



Intercompany Integration Solution for SAP Business One

Intercompany Solution Overview



TABLE OF CONTENTS

OVERVIEW	3
MASTER DATA REPLICATION AND CONTENT SHARING	3
Service Contract and Customer Equipment Card Replication	5
UDFs and UDTs Replication	6
SUPPORT FOR STANDARDIZED PROCESSES ACROSS BUSINESS ENTITIES	7
Intercompany Trade	7
Intercompany Trade – Key Features.....	7
General Ledger (GL) Allocations	8
General Ledger Allocations – Key Features	8
VISIBILITY INTO OPERATIONS ACROSS BUSINESS ENTITIES.....	9
Multilevel Financial Consolidation.....	9
Branch Inventory in Warehouse Report.....	10
Branch Balances Report.....	10
Branch Sales Analysis Report	11
Unposted Transactions Report	11
Remote Query Execution.....	11
CENTRALIZED ADMINISTRATION AND MONITORING.....	12
Intercompany Administration Console	12
Intercompany Message Log	12
IMPROVED CONTROL AND COLLABORATION	13
Consolidated Credit Limit Check	13
Intercompany Workflow.....	13
Business Transaction Notifications	13
GLOBAL REACH OF THE INTERCOMPANY INTEGRATION SOLUTION	14
Supported SAP Business One localizations	14
Support for Non-Localized SAP B1 Companies	14
Multi-Currency Support.....	14
Multi-Instance Support.....	14
Cross Localization Support	14
Custom Language Tool.....	15
BUSINESS BENEFITS.....	15

OVERVIEW

Growing organizations that control more than one legal business entity are sometimes faced with the challenge of how to share data and perform intercompany transactions 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 effort required to generate Intercompany trading financial statements.

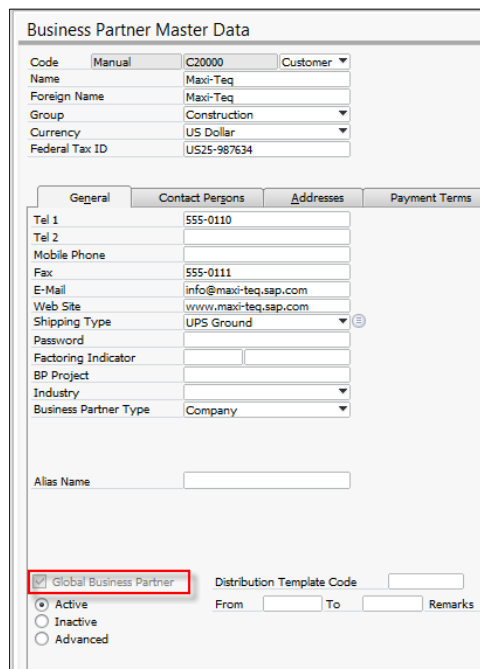
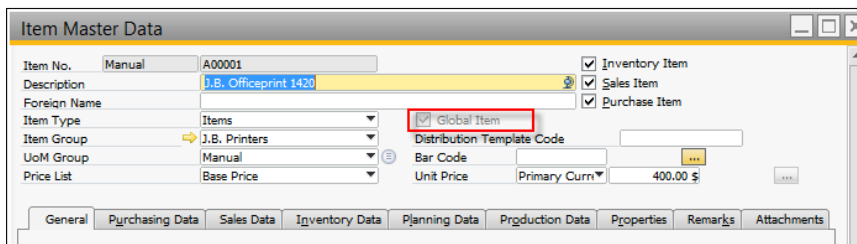
The key functionality of intercompany integration solution includes:

- Master data replication and content sharing
- Support for standardized, transparent processes across business entities
- Financial and operational visibility across business entities
- Control and collaboration across business entities

MASTER DATA REPLICATION AND CONTENT SHARING

The intercompany solution supports the replication of essential master data across partner companies such as Freight Master, Currency Master, Payment Terms, Item Master Data, Business Partner Master Data, etc.

For the item master data, business partner master data, bill of materials and price list masters, the user can choose which specific records are to be shared between companies.



Intercompany solution provides the flexibility in master data replication. User can decide the fields and masters that are to be replicated between each company.

Company Template Configuration

The application allows to configure the exact fields in the master data as well as the objects that are to be replicated between branch companies.

