
Intercompany Postings

Last updated: June 22, 2022

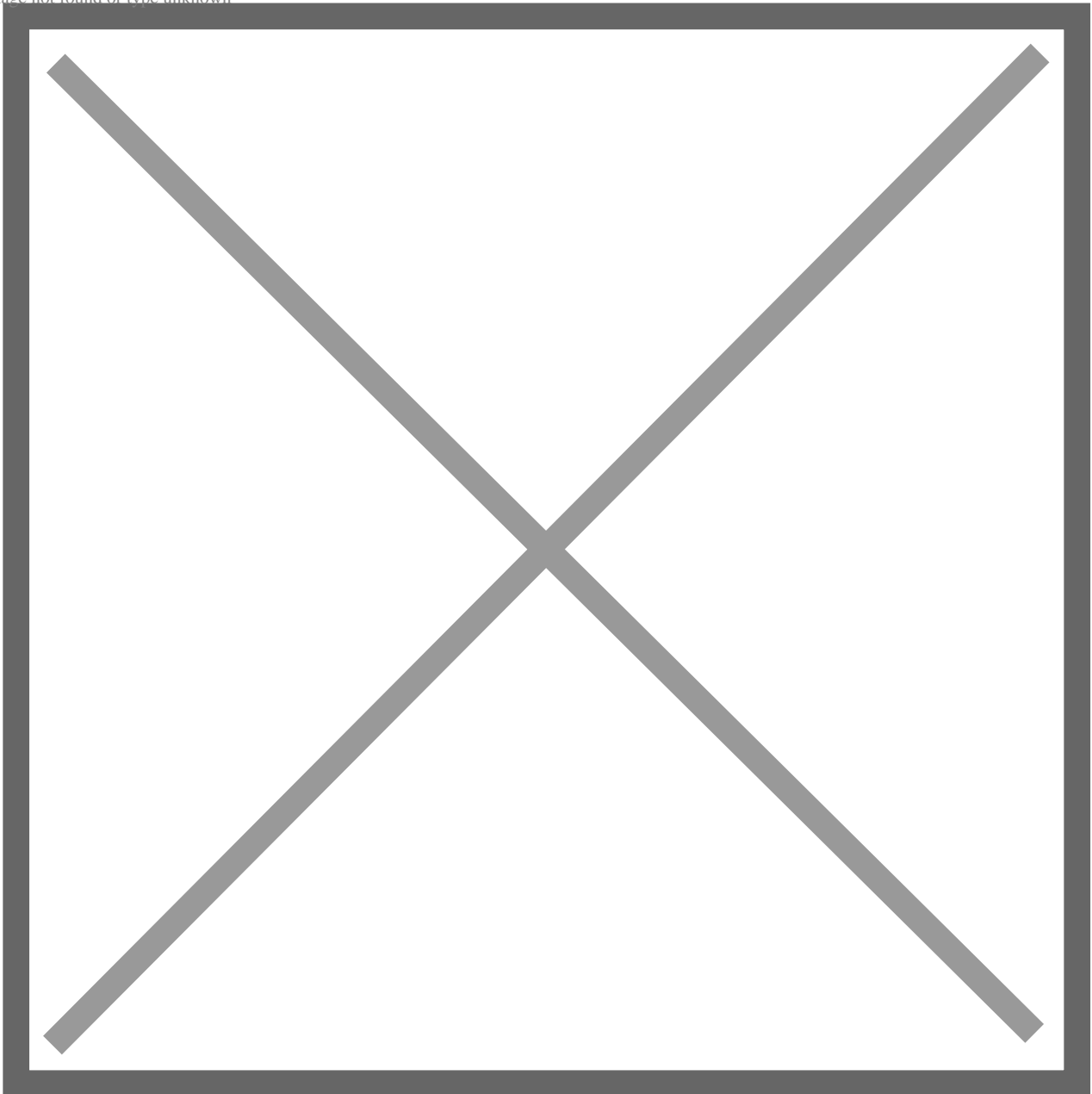
Both the Trigger Method and the Alternate Method support Intercompany transactions where the Companies are located in multiple GP Company Databases. Please see below for recommendations on how to setup ICP to work with Intercompany transactions.

Intercompany Accounts Setup (Trigger Method)

Location

Tools >> Setup >> Financial >> Intercompany Postings >> Accounts Setup

Layout



Processing

ICP employs the notion of source and destination companies. The Source Company is the company that initiates the transaction; the Destination Company is the company whose General Ledger will be automatically impacted by the transaction. Any valid GL Account in the Source Company can be setup as a Trigger Account. Trigger Accounts can be used to initiate ICP transactions from any module in GP since they can be used anywhere that a normal GL account can be used.

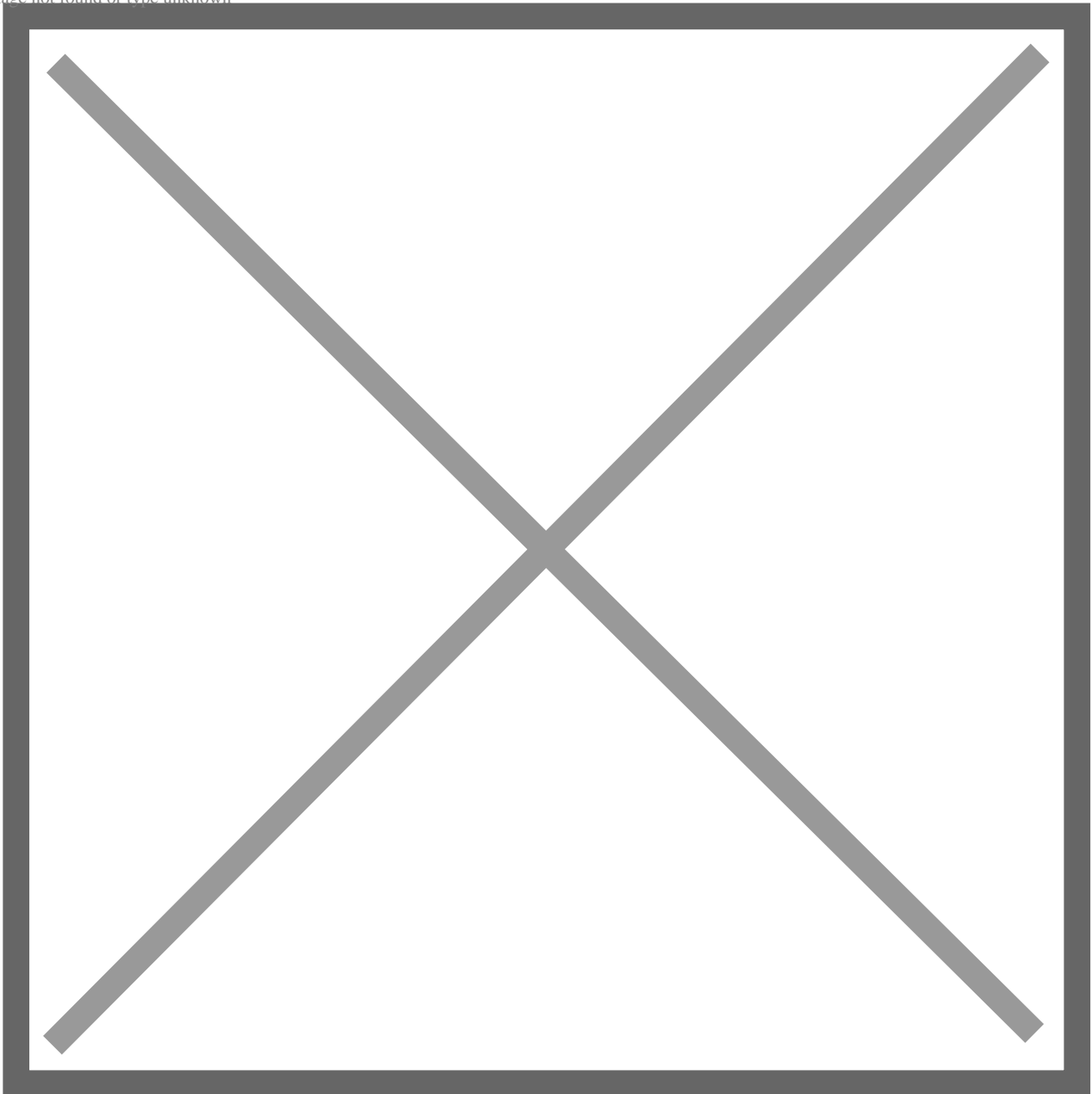
Trigger Accounts allow users to create predetermined Intercompany relationships. The Trigger Method allows for high speed data entry in the Source Company since there is no need for user intervention. Trigger Accounts can be setup as Default Accounts within GP on Vendors, Customers, Employees, etc. Data entry errors are reduced because of the Trigger Method's automation.

Each Trigger Account has a fixed relationship with a specific Destination Company database and a specific GL Account within that database. The Due To/From Account relationship is also predefined for each Trigger Account. It is common for the Source Company to have a larger chart of accounts to accommodate all of these specific relationships.

Redisplay (button) – Click this button to populate the grid with existing Trigger Accounts when first opening the screen. This button can also be used in combination with the Trigger Account search field.

Source Company – Displays the current company the user is logged in to, which will be used as the Source Company for all Trigger Accounts being setup or viewed.

Trigger Account (search) – This search field allows the user to look-up a specific Trigger Account, by typing in the account or using the lookup button to select from a list of existing accounts. This field can also be used with wildcards (000-61??-??) in combination with the Redisplay button to display a range of Trigger Accounts.



Account Setup Entry Area

Trigger Account – An existing GL Account in the Source Company’s Chart of Accounts that is used to initiate an Intercompany Transaction.

Source Account – An existing GL Account in the Source Company’s Chart of Accounts that is used to offset the original Trigger Account. When Trigger Accounts are used across company databases, the Trigger Account and the Source Account are typically the same Account number. Once a Trigger Account

posts to the Source Company's GL, ICP will automatically create and post a second entry in the Source Company. This entry will typically clear out the amount originally posted to the Trigger Account resulting in a zero balance for that account.

Source IC Account – An existing GL Account in the Source Company's Chart of Accounts that represents the Intercompany relationship with the Destination Company. This is commonly referred to as the Intercompany Receivable (Payable) or Due From (To) Account.

Destination Company – A valid GP Database ID/Name. Databases can be selected from the databases available on the same server or a valid Database ID can be entered if it is stored on a separate server.

Destination Account – An existing GL Account in the Destination Company's Chart of Accounts that is linked to the Trigger Account. Typically this is the same or similar account number as the Trigger Account in the Source Company.

Destination IC Account – An existing GL Account in the Destination Company's Chart of Accounts that represents the Intercompany relationship with the Source Company. This is commonly referred to as the Intercompany Payable (Receivable) or Due To (From) Account.

Reverse MDA Details in Source Company – This option applies to Companies using GP's MultiDimensional Analysis (MDA) module. If this option is checked then any analysis information found on the trigger account will be reversed and assigned to the Source Account when creating the source company posting.

Copy MDA Details in Destination Company – This option also applies to Companies using GP's MultiDimensional Analysis (MDA) module. If this option is checked then any analysis information found on the trigger account will be copied to the Destination Company and assigned to the destination account. The MDA details need to be identical in both databases.

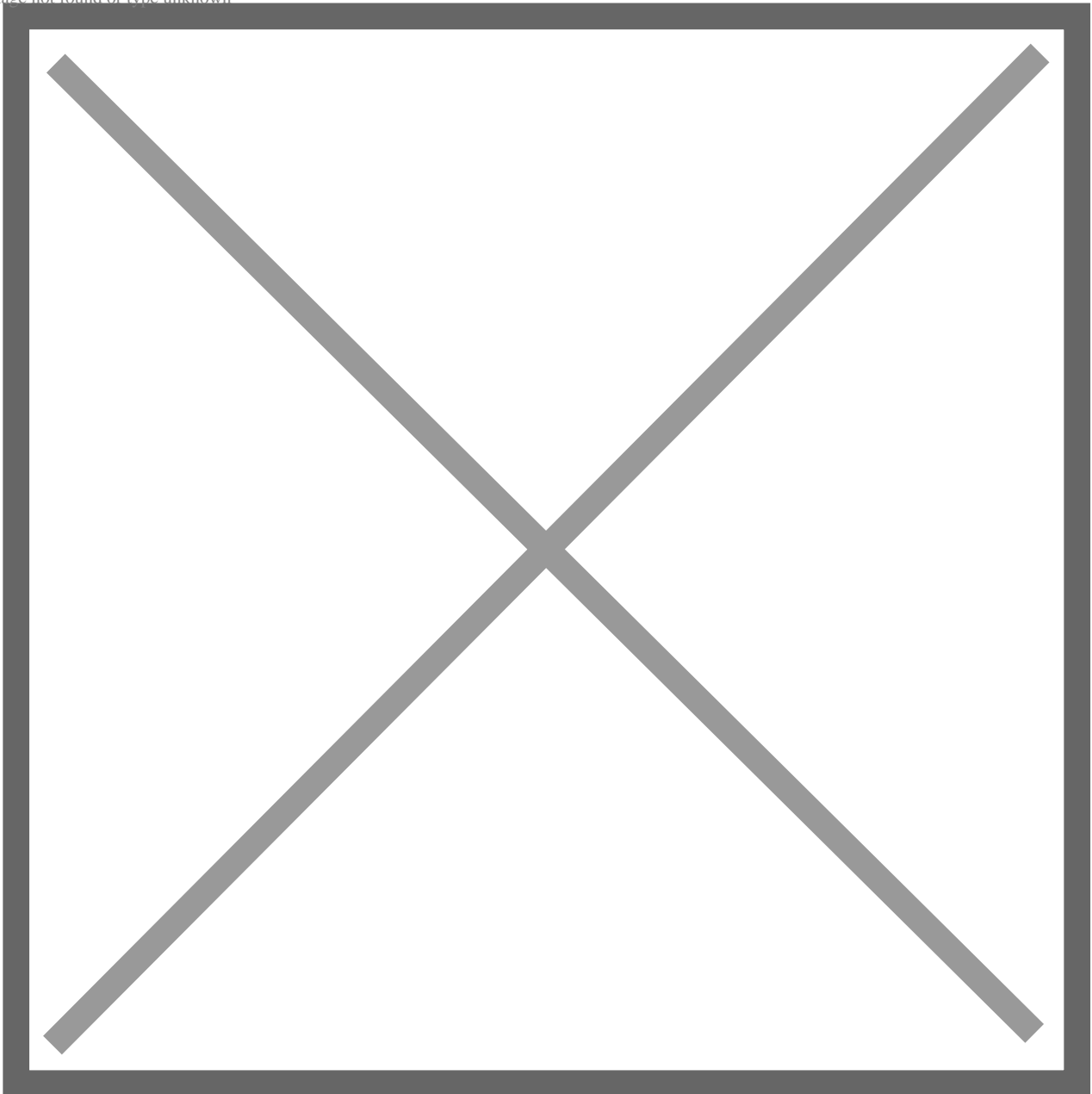
Intracompany – This checkbox is used to indicate that all of the companies are located in one GP Database. Checking this box disables the Destination

Company field. Please see the Intracompany section in this manual for more details.

