

INTERCOMPANY POSTINGS

Microsoft® Business Solutions-Navision®

Intercompany Postings helps you manage subsidiary and satellite offices more efficiently.

Key Benefits:

- Increase productivity by reducing your workload.
- Minimize errors across your organization.
- Maintain a complete audit trail.
- Gain a built-in solution for intercompany transactions.

Simplify Processes Across Your Organization

Intercompany Postings is functionality within Microsoft Navision that allows you to create intercompany transactions between any two companies within a group controlled by the same legal entity. This simplifies accounting and financial management across your organization.

Using Intercompany Postings, you can create all the necessary documents (including sales and purchase documents and general ledger entries) for the entire workflow, for more than one company at a time.

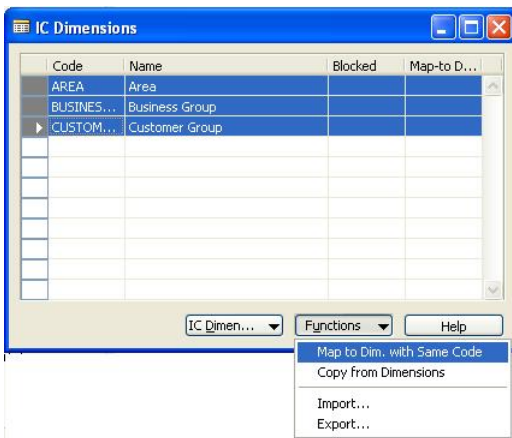
All of your companies must be using Microsoft Business Solutions-Navision 4.0 and the ideal scenario is when a parent company is carrying out transactions or exchanging financial information between subsidiaries or satellite offices.

The functionality allows for multiple databases, multiple currencies, different charts of accounts, and multiple languages.

Increase Productivity by Reducing Your Workload

Imagine you own a construction company, with several subsidiaries. All raw materials are sold to the subsidiaries or 'partner' companies from a central warehouse, thus centralizing costs from external vendors and reducing the work associated with payments.

Using Intercompany Postings, you simply set up a customer account for each of the relevant 'partners,' and they set up a vendor account for the parent company warehouse. Microsoft Navision then treats each like a normal 'customer' or 'vendor.'



Dimensions used for Intercompany Postings are set up in a separate IC Dimensions table

To order cement from the central warehouse, a 'partner' simply sends a purchase order to the Vendor account representing the warehouse within Microsoft Navision. The order arrives at the warehouse as a Sales Order for that partner's 'customer account.'

Once the sale is complete, an invoice is posted and sent from the warehouse to the 'partner' and the transaction is completed in both companies.

All of these transactions occur within Microsoft Navision; time is saved throughout your organization because you eliminate multiple data entry as well as the sending, receiving, and printing of paper documents at the various sites.

The receiving company can reject documents and the sending company can then reverse any incorrect postings. An updated purchase order can also be sent as long as nothing has been sent from the selling company. The user is in full control of all documents.

Minimize Errors Across Your Organization

The Intercompany Transaction report documents the transactions and eases the intercompany reconciliation process. The report has three sections: General Ledger entries; Customer Ledger entries and Vendor Ledger entries that together give a total overview of transactions with each 'partner.' Filters on the report can be used to drill down and view the source of out-of-balance cases.

Assuming the document flow is normal and the proper procedures have been followed, the reconciliation process should not reveal out-of-balance items.

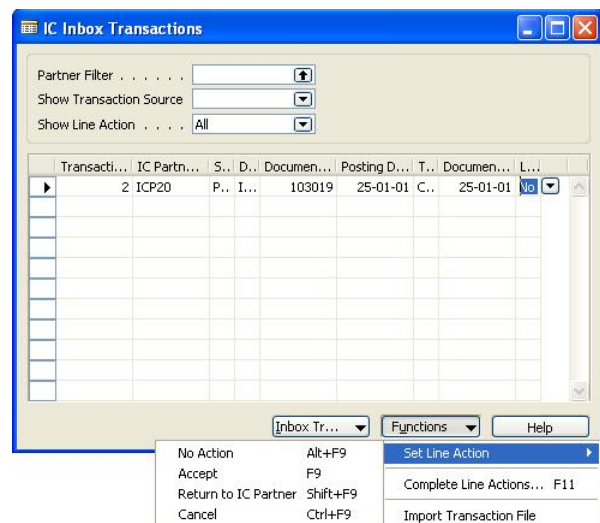
And in those cases where discrepancies appear, it is easy for the users to identify the source using the Intercompany Transaction report.

