How to configure and use Inter-Company Module in Dynamics GP

Setup

If you are working in a multi company environment with Dynamics GP, Inter-Company module can help you in much better way than your manual JV system. Using inter-company