Default Export File for Remote Postings – If any Trigger Accounts are mapped to GP Companies located on a different server, then it is necessary to define a file location where the remote export file will be created.

The Account Setup window can be sorted either by Source Account or Destination Account using the drop-down box in the bottom of the window.

The Printer icon can be used to print a list of Trigger Accounts.



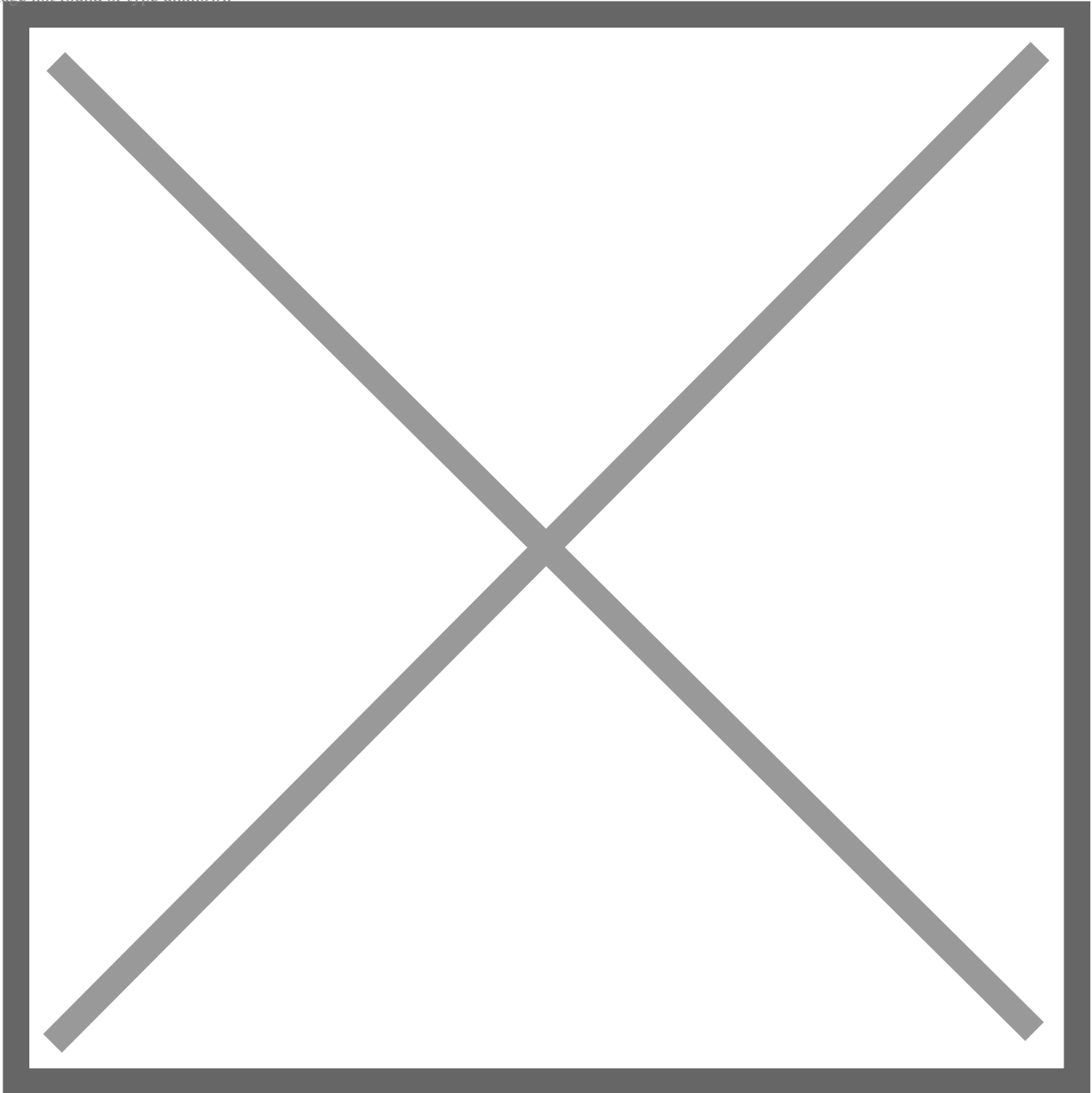
Intercompany Trigger Account EXAMPLE

A Phone bill needs to be split between multiple companies: 00, 01 and 03. In this example, the third segment of the chart of accounts indicates the destination company. Company 00 represents the Source Company (Parent Company) that will be paying the vendor. Company 01 represents the Destination Company 'ICP Destination Company' (ICP) and Company 03 represents the Destination Company 'Advanced Bank Rec' (ABR).

The following entry would be created in the Source Company using Trigger Accounts defined in the Accounts Setup window above:

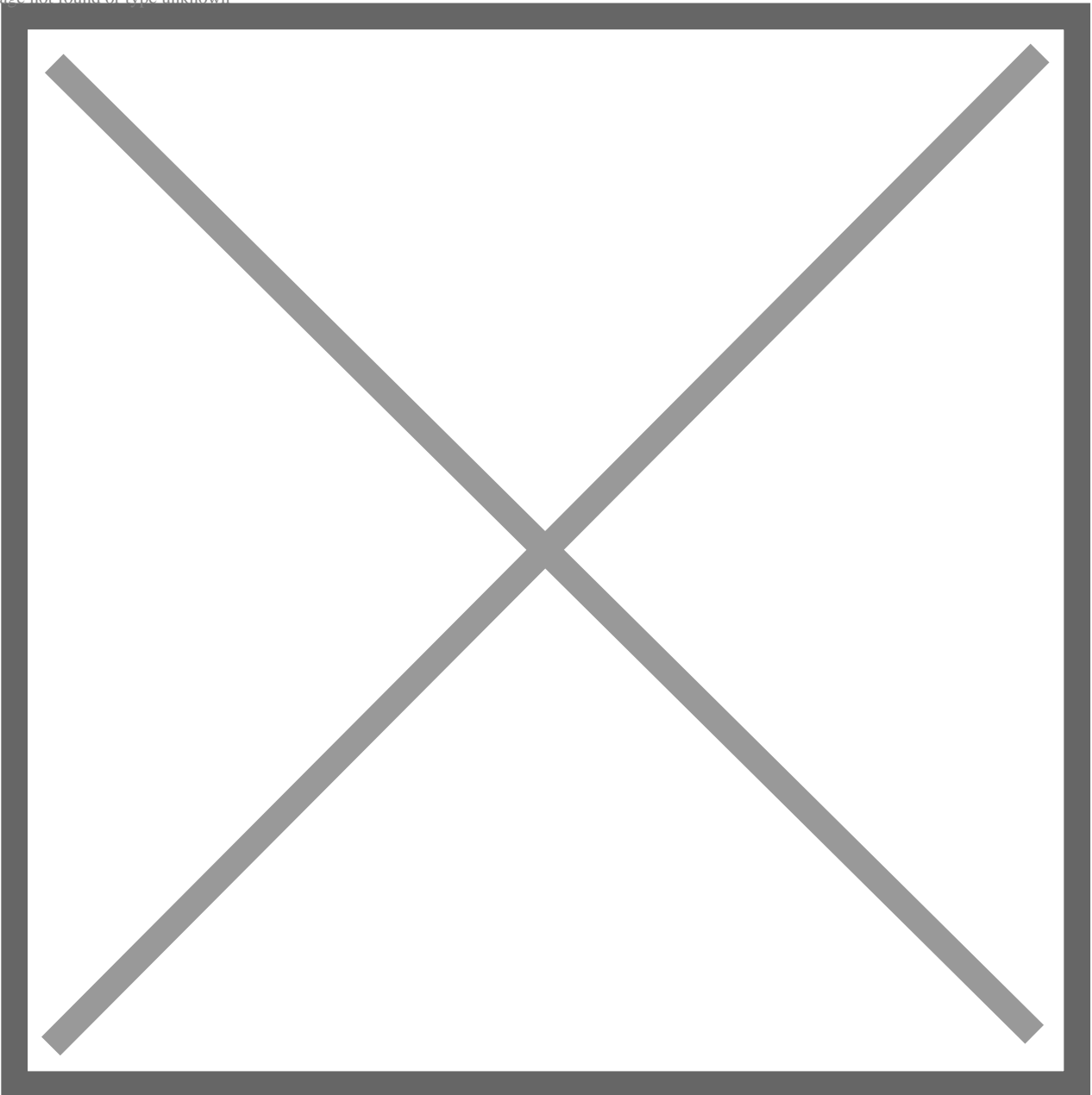
Source Company Voucher Distribution window:

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Source Company GL Posting Journal representing the posting of the AP Source Document to the Source Company GL:

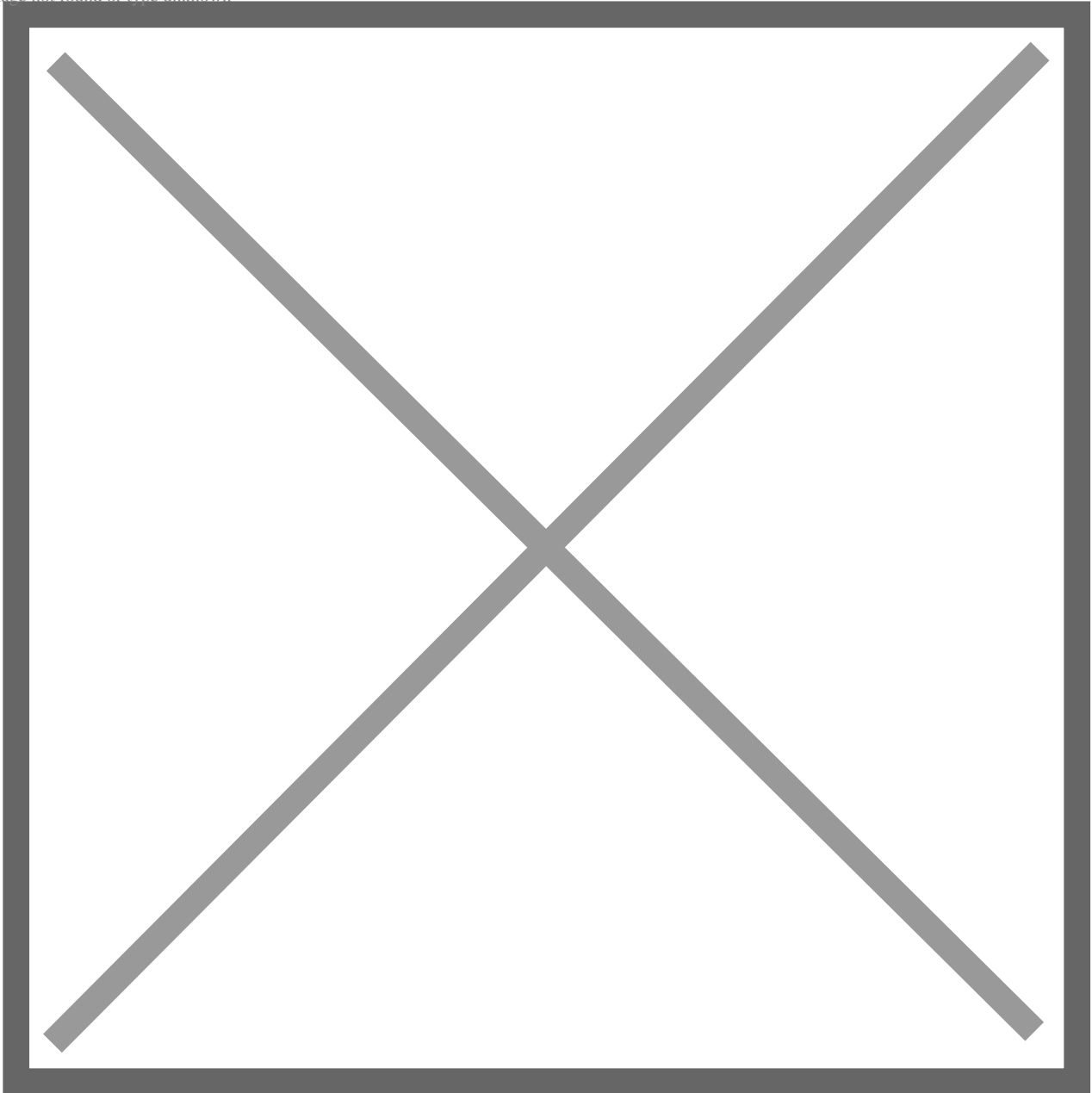
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Once the AP Source Document has posted to the Source Company's GL, then Nolan ICP automatically creates and posts the following entry to clear out the Trigger Account entries from the AP voucher. The end result in the Source Company after this entry posts Debits to the Due From Account for both Company 01 and 03 and a Credit to Accounts Payable. Both of the Trigger Accounts (000-6510-01 and 000-6510-03) now have a zero balance in the Source Company.