Object Property Configuration

Receiver Property Replication Configuration

Object Details

Save Cancel Print

Template ID	IC_CT_0	Template Name	Default
Object Name	Business Partner	Replicate to Receiver	True
Localization	United States Of America	Mandatory to Replicate	True

Property Details

S.No	Property Name	Linked Object	Replicate
1.	BusinessPartners->CardCode		<input checked="" type="checkbox"/>
2.	BusinessPartners->CardName		<input checked="" type="checkbox"/>
3.	BusinessPartners->CardType		<input checked="" type="checkbox"/>
4.	BusinessPartners->CardForeignName		<input checked="" type="checkbox"/>
5.	BusinessPartners->GroupCode	Business Partner Group	<input checked="" type="checkbox"/>
6.	BusinessPartners->PayTermsGrpCode	Payment Terms	<input checked="" type="checkbox"/>
7.	BusinessPartners->Currency	Currency	<input checked="" type="checkbox"/>
8.	BusinessPartners->Phone1		<input checked="" type="checkbox"/>
9.	BusinessPartners->Phone2		<input checked="" type="checkbox"/>
10.	BusinessPartners->Fax		<input checked="" type="checkbox"/>
11.	BusinessPartners->Cellular		<input checked="" type="checkbox"/>
12.	BusinessPartners->EmailAddress		<input checked="" type="checkbox"/>
13.	BusinessPartners->Website		<input checked="" type="checkbox"/>

Global Data Distribution

Users can define data distribution templates to replicate specific global business partner, global item master, global bill of materials, and global price lists masters to certain branch companies

Global Data Distribution

Distribution Template Code: GDD-BP

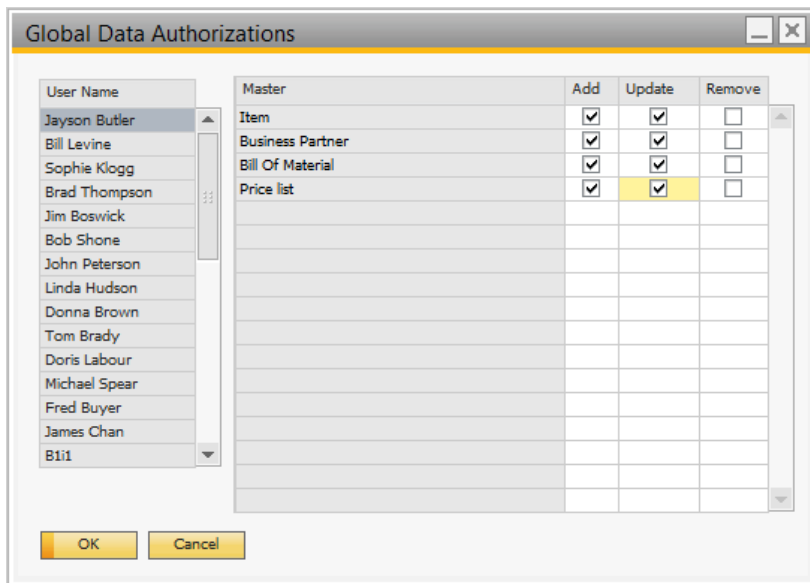
Object: Business Partner

Select	Branch Code
<input checked="" type="checkbox"/>	ACME-CA
<input checked="" type="checkbox"/>	ACME-NY
<input type="checkbox"/>	ACME-TX
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	

OK Cancel

Global Data Authorization

Administrators can define the users who will be allowed to add, update, or remove global master data.



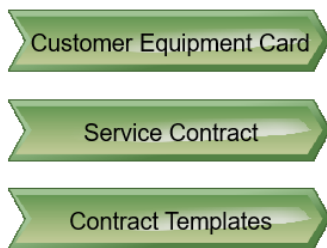
Service Contract and Customer Equipment Card Replication

The intercompany solution caters to service oriented scenarios by replicating:

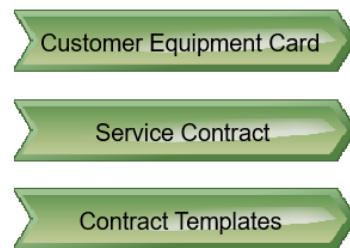
- Customer Equipment Card
- Service Contract
- Contract Template

These are replicated across companies based on company operations.

