY					
Debit	Credit	Debit	Credit		
Due From ACME CA USD 600	Expense – Marketing USD 1000	Marketing Expense USD 600	Due To ACME NY USD 600	ACME CA	Subsidiary 1
Due From ACME TX USD 400		Marketing Expense USD 400	Due To ACME NY USD 400	ACME TX	Subsidiary 2



## 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.

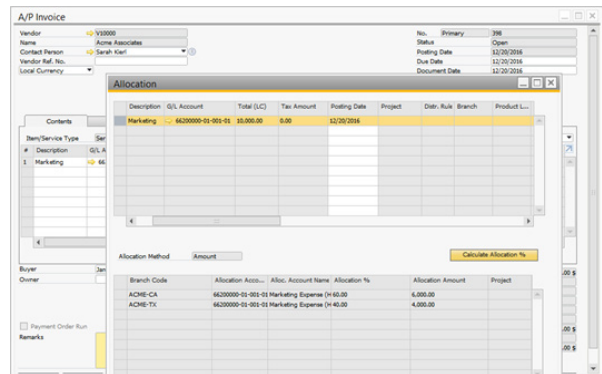
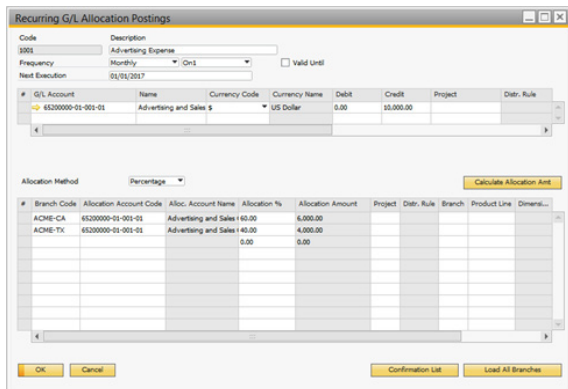


### Recurring GL Allocation Postings

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.

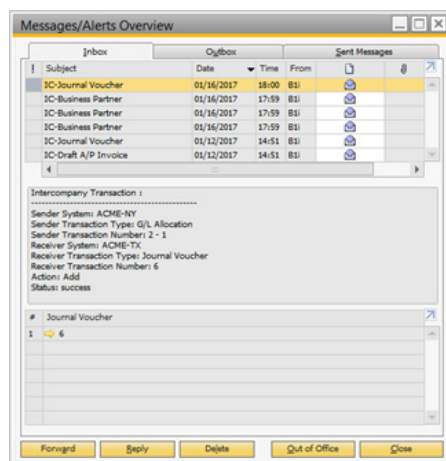
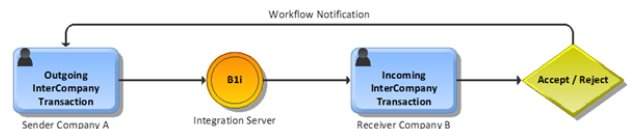
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## Allocation - Workflow

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.



## 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.

## 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