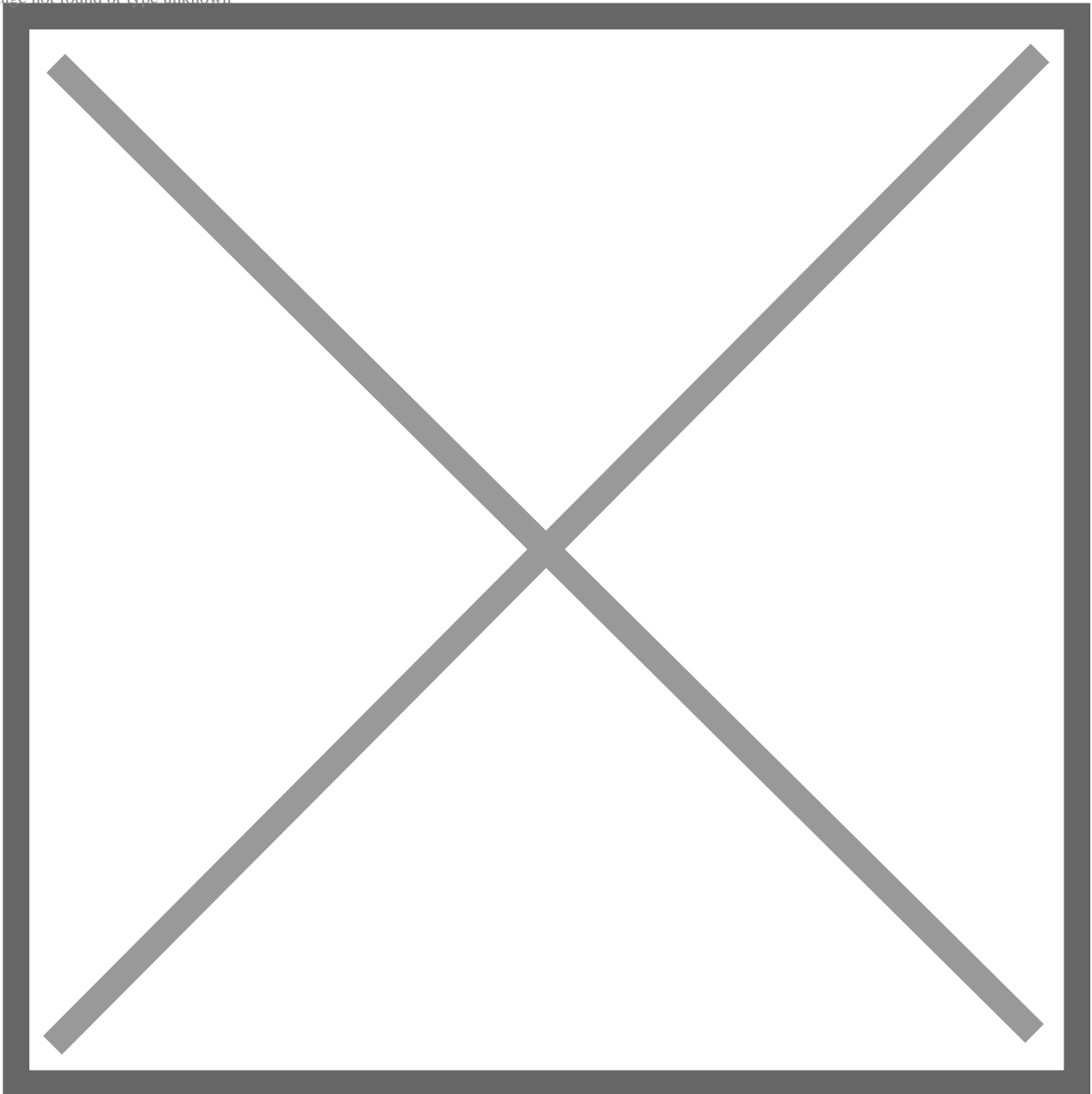
Source Company GL Posting Journal representing the posting of the ICP Source Document Clearing entry to the Source Company GL:

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Source Document ICP Report confirming that Journal Entries were successfully created and posted by ICP in both of the Destination Companies:

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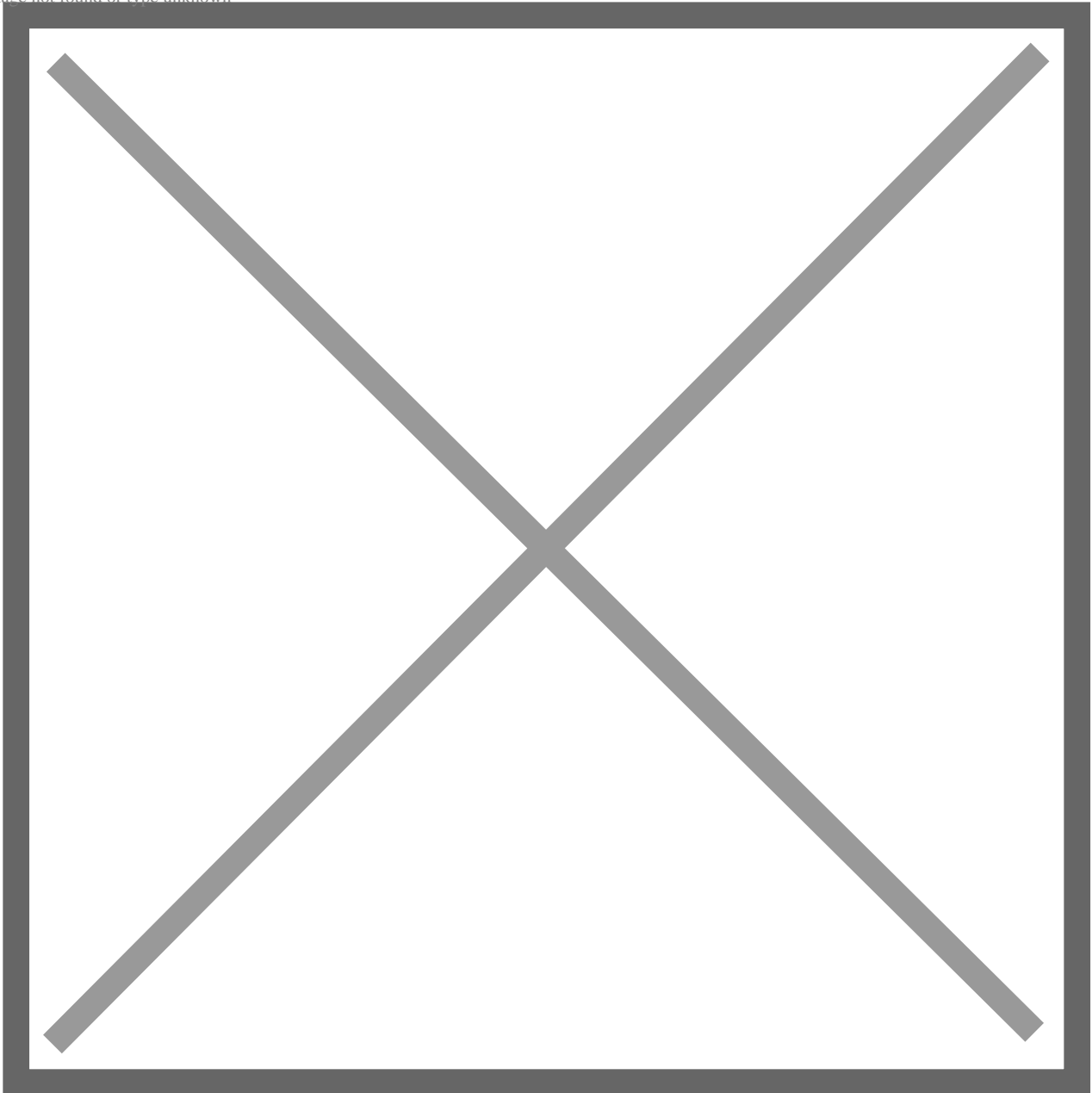


A new feature has been added, where you can rerun the printing of the source and destination companies from within the source company. If you were to open Journal Entry number 3453 (from above) in Fabricam, Inc., in Journal entry Inquiry, an Additional menu will be appear. If you click on Additional >> Print Destination Journal Entry option a report window will open containing Journal Entry detail of 3451 of ICP Destination Company, after closing this report, another report window will open containing Journal Entry number details of 3451 of Advanced Bank Rec Company. This is currently supported for a single

destination but multiple destination will be added in the near future.

Destination Company Transaction Entry Zoom window (Inquiry >> Financial >> Detail) showing the entry automatically created and posted in the destination company:

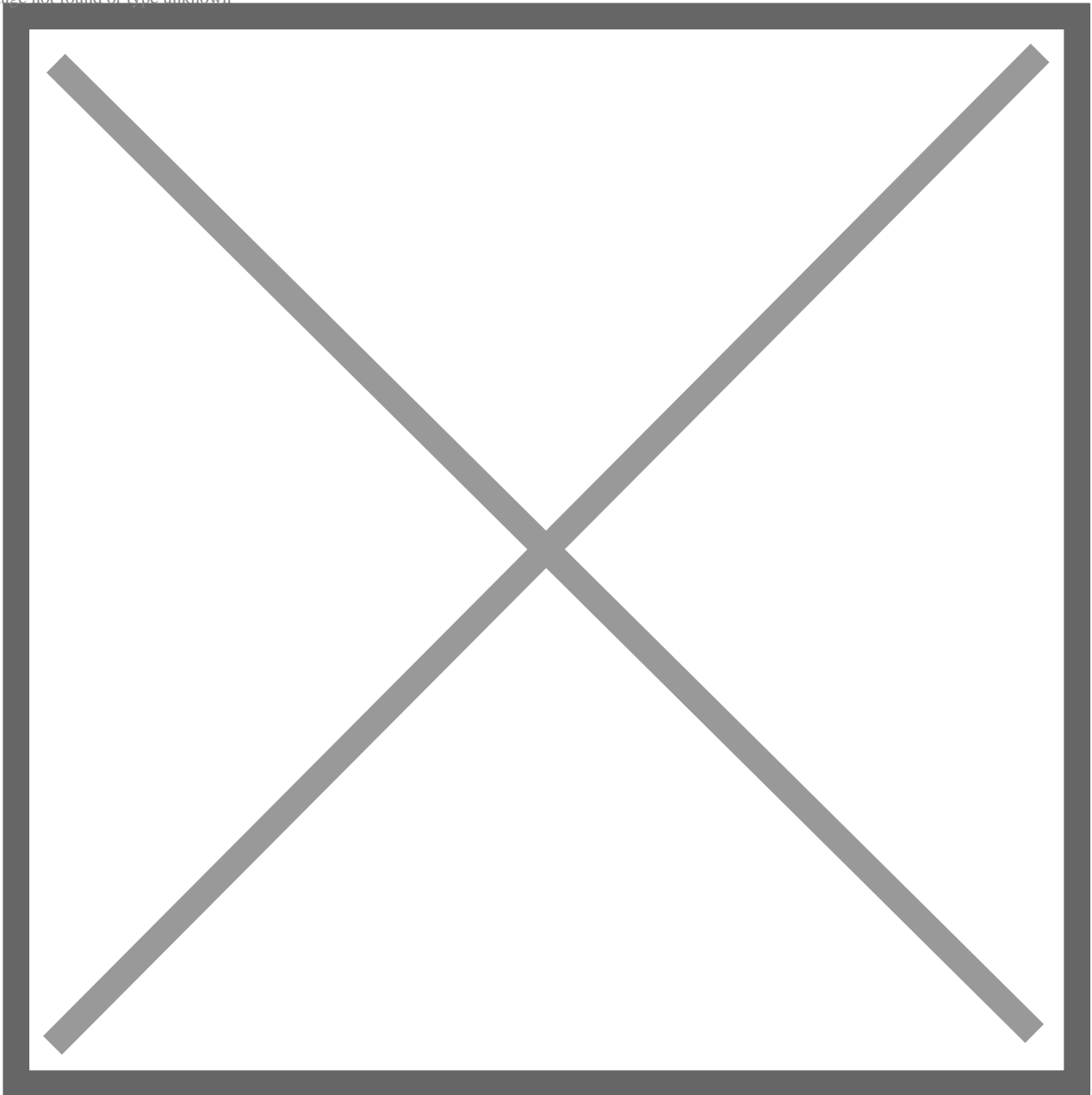
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Clicking on the Source Document Link from the Destination Company's Transaction Entry Zoom window opens the following window displaying the original Source Company AP Voucher. The user did not need to login to a

different company to display this window. They are still logged into the destination company.

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GP SmartLists can also be used in the Destination Company to display details about the Source Company Transactions. Simply add columns to the Financial >> Account Transaction SmartLists to display details from the Originating Transaction. Any column labelled 'Originating' will contain details about the source transaction.