Company A - Sales



Company B - Service

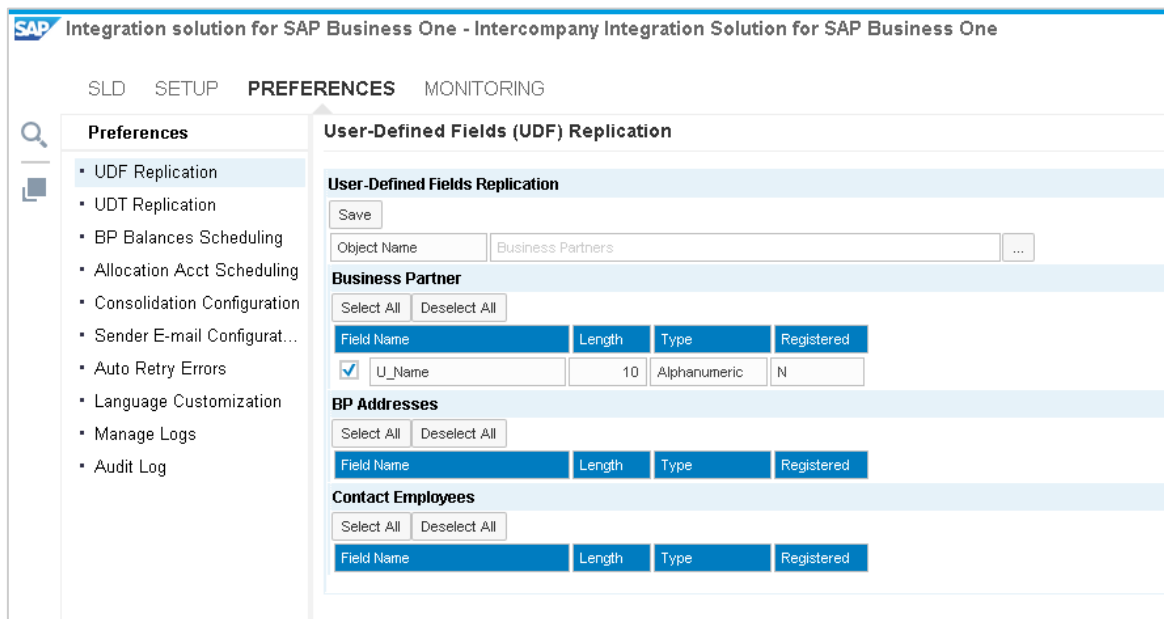


UDFs and UDTs Replication

The administrator can configure the solution to replicate UDTs between branch companies similar to the master data replication process.

The administrator can also choose to replicate UDFs in the following objects:

- Item Master
- Business Partner Master
- Marketing Documents (which are supported by Intercompany Trade)
- Journal Entries
- Journal Vouchers

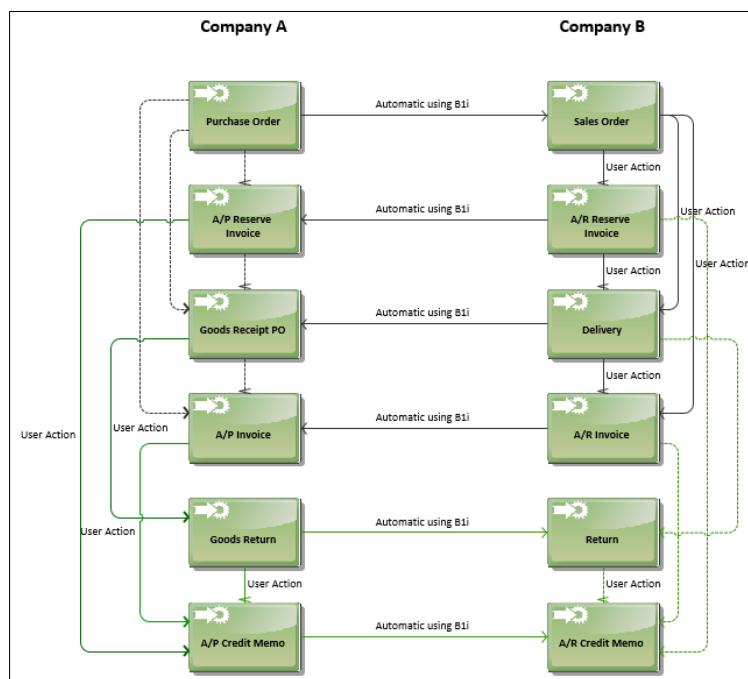


SUPPORT FOR STANDARDIZED PROCESSES ACROSS BUSINESS ENTITIES

The Intercompany integration solution automatically creates an intercompany transaction as a reciprocal transaction in the SAP Business One application of another business unit and does so in a standardized and transparent manner. Consider a sales subsidiary that buys finished goods from a manufacturing plant. When the sales subsidiary creates a purchase order in its SAP Business One application, the solution automatically triggers the creation of a sales order transaction in the SAP Business One application of the manufacturing plant. The ability to automatically create a related, reciprocal transaction in the other company database eliminates manual data entry, improves employee productivity, and reduces the potential for errors from entering data again.

Intercompany Trade

Intercompany Solution automates the flow of marketing documents across partner companies including Purchase Order to Sales Order, Delivery to Goods Receipt PO, A/R Invoice to A/P Invoice, Goods Return to Return and A/P Credit Memo to A/R Credit Memo.