Maintain a Complete Audit Trail

Intercompany Postings will provide you with a clear overview of the transaction flow for all of your intercompany transactions. This is of particular benefit to the chief accountant during the reconciliation of accounts across the greater organization.

Any of your affiliated companies can initiate the document flow by posting a document. The corresponding partner documents are then sent to the appropriate partner, or the parent company, for processing. An audit trail is visible from both the parent company and the subsidiaries at all times.

Where Customer and Vendor functionality is concerned, the document numbers allow you to follow the flow of the transactions. In addition, all of your intercompany postings are marked with an IC Partner Code for reporting purposes and the usual audit trails; for instance, entry number and source code are applied. All documents are therefore easy to find in both companies involved in a transaction. This again eases the periodic reconciliation processes.



The IC Inbox gives the user full control of all incoming intercompany transaction information.



A Built-in Solution for Intercompany Transactions

Intercompany Postings can help turn an isolated group of subsidiaries into one 'virtual' company. To facilitate international partners, you can use different currencies as well as different charts of accounts. The Customer and Vendor functionality handles the VAT regime of each partner's country of residence.

The functionality can also handle companies using different databases: the data transfer takes place using XML-files that are placed in a specified network folder or mailed to a designated receiving e-mail account, using the sending user's e-mail client.

Technical Information

Intercompany Postings is a Microsoft Navision feature, requiring all parties to use Microsoft Navision (4.0). There are no specific security features added for Intercompany Postings; the security level when sending XML-files is dependent on the security level for the given network (for example, corporate LAN) and/or the mail-client security (which normally allows the user to encrypt the data sent).

Ask Your Partner

To learn more about Microsoft Business Solutions-Navision, contact your Microsoft Certified Business Solutions Partner. They have the expertise to design a solution that fits your specific business needs. Or, visit our website at:

<http://www.microsoft.com/BusinessSolutions>

About Microsoft Business Solutions

Microsoft Business Solutions, a division of Microsoft, offers a wide range of integrated, end-to-end business applications and services designed to help small, midmarket, and corporate businesses become more connected with customers, employees, partners, and suppliers. Microsoft Business Solutions' applications optimize strategic business processes across financial management, analytics, human resources management, project management, customer relationship management, field service management, supply chain management, e-commerce, manufacturing, and retail management. The applications are designed to provide insight to help customers achieve business success. More information about Microsoft Business Solutions can be found at www.microsoft.com/BusinessSolutions.

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| Key Features | Description |
|---|---|
| CREATE INTERCOMPANY POSTING DOCUMENTS; ORDERS, INVOICES, CREDIT MEMOS, RETURN ORDERS, AND GENERAL JOURNAL ENTRIES | <ul style="list-style-type: none"> ▪ Create intercompany transactions between any two companies within a group controlled by the same legal entity ▪ Handle transactions such as documents, orders, invoices, credit memos, return orders, and General Journal entries |
| FLEXIBLE SETUP WITH DIFFERENT DATABASES | <ul style="list-style-type: none"> ▪ The functionality can handle companies using different databases: the data transfer takes place using XML-files that are placed in a specified network folder or mailed to a designated receiving e-mail account, using the sending user's e-mail client. |
| INTERCOMPANY TRANSACTION REPORT | <ul style="list-style-type: none"> ▪ The Intercompany Transaction report documents all of your intercompany transactions, eases the intercompany reconciliation process, and provides an audit trail. |
| USE DIFFERENT CHART OF ACCOUNTS | <ul style="list-style-type: none"> ▪ To facilitate international partners you can use different currencies as well as different 'charts of accounts.' |
| USE DIFFERENT CURRENCIES. | <ul style="list-style-type: none"> ▪ To facilitate interaction with international partners you can use different currencies. |

System Requirements

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| TO OBTAIN ALL OF THE FEATURES MENTIONED IN THIS FACT SHEET, THE FOLLOWING MODULES AND TECHNOLOGIES ARE REQUIRED: | <ul style="list-style-type: none"> ▪ All users must be using Microsoft Navision 4.0 ▪ Intercompany Postings ▪ Basic General Ledger ▪ To send an e-mail to a 'partner, ' you need a mail client |
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