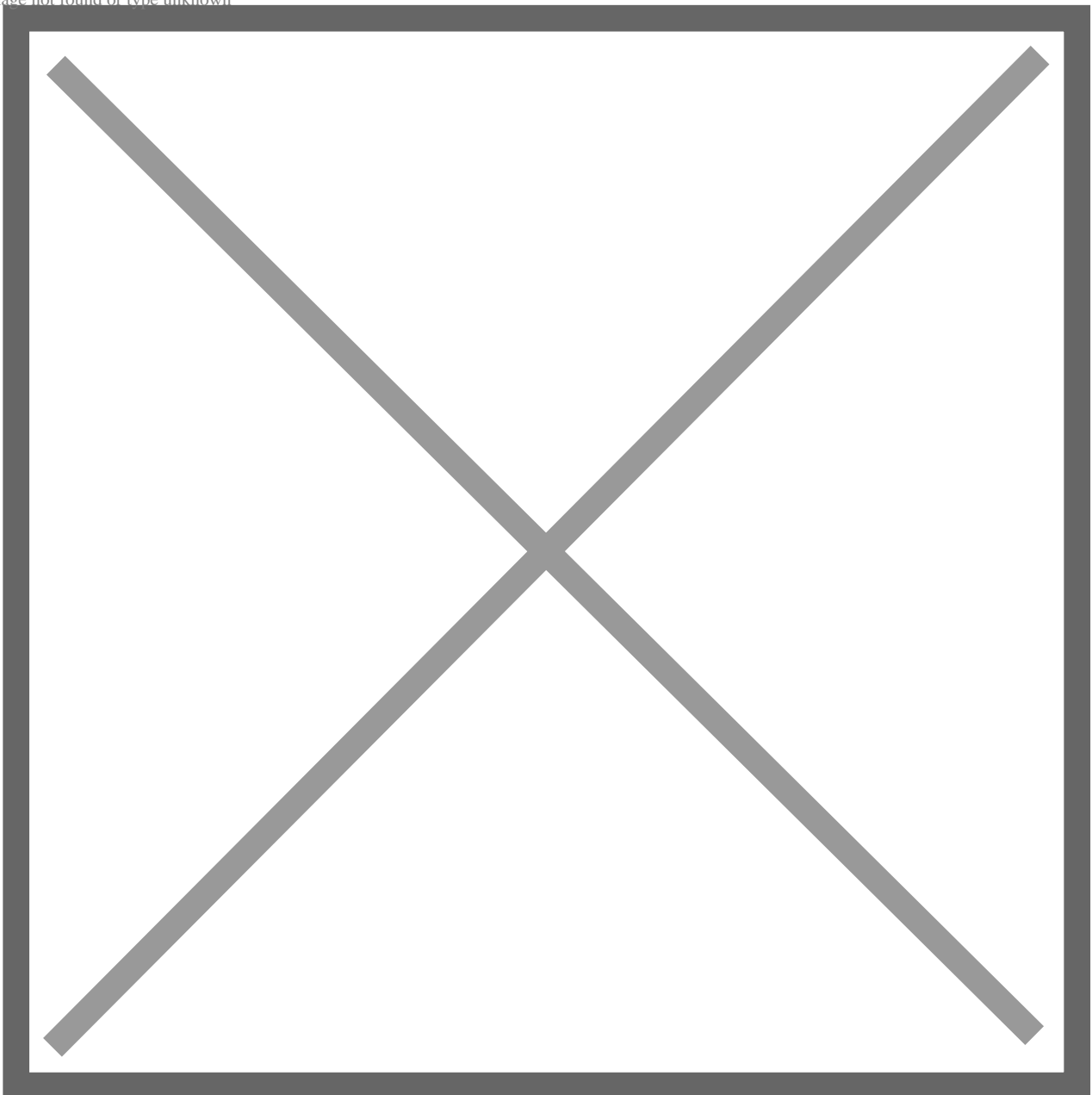
Intercompany Accounts Template Setup

Location

Tools >> Setup >> Financial >> Intercompany Postings >> Template Setup

Layout

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Processing

Trigger Relationships can be mass-created using wildcards in the Accounts Template Setup. This is very practical for companies with many companies and large chart of accounts. It also allows for the rapid change of those relationships.

Each account template is validated against the source and destination company account formats. '?' wildcard values will be copied to each generated account. The same number of wildcards must appear in each instance. '*' wildcards allow for values which are not copied to the destination accounts (e.g. where several source accounts will be summarized into fewer destination accounts or where the destination company's account structure may contain fewer characters).

Trigger Account – An existing GL Account in the Source Company's Chart of Accounts that is used to initiate an Intercompany Transaction.

Source Account – An existing GL Account in the Source Company's Chart of Accounts that is used to offset the original Trigger Account. When Trigger Accounts are used across company databases, the Trigger Account and the Source Account are typically the same Account number. Once a Trigger Account posts to the Source Company's GL, ICP will automatically create and post a second entry in the Source Company. This entry will typically clear out the amount originally posted to the Trigger Account resulting in a zero balance for that account.

Source IC Account – An existing GL Account in the Source Company's Chart of Accounts that represents the Intercompany relationship with the Destination Company. This is commonly referred to as the Intercompany Receivable (Payable) or Due From (To) Account.

Destination Company – A valid GP Database ID/Name. Databases can be selected from the databases available on the same server or a valid Database ID can be entered if it is stored on a separate server.

Destination Account – An existing GL Account in the Destination Company's Chart of Accounts that is linked to the Trigger Account. Typically this is the same

or similar account number as the Trigger Account in the Source Company.

Destination IC Account – An existing GL Account in the Destination Company's Chart of Accounts that represents the Intercompany relationship with the Source Company. This is commonly referred to as the Intercompany Payable (Receivable) or Due To (From) Account.

Reverse MDA Details in Source Company – This option applies to Companies using GP's MultiDimensional Analysis (MDA) module. If this option is checked then any analysis information found on the trigger account will be reversed and assigned to the Source Account when creating the source company posting.

Copy MDA Details in Destination Company – This option also applies to Companies using GP's MultiDimensional Analysis (MDA) module. If this option is checked then any analysis information found on the trigger account will be copied to the Destination Company and assigned to the destination account. The MDA details need to be identical in both databases.

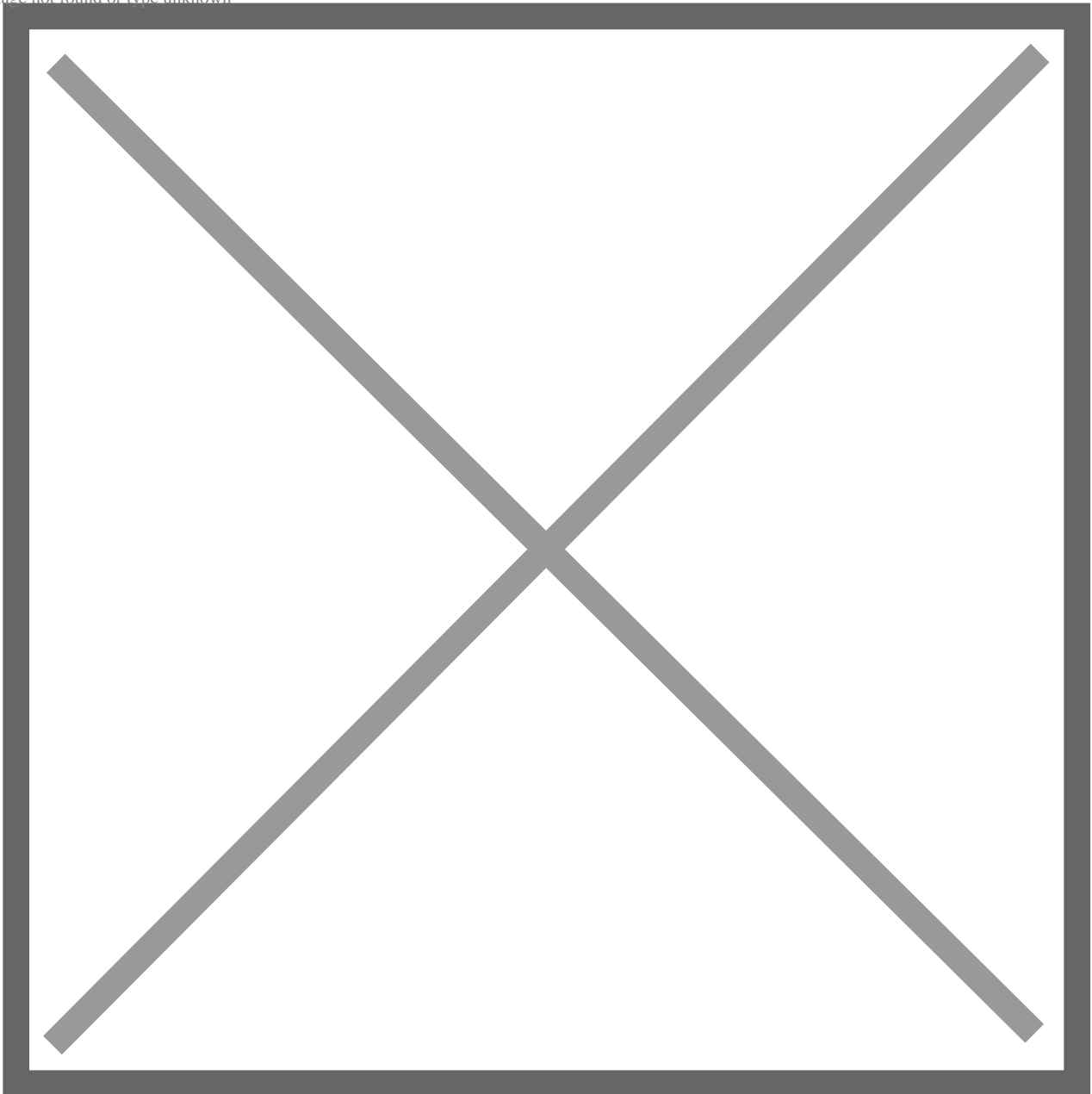
Intracompany – This checkbox is used to indicate that all of the companies are located in one GP Database. Checking this box disables the Destination Company field. Please see the Intracompany section in this manual for more details.

The Template Operation button (at the bottom) controls whether Trigger relationships will be mass-created or mass-deleted.

The Preview button generates a report showing the accounts to be created or deleted in Accounts Setup depending on the template operation selected.

NOTE: Review the Preview report carefully. Accounts will NOT be included on the report if any of the Trigger, Source or Destination accounts are not setup in the appropriate company(s).

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The Process button generates a similar report confirming that the accounts seen in the report have been created or deleted within the Intercompany Accounts Setup window. Processing templates from this window populates the Intercompany Accounts Setup table. Nolan recommends processing templates from this window to experience faster processing times during posting. If you have selected to you use unit accounts in the IC set-up screen, then they are available to be used as a trigger from the accounts set-up screen. Unit accounts are not supported in the process templates screen.

Note: There is functionality available for background processing of large template files. Please refer to Appendix C for details on this process, if recommended by Nolan's support team.

If either of these reports are blank or if they do not display the anticipated results then it is necessary to carefully review the template setup. A blank report typically indicates that one of the fields contains an invalid or non-existing account.

Alternate Intercompany Accounts

Intercompany Postings provides an alternative method of setting up and processing ICP postings. This method has been created to allow for more flexibility during data entry. The Intercompany account relationships are pre-defined but users are able to select any account from the Destination Company's Chart of Accounts during data entry.

The Alternate Method can be used for the following types of transactions:

General Ledger Transaction Entry

Payables Transaction Entry

Receivable Transaction Entry

Bank Transaction Entry

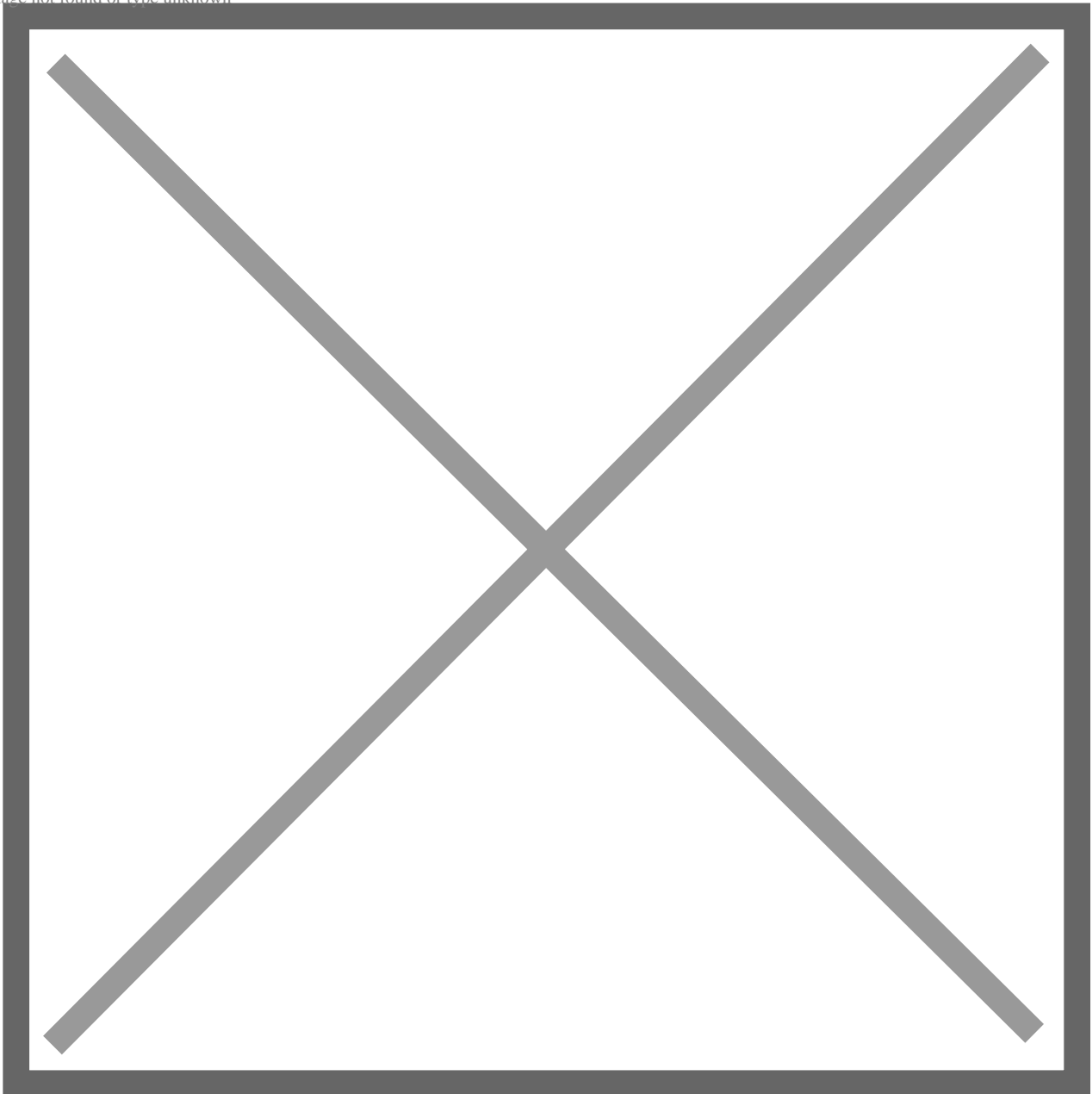
Bank Transfer Entry

Location

Tools >> Setup >> Financial >> Intercompany Postings >> Alternate Accounts Setup

Layout

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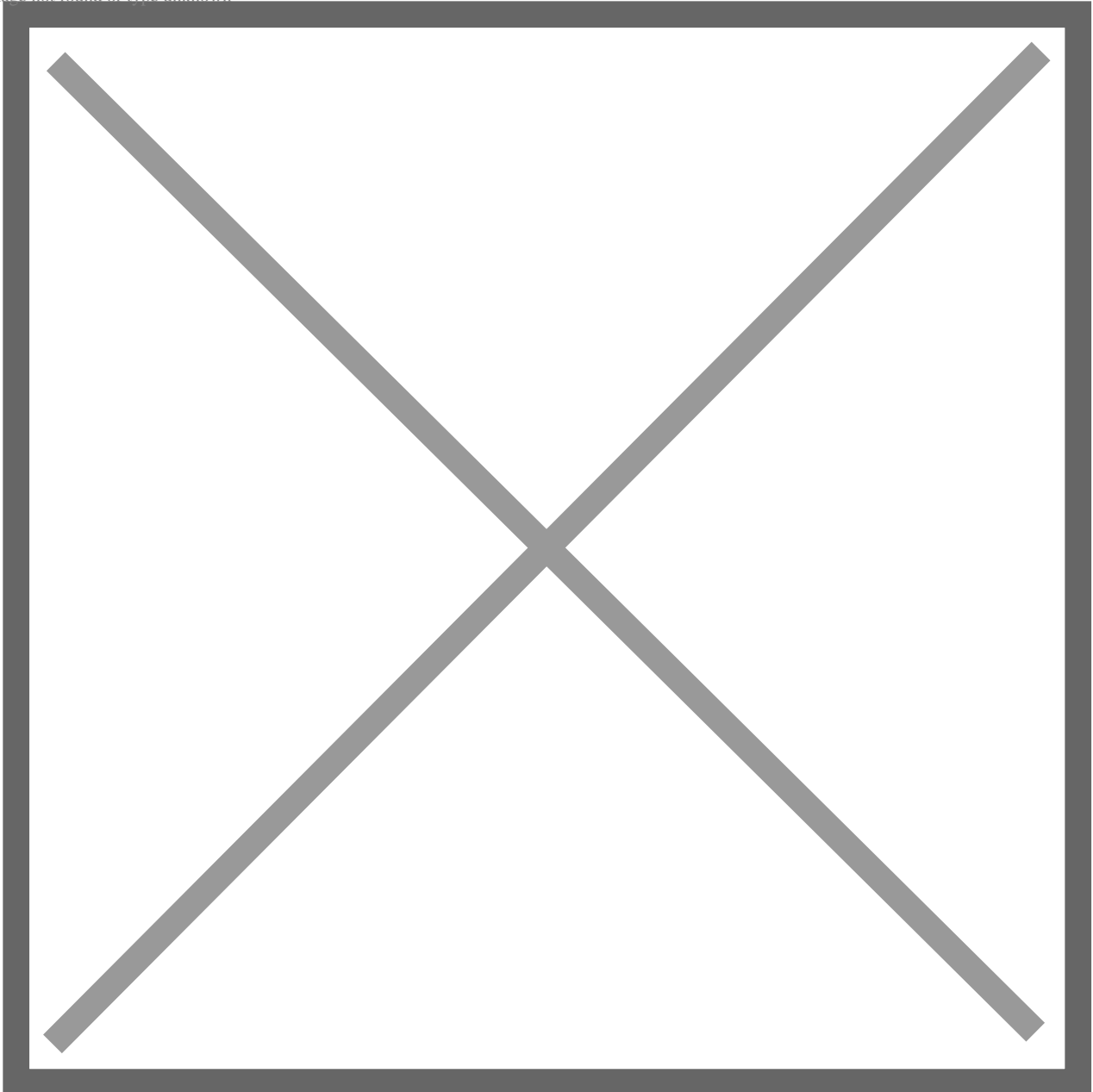


Redisplay (button) – Click this button to populate the grid with existing Alternate Accounts when first opening the screen. This button can also be used in combination with the Source IC Account search field.

Source Company – Displays the current company the user is logged in to, which will be used as the Source Company for all Alternate Accounts being setup or viewed.

Source IC Account (search) – This search field allows the user to look-up a specific Source IC Alternate Accounts, by typing in the account or using the lookup button to select from a list of existing accounts. This field can also be used with wildcards (???-1900-??) in combination with the Redisplay button to display a range of Source IC Accounts.

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Account Setup Entry Area

Source IC Account – An existing GL Account in the Source Company’s Chart of Accounts that represents the Intercompany relationship with the Destination Company. This is commonly referred to as the Intercompany Receivable (Payable) or Due From (To) Account.

Destination Company – A valid GP Database ID/Name. Databases can be selected from the databases available on the same server or a valid Database ID can be entered if it is stored on a separate server.

Destination IC Account – An existing GL Account in the Destination Company’s Chart of Accounts that represents the Intercompany relationship with the Source Company. This is commonly referred to as the Intercompany Payable (Receivable) or Due To (From) Account.

Reverse MDA Details in Source Company – This option applies to Companies using GP’s MultiDimensional Analysis (MDA) module. If this option is checked then any analysis information found on the Alternate Account will be reversed and assigned to the Source Account when creating the source company posting.

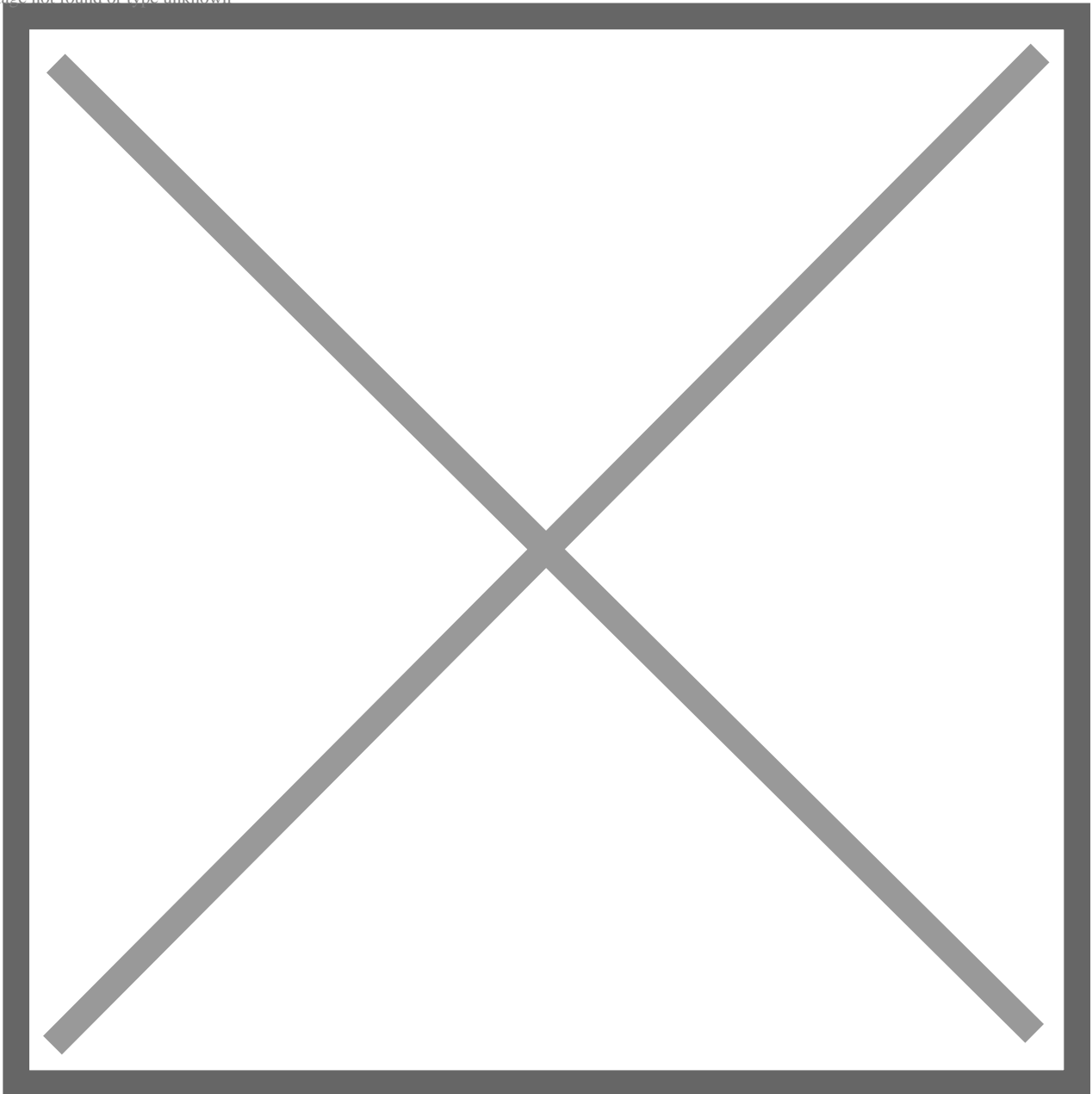
Copy MDA Details in Destination Company – This option also applies to Companies using GP’s MultiDimensional Analysis (MDA) module. If this option is checked then any analysis information found on the Alternate Account will be copied to the Destination Company and assigned to the destination account.

Default Export File for Remote Postings – If any Alternate Accounts are mapped to GP Companies located on a different server, then it is necessary to define a file location where the remote export file will be created.

The Alternate Account Setup window can be sorted either by Source Account or Destination Account using the drop-down box in the bottom of the window.

The Printer icon can be used to print a list of Alternate Accounts.

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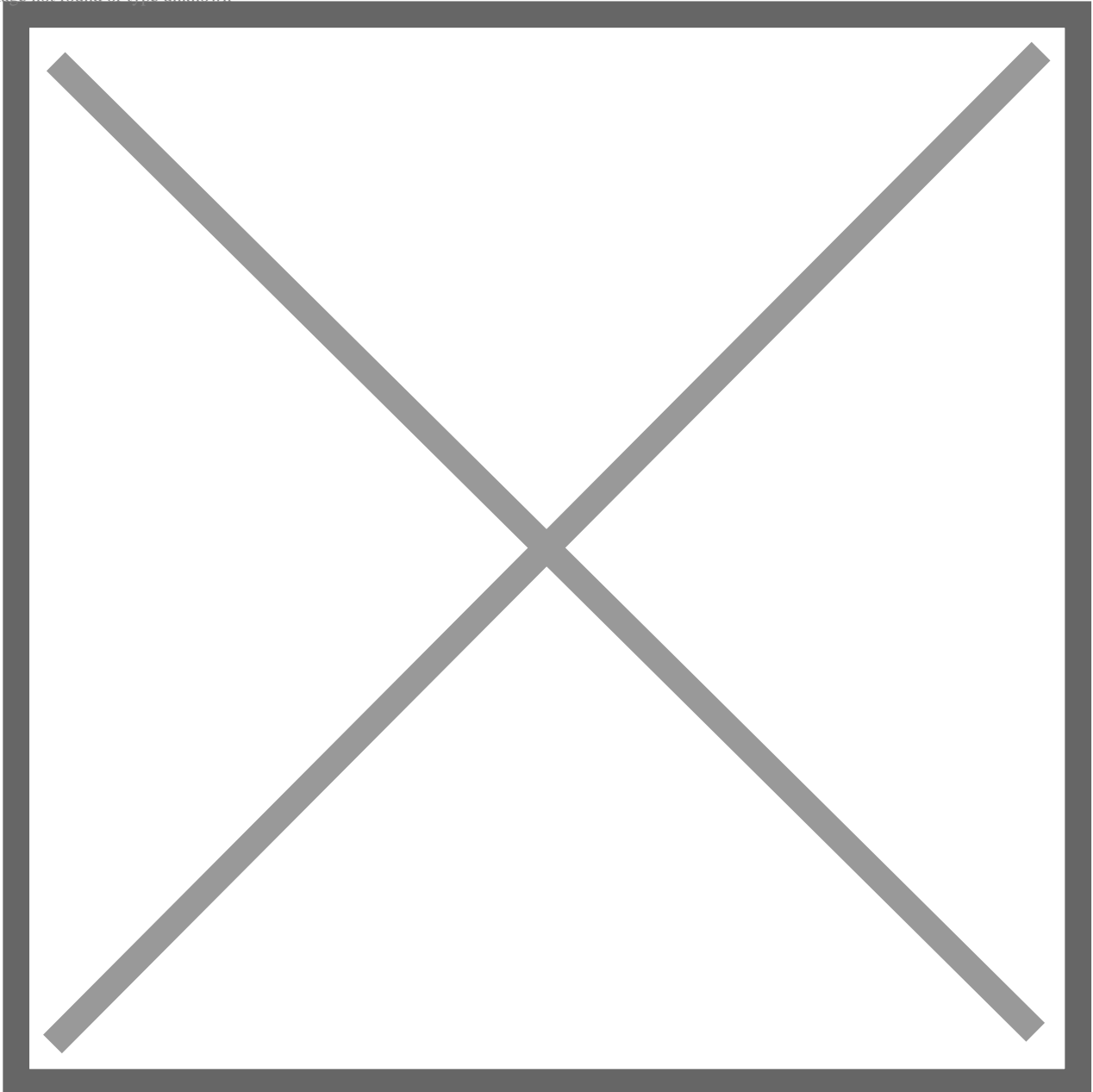
Intercompany Alternate Account EXAMPLE

A Phone bill needs to be split between multiple companies: 00, 01 and 03. In this example, the third segment of the chart of accounts indicates the destination company. Company 00 represents the Source Company (Parent Company) that will be paying the vendor. Company 01 represents the Destination Company 'ICP Destination Company' (ICP) and Company 03 represents the Destination Company 'Advanced Bank Rec' (ABR).