The Intercompany solution automatically creates the following country-specific documents:

- A/R Correction Invoice to A/P Correction Invoice (only for Russia)
- A/R Correction Invoice Reversal to A/P Correction Invoice Reversal (only for Russia)
- A/R Debit Memo to A/P Debit Memo (only for Chile, Costa Rica, Guatemala, Mexico)

Intercompany Trade – Key Features

- **Support for Item and Service Type Documents:** Intercompany solution supports replication of service type document in intercompany trade.
- **Cancellation of Marketing Documents:** If a user cancels or rejects a marketing document, the application automatically cancels the reciprocal document in the other company.
- **Document Total Comparison Engine:** The document total comparison engine compares the document total amounts of the sender and receiver documents and alerts user of any discrepancies.
- **Tax Comparison Engine:** The tax comparison engine compares the tax amounts (and details) calculated in the sender and receiver documents and alerts user of any discrepancies. Tax Comparison Engine is only relevant for the Brazil localization.
- **Replication of Serial Numbers and Batch Numbers:** The Intercompany solution automatically replicates serial and batch numbers between the sender and receiving company.

General Ledger (GL) Allocations

The Intercompany solutions allocates income and expenses across business entities by automatically creating balanced GL postings to intercompany accounts.

General Ledger Allocations – Key Features

- **GL Allocation Posting Templates:** Commercial organizations may have allocation transactions presented in a template format, in which 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 repeatedly occurring 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.

Accounts Payable (AP) Service Invoice Allocation

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

Centralized Payments

Centralized Payments feature enables branch companies to delegate to other branch companies the task of making outgoing payments on their behalf. For example, the head office company could make vendor payments centrally on behalf of its subsidiary companies.

VISIBILITY INTO OPERATIONS ACROSS BUSINESS ENTITIES

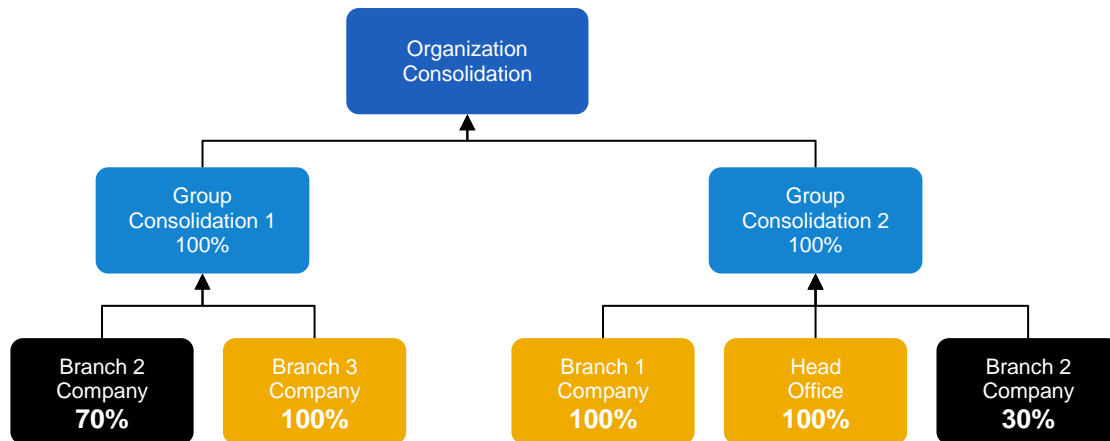
Operational visibility and risk management are key considerations for any business with multiple operational units. The Intercompany integration solution for SAP Business One helps meeting these requirements by providing the following:

Multilevel Financial Consolidation

The Consolidation feature allows the journal entries of all branch companies to be consolidated into a consolidation company, enabling a single, easy way of running SAP Business One financial reports for the entire organization.

The consolidation feature allows users to do the following:

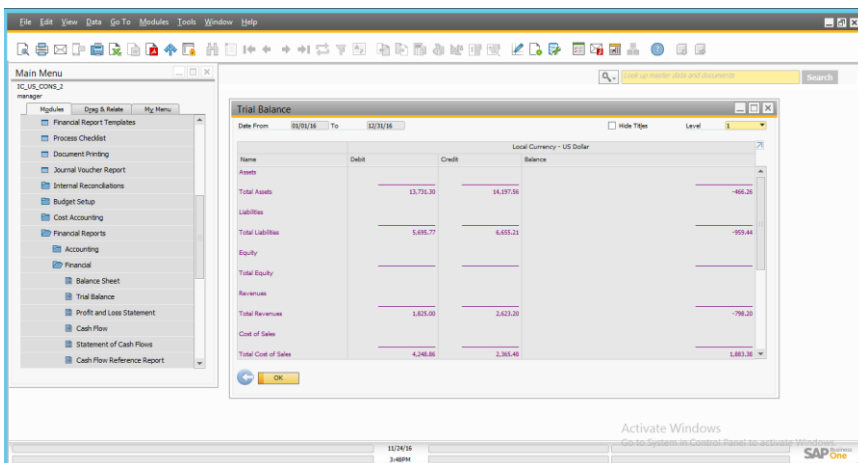
- Consolidation of companies with different chart of account structures and different local currencies
- Consolidation of individual Accounts based on Historical Exchange Rates, Closing Exchange Rate or Average Exchange Rates
- Consolidation of Financial statements adjusted to reflect minority interests in companies within the group
- Set up multi-level consolidation hierarchy to enable group-wise reporting.
- Set the application to automatically run the consolidation process based on defined schedules