The following entry would be created in the Source Company using Alternate Accounts defined in the Alternate Accounts Setup window:

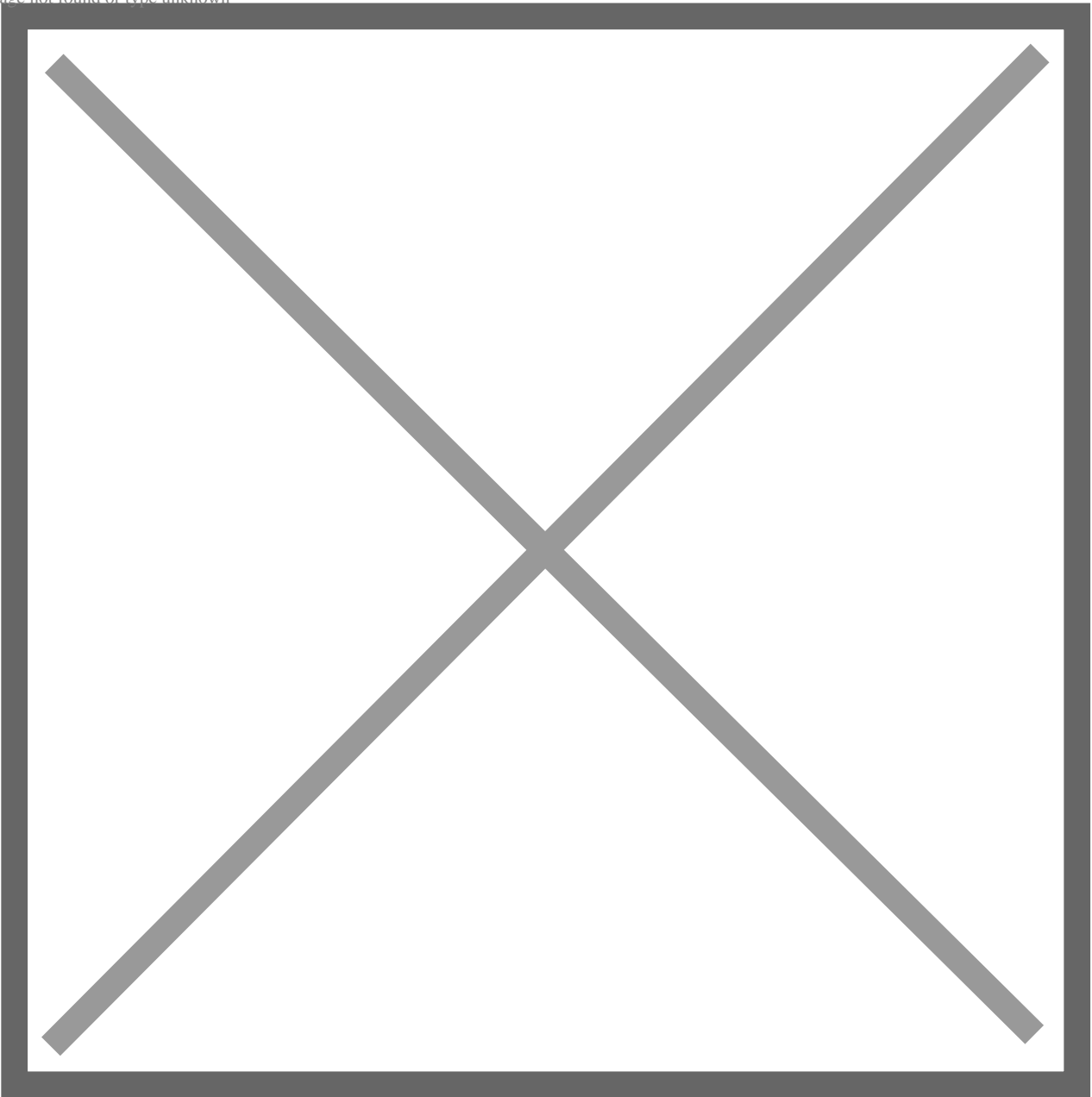
Source Company Voucher Distribution window:

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With the cursor in a Nolan Alternate Account Line item (000-1900-01), click the IC button on the expansion bar near the account lookup button. Clicking the IC button opens the Intercompany Alternate Account Entry window:

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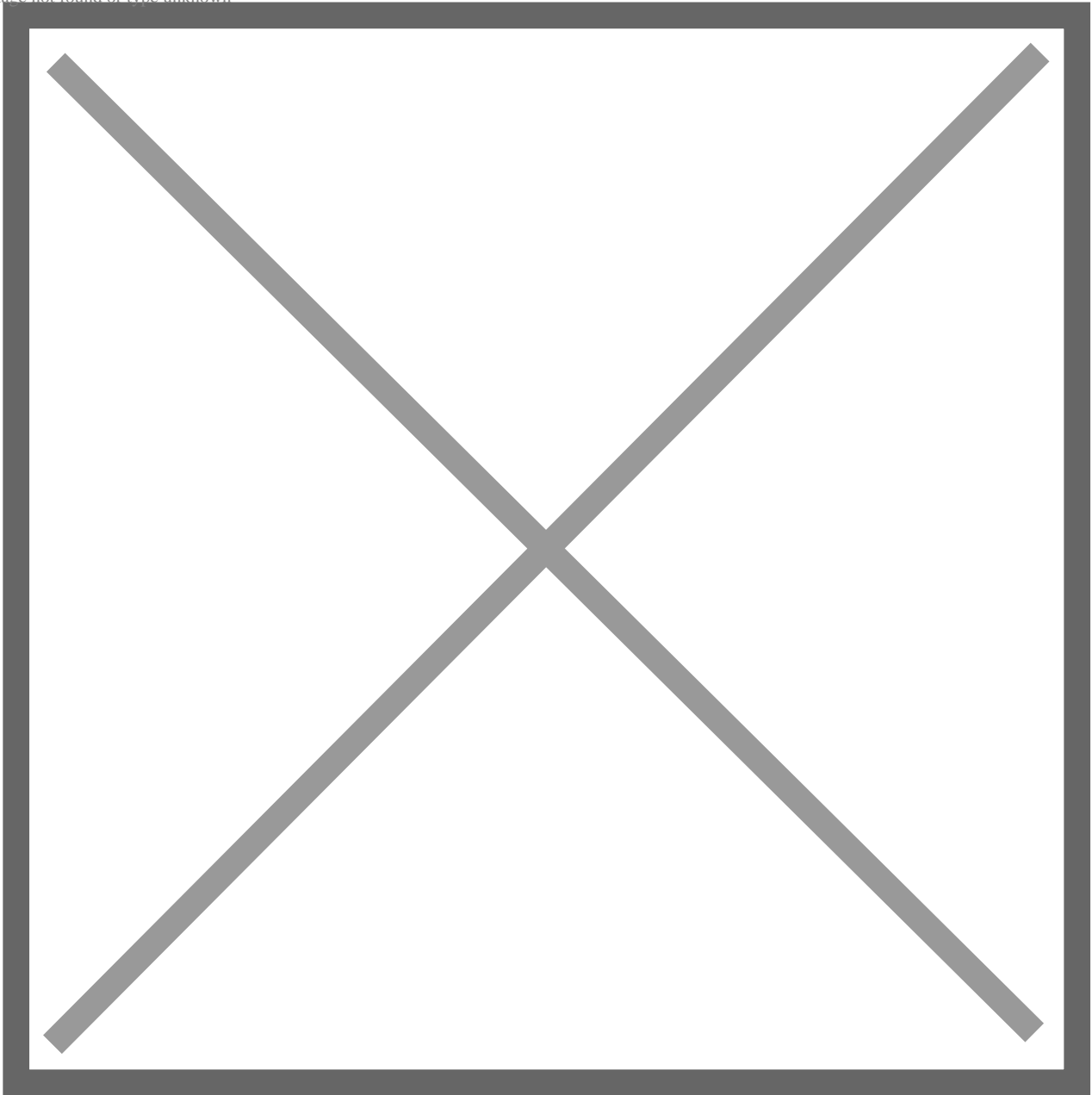


The Account Number highlighted (000-1900-01) represents the Source Company IC Receivable (Due From) Account that has been defined as a Nolan Alternate Account. The Destination Company and Destination IC Account default in from the Alternate Account Setup window. The user needs to enter the Destination Account number that they want to use for this transaction.

The user may enter a partial account number or leave the account number field blank and click on the lookup button to select from the Destination Company's

entire Chart of Accounts as illustrated below:

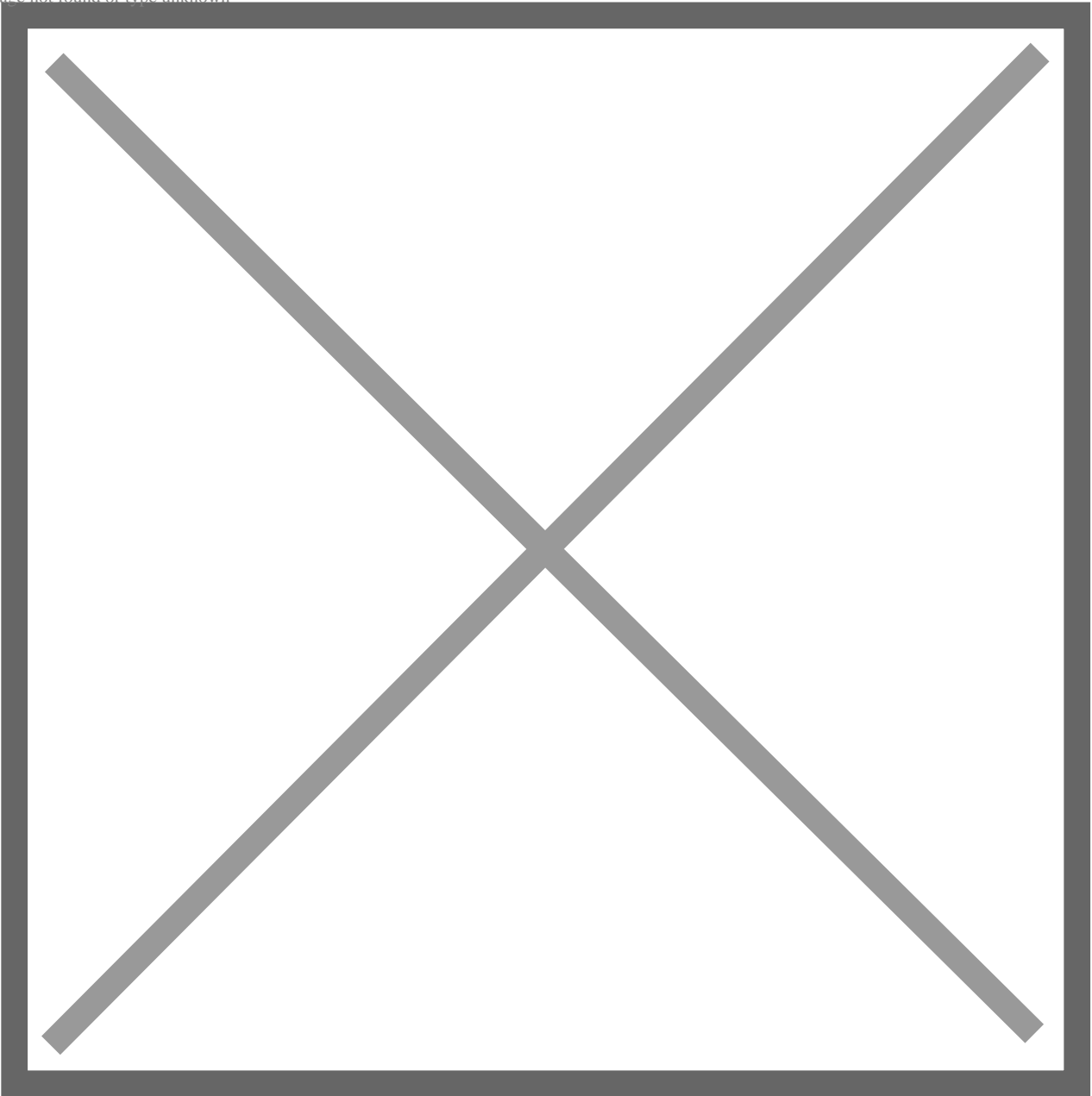
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In the Intercompany Postings Setup (Tools >> Setup >> Financial >> Intercompany Postings >> Intercompany Setup), checking the 'Destination Accounts Required' box will force the user to click on the IC button and define the Destination account before they can save the batch or post the transaction. The following error message will be displayed if a Destination Account is not defined