The Intercompany solution enables users to generate the following consolidated financial statements:

- Consolidated Trial Balance
- Consolidated Profit and Loss statement
- Consolidated Balance Sheet

Consolidated trial balance



Consolidated profit and loss statement

The screenshot displays the SAP Profit and Loss Statement report. The report is titled 'Profit and Loss Statement' and shows data for the period from 01/01/16 to 12/31/16. The report is organized into two columns: 'Balance' and 'Year-to-Date'. The 'Balance' column shows the current period's figures, while the 'Year-to-Date' column shows the cumulative figures for the year. The report includes the following items:

Account Name	Balance	Year-to-Date
Revenue	\$ 796.20	\$ 796.20
Cost of Sales	\$ (1,883.38)	\$ (1,883.38)
Gross Profit	\$ (1,087.18)	\$ (1,087.18)
Expenses	\$ (245.46)	\$ (245.46)
Operating Profit	\$ (1,432.70)	\$ (1,432.70)
Financing	\$ 434	\$ 434
Profit After Financing Expenses	\$ (1,432.70)	\$ (1,432.70)
Other Revenues and Expenses	\$ (1,432.70)	\$ (1,432.70)
Profit Period	\$ (1,432.70)	\$ (1,432.70)

Consolidated balance sheet

The screenshot displays the SAP Balance Sheet report. The report is titled 'Balance Sheet' and shows data as of 12/31/16. The report is organized into three columns: 'Balance', 'Relative Percentage', and 'Level'. The 'Balance' column shows the current period's figures, while the 'Relative Percentage' column shows the percentage of the total. The report includes the following items:

Account Name	Balance	Relative Percentage
Assets	\$ (468.26)	% 100.000
Liabilities	\$ 936.44	% 100.000
Equity	\$ (1,432.70)	% 100.000
	\$ (468.26)	% 100.000

Branch Inventory in Warehouse Report

The application gives detailed visibility of inventory status of items across the organization. The application lists current inventory of all items in each subsidiary, including foreign subsidiaries – providing in-stock, committed, ordered, and available quantities

Branch Balances Report

The application provides an organization wide single view of all payables and receivables from trade between the business units and subsidiaries.

Branch Sales Analysis Report

Consolidated sales for each operating entity can be viewed in a single report, to know how products are selling across various regions.

Branch Sales Analysis Report

Sales Analysis by Customer (Annual)																															
Branch Code	#	Expand/Collapse	Customer Code	Customer Name	Sales Order	Total Sales Order	Gross Profit	Gross Profit %	Total Open OR																						
Brazil-Branch2 As on Date:14/07/2015 Time:16:39:22																															
1		<input type="checkbox"/>	CXS102	Ram Lala	1	R\$11.11	R\$10.00	900.9009	R\$11.11																						
<table border="1"> <thead> <tr> <th>Document</th> <th>Instalment</th> <th>Sales Employee</th> <th>Posting Date</th> <th>Due Date</th> <th>Customer Name</th> <th>Sales Amount</th> <th>Applied Amount</th> <th>Gross Profit</th> <th>Gross Profit %</th> </tr> </thead> <tbody> <tr> <td>OR 1</td> <td>1of1</td> <td>-No Sales Employee-</td> <td>15/12/2014</td> <td>15/12/2014</td> <td>Ram Lala</td> <td>R\$11.11</td> <td>R\$0.00</td> <td>R\$10.00</td> <td>900.9009</td> </tr> </tbody> </table>												Document	Instalment	Sales Employee	Posting Date	Due Date	Customer Name	Sales Amount	Applied Amount	Gross Profit	Gross Profit %	OR 1	1of1	-No Sales Employee-	15/12/2014	15/12/2014	Ram Lala	R\$11.11	R\$0.00	R\$10.00	900.9009
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2		<input type="checkbox"/>	CXS103	Rajesh	1	R\$100.00	R\$98.89	8,909.0090	R\$100.00																						
Germany-Branch1 As on Date:14/07/2015 Time:16:39:24																															
No Record Found																															
USA-BR As on Date:14/07/2015 Time:16:39:25																															
1		<input type="checkbox"/>	CUST-Brazil	Customer Brazil	3	\$3,530.00	\$0.00	0.0000	\$0.00																						
2		<input type="checkbox"/>	CUST-Germany	Customer Germany	1	\$50.00	\$0.00	0.0000	\$0.00																						
3		<input type="checkbox"/>	CUST-US	Customer USA	3	\$3,100.00	\$2,890.00	1,376.1905	\$3,100.00																						
4		<input type="checkbox"/>	CXS101	Ram Pal Yadav	1	\$100.00	\$90.00	900.0000	\$100.00																						
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Document	Instalment	Sales Employee	Posting Date	Due Date	Customer Name	Sales Amount	Applied Amount	Gross Profit	Gross Profit %																						
OR 1	1of1	-No Sales Employee-	15/12/2014	15/12/2014	Ram Pal Yadav	\$100.00	\$0.00	\$90.00	900.0000																						
USA-HO As on Date:14/07/2015 Time:16:39:27																															
1		<input type="checkbox"/>	CUST-Brazil	Customer Brazil	3	\$3,530.00	\$0.00	0.0000	\$0.00																						
2		<input type="checkbox"/>	CUST-Germany	Customer Germany	1	\$50.00	\$0.00	0.0000	\$0.00																						
3		<input type="checkbox"/>	CXS101	Ram Pal Yadav	1	\$100.00	\$90.00	900.0000	\$100.00																						