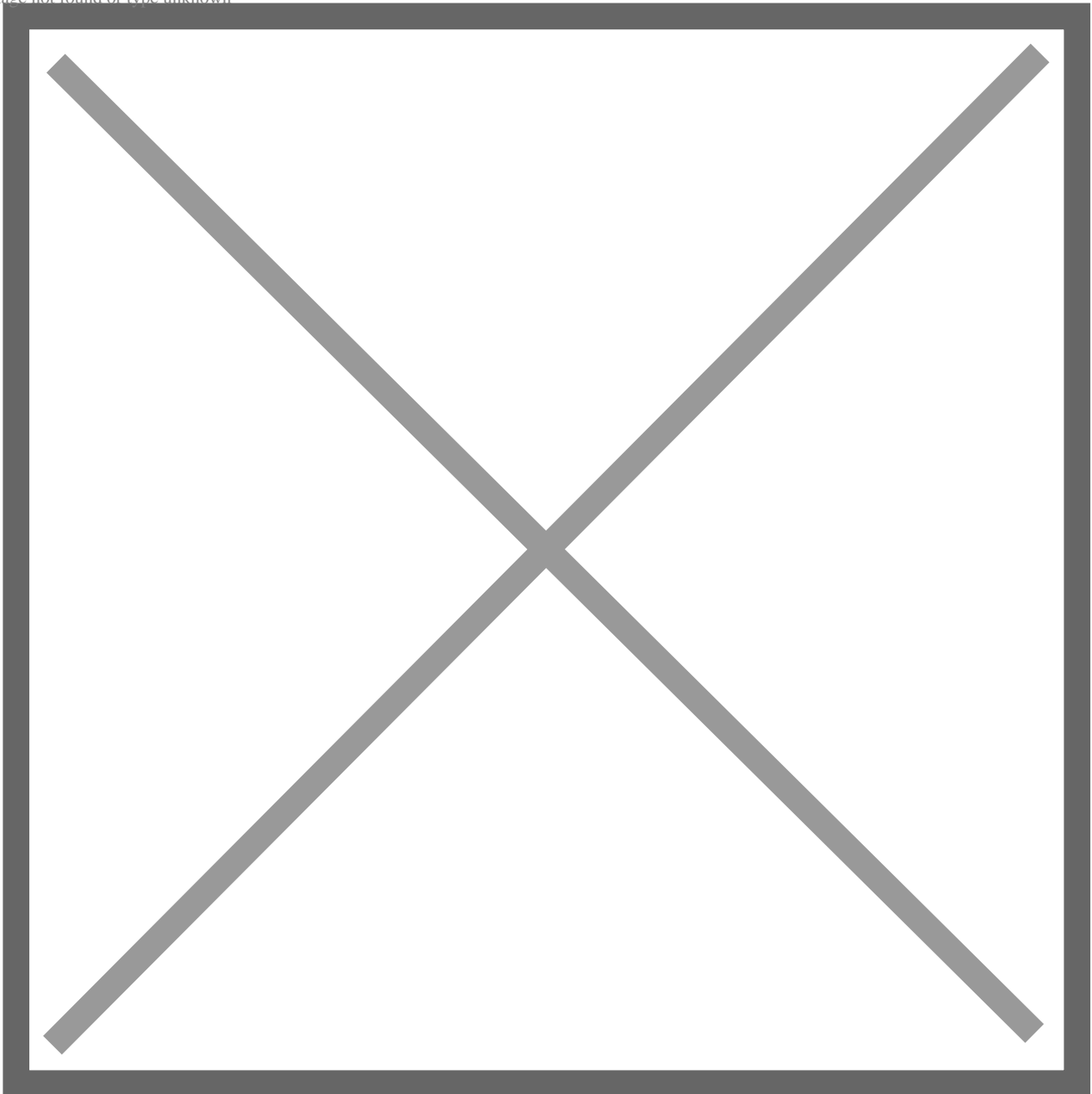
for an Alternate Account:

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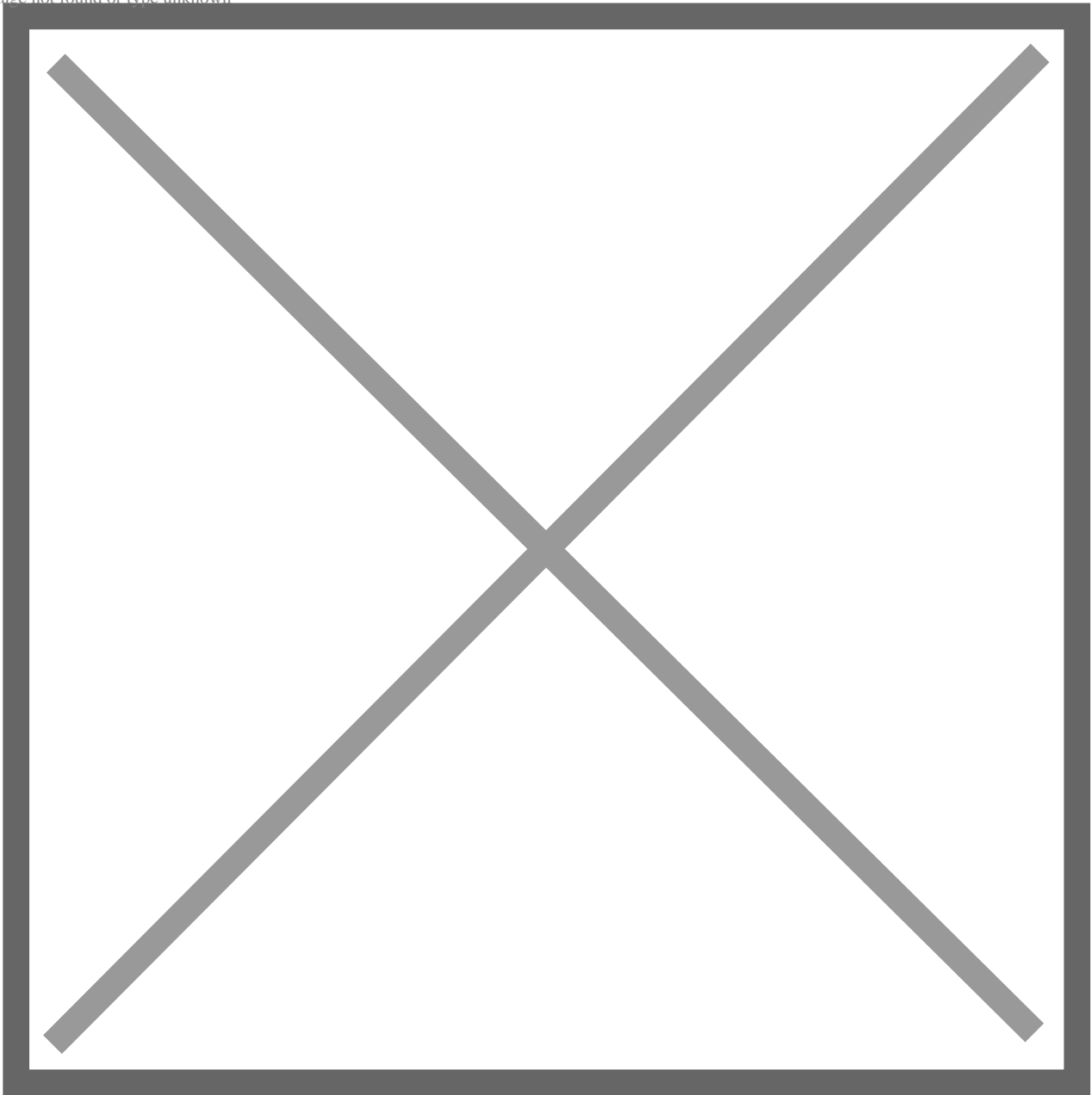
If Destination Accounts are not required and a user charges an amount to an Alternate Account without clicking the IC button, then a balanced entry will be posted in the source company but no entries will be created in the destination company. Clicking the IC button from a non-Alternate Account will also result in an error message.

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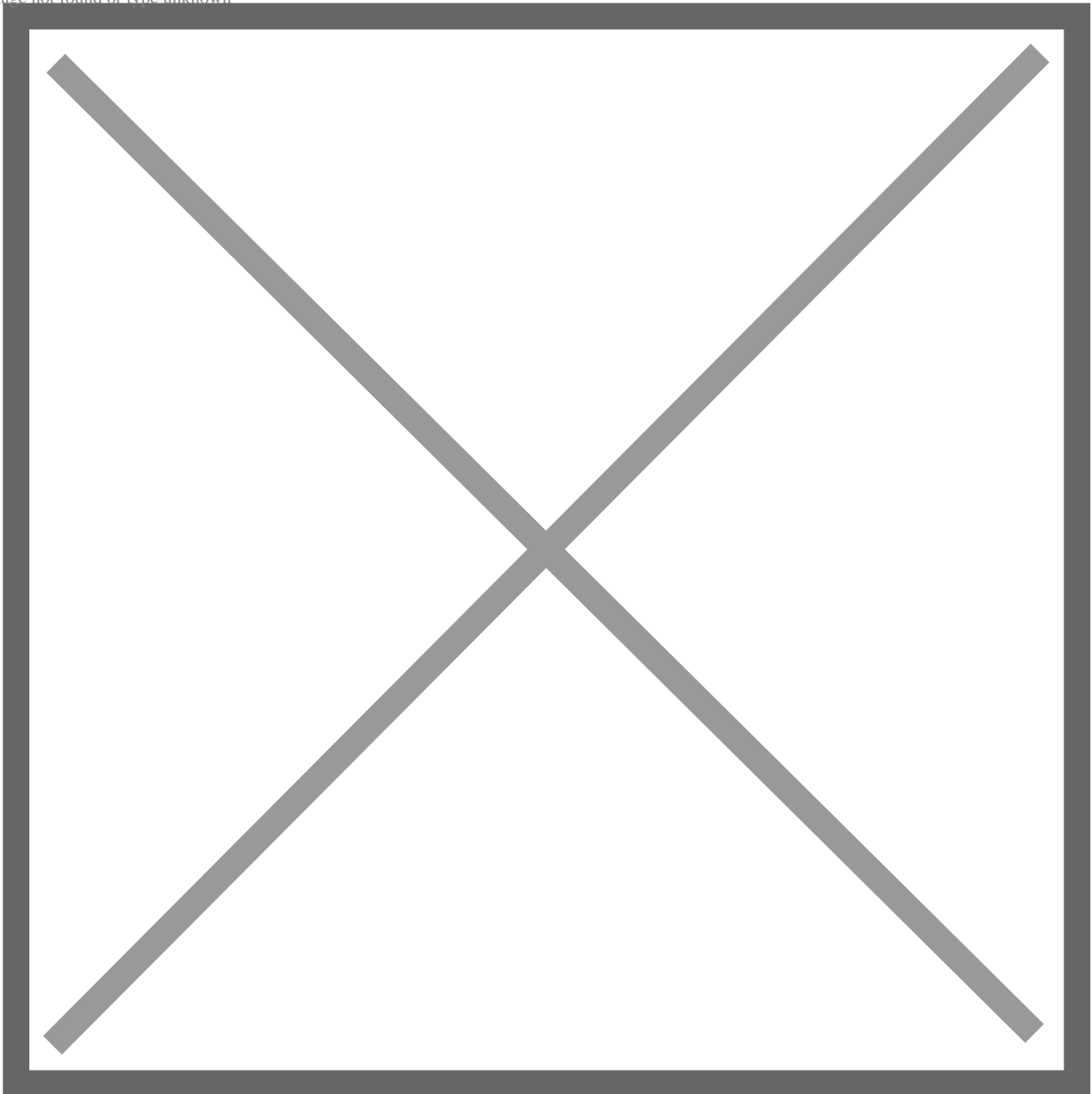
If GL or AP batches are being used with the Alternate Account method, then the user may choose to review a modified Batch Edit Report to view/verify the accounts that will be posted to in both the Source and Destination Companies as illustrated below:

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Source Company GL Posting Journal representing the posting of the AP Source Document to the Source Company GL:

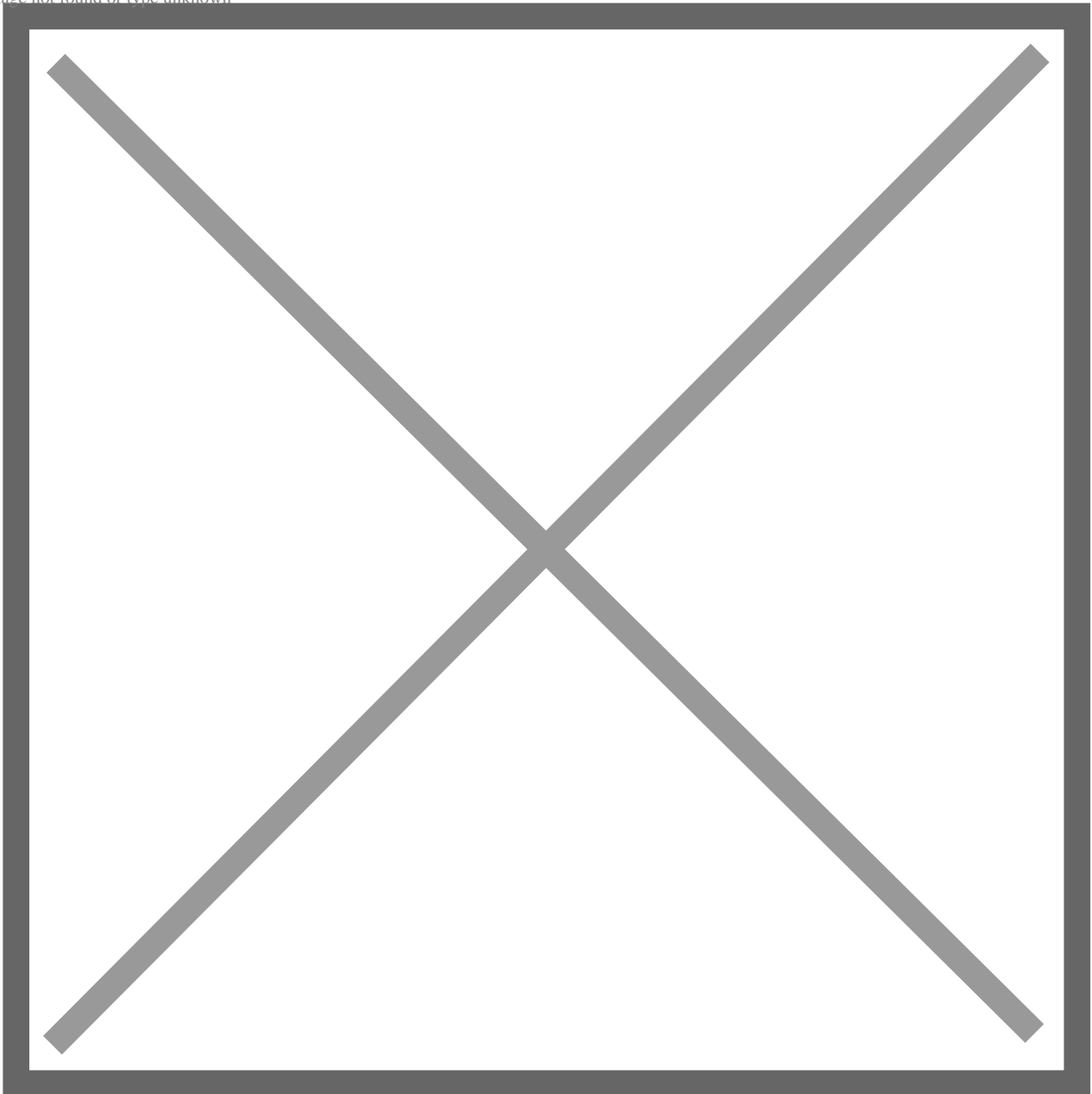
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Since the Alternate Account is the Intercompany Account, no clearing entry is necessary in the Source Company when using Alternate Accounts.