Buttons: Close Refresh Expand All Collapse All Copy To Clipboard

Unposted Transactions Report

The report lists all incoming intercompany documents that are not yet accepted and posted by the receiving subsidiary.

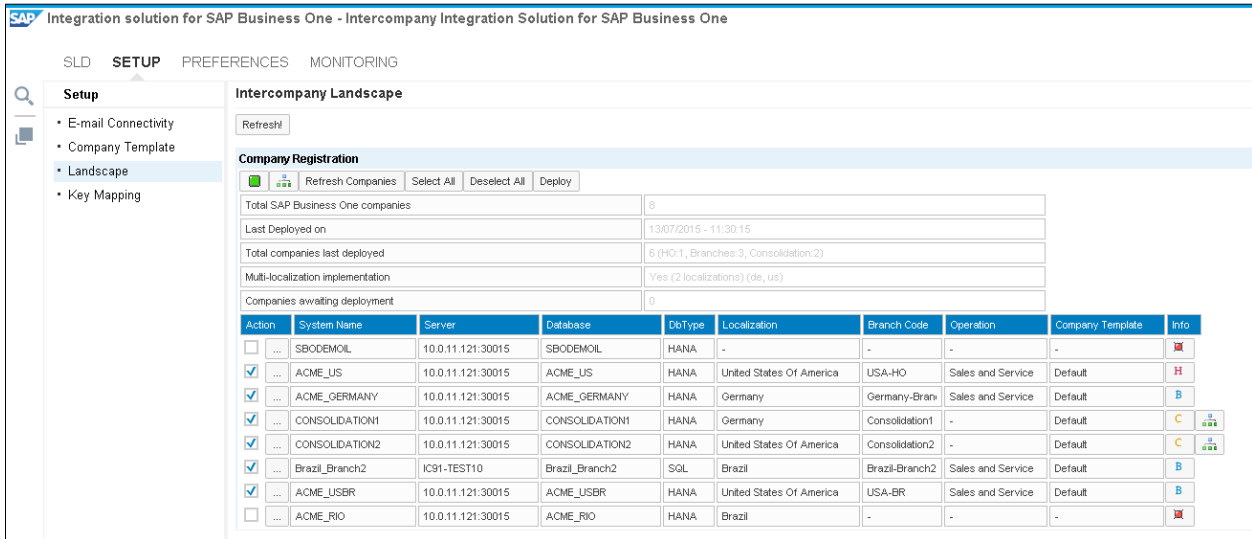
Remote Query Execution

Enables to execute the same queries across partner companies to generate ad-hoc reports in real-time by extracting the most updated data from the partner companies.

CENTRALIZED ADMINISTRATION AND MONITORING

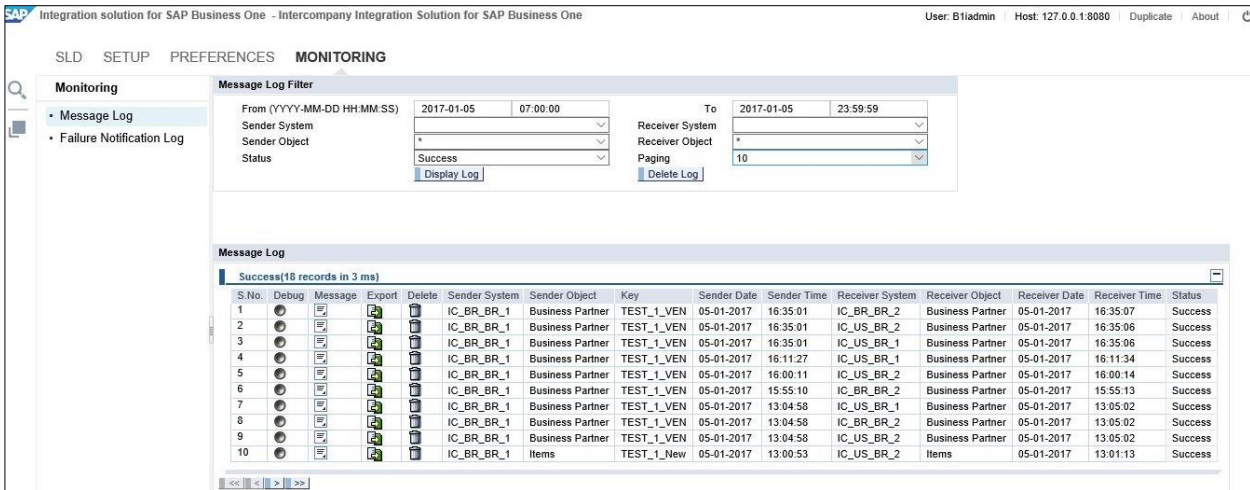
Intercompany Administration Console

The entire Intercompany solution can be setup and configured from a central web-based module. This eliminates the need to configure the solution individually for every participating company.



Intercompany Message Log

A web-based utility logs all inter-company transactions between different partner companies for effective audit control and troubleshooting.



IMPROVED CONTROL AND COLLABORATION

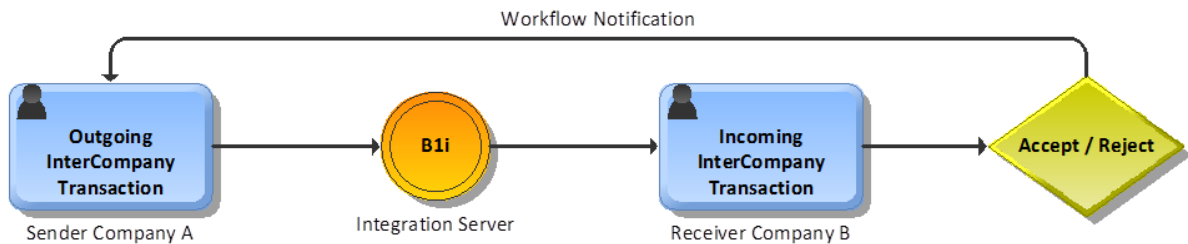
Automation of intercompany business processes, as well as visibility into the operations of business units, is not enough. Each organization also needs control over activities that impact it from the time those activities originate in other business entities. The intercompany integration solution for SAP Business One enables control and collaboration by providing the following:

Consolidated Credit Limit Check

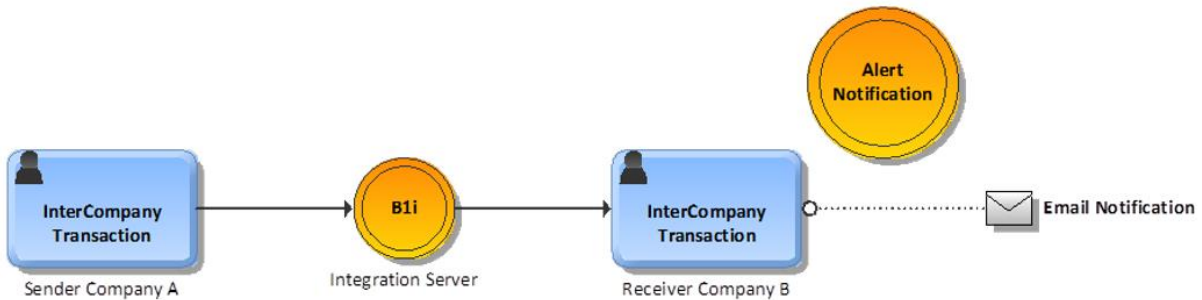
Enable employees to restrict the creation of sales documents for customers and prompt a warning message based on the organization-wide consolidated credit limit and account balance.

Intercompany Workflow

Allow a business entity to accept or reject incoming intercompany transactions, and notify the sending business unit of the resulting decision.



Business Transaction Notifications: Notify subsidiaries of intercompany transactions in real time with alert messages and e-mails. In case of inter-company trade the originating documents are emailed as an attachment to the outgoing email notification.



GLOBAL REACH OF THE INTERCOMPANY INTEGRATION SOLUTION

Localized countries

The intercompany integration solution is localized for the following countries:

Australia, Austria, Belgium, Brazil, Canada, Chile, China, Costa Rica, Cyprus (EN), Czech Republic, France, Germany, Guatemala, Hungary, Ireland, Israel, Italy, Mexico, the Netherlands, New Zealand, Panama, Poland, Russia, Singapore, Slovakia, South Africa, Spain, Switzerland, UK, and USA.



Non-localized countries

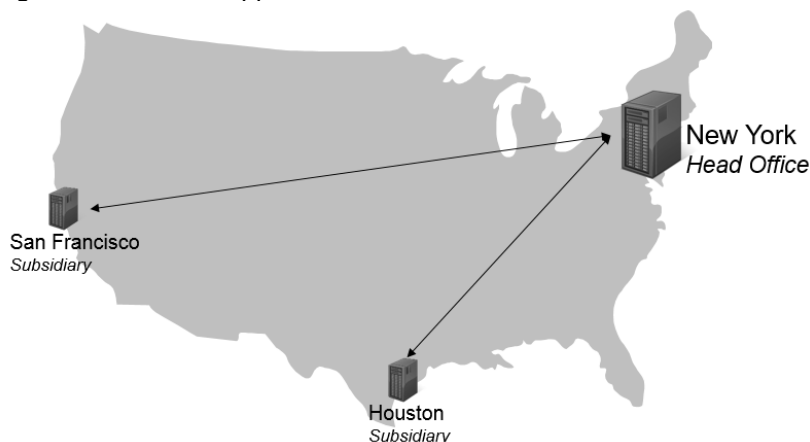
The intercompany integration solution can be easily used for non-localized countries. User can customize the company template for the non-supported countries and assign the template to the non-localized branches configured in the Intercompany landscape. For conditions please see SAP note [2154976](#).

Multi-Currency Support

Intercompany transactions in local and foreign currencies are supported.

Multi-Instance Support

SAP Business One companies located across multiple physical servers and geographies as well as deployments on a single machine are supported.

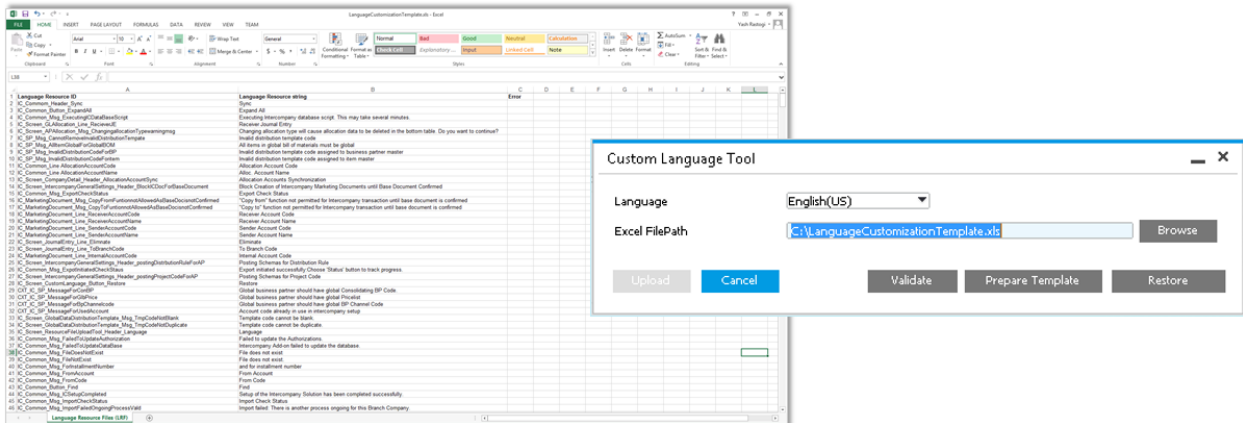


Cross Localization Support

SAP Business One companies running on different localizations are supported.

Custom Language Tool

The terms used in the user interface of the intercompany add-on or administration console can be customized by importing excel-based language resource strings. Examples are field names, messages, screen titles, button names, and more.



BUSINESS BENEFITS

- Consolidate, coordinate, and view activities across all business units running SAP Business One without manual reconciliation
- Manage multiple subsidiaries, business units and legal entities.
- Reduced cycle time required to collate, consolidate and report financial data
- Standardized and transparent financial processes across business entities
- Easy and intuitive management of cross-subsidiary financial information
- Increased productivity as a result of time saved and simplified transactions

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