Source Document ICP Report confirming that Journal Entries were successfully created and posted by ICP in both of the Destination Companies:

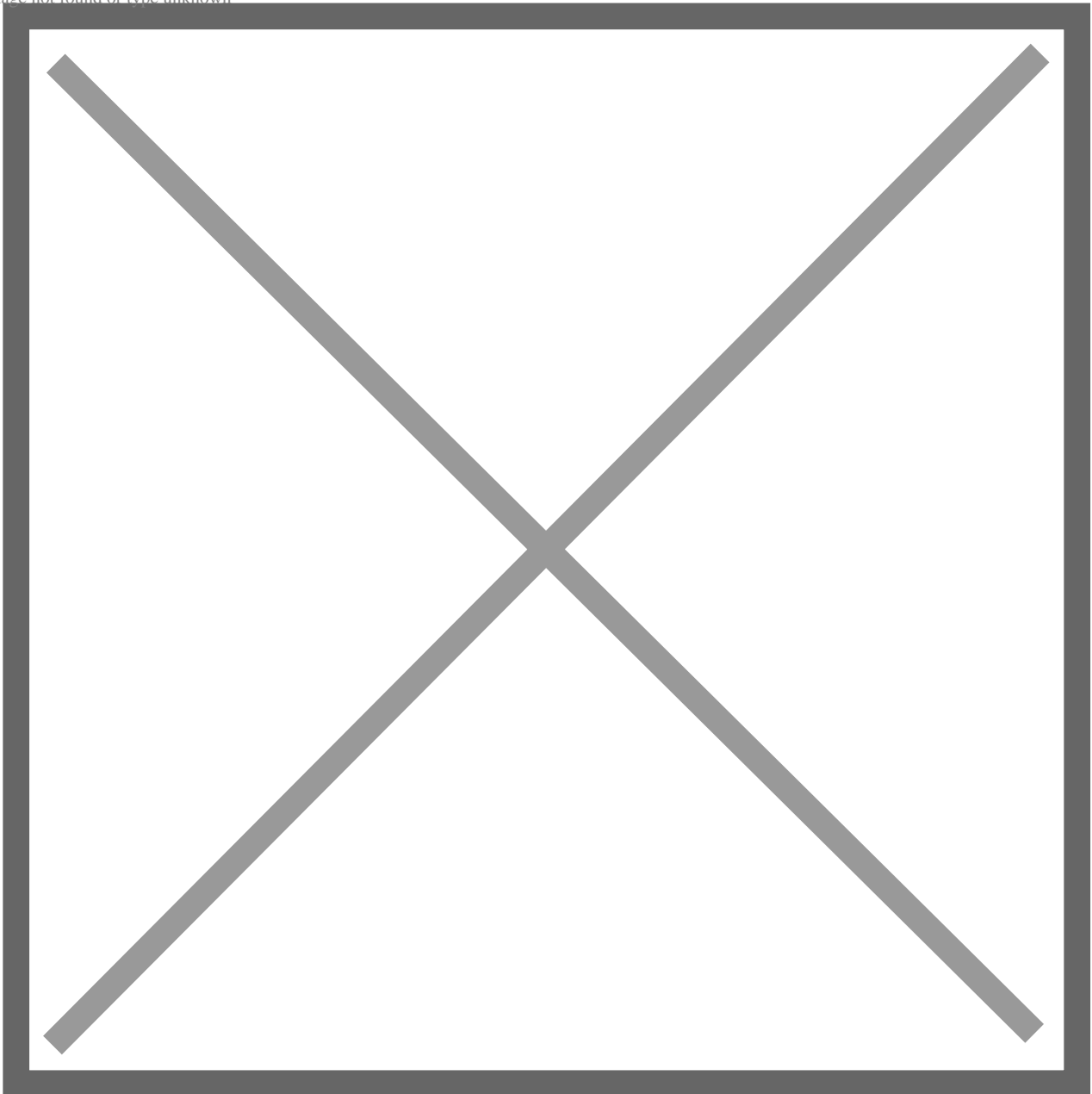
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By the new feature added, if you open Journal Entry 3455 in Fabricam, Inc. Company, in Journal Entry Inquiry form, an Additional Menu will appear. If you click Additional -> Print Destination Journal Entry a report window will open containing details of Journal Entry 3542 of ICP Destination Company.

In the Destination Company open the Transaction Entry Zoom window (Inquiry >>Financial >> Detail), which shows the entry automatically created and posted in the destination company:

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Clicking on the Source Document Link from the Destination Company's Transaction Entry Zoom window opens the following window displaying the original Source Company AP Voucher. The user does not need to login to a different company to display this window. They are still logged into the Destination Company.

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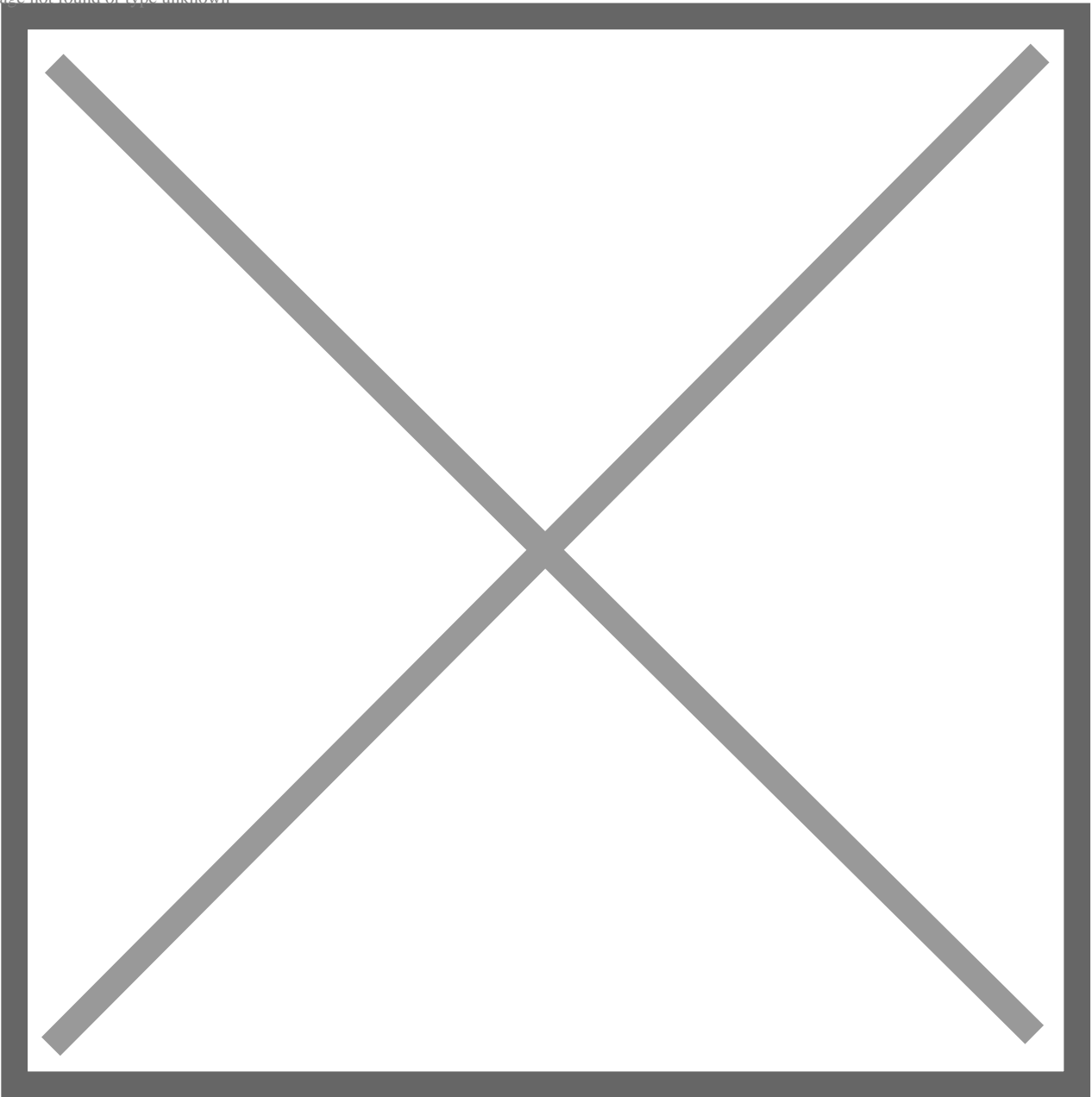
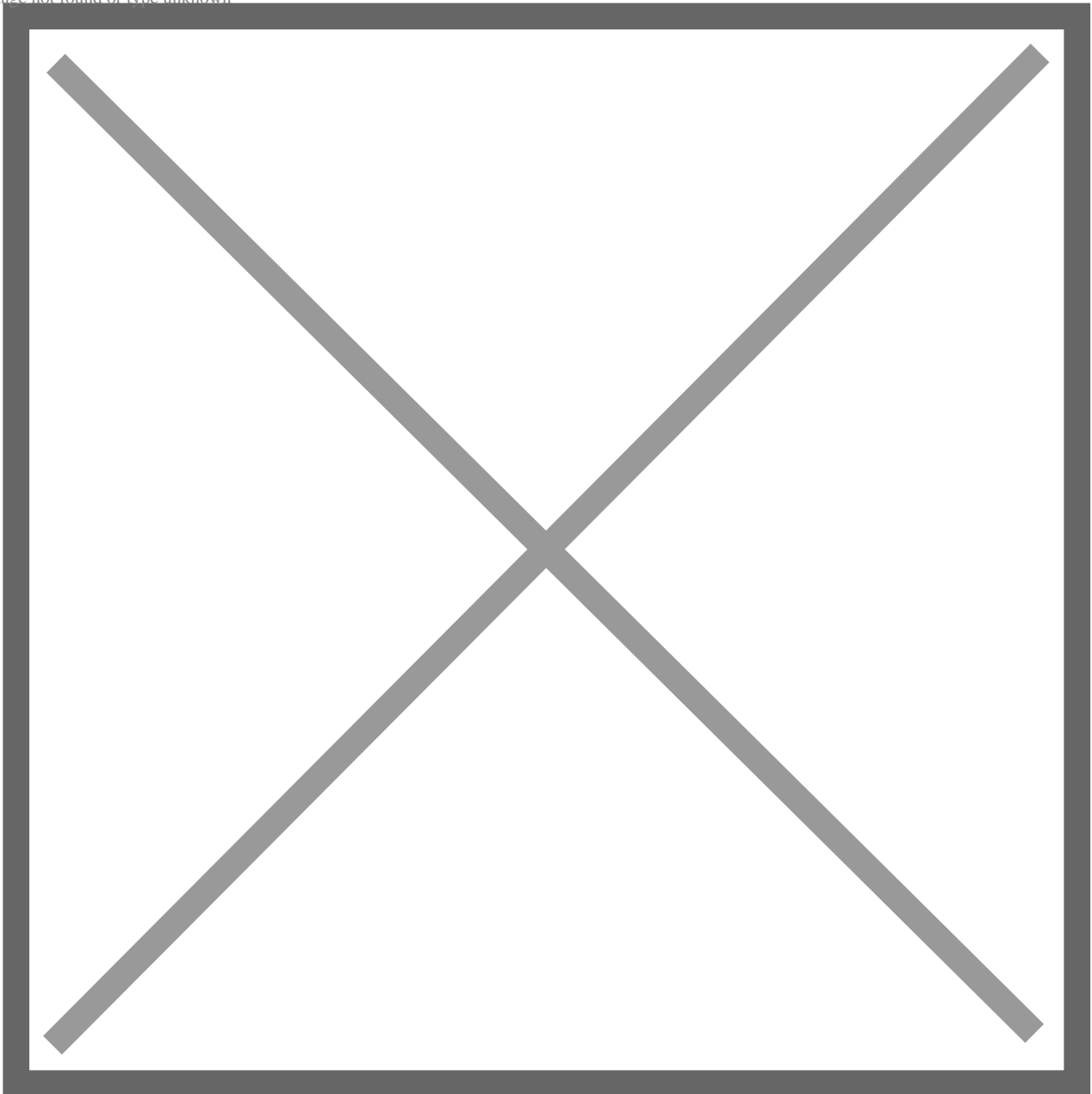


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GP SmartLists can also be used in the Destination Company to display details about the Source Company Transactions. Simply add columns to the Financial >> Account Transaction SmartLists to display details from the Originating Transaction. Any column labelled 'Originating' will contain details about the source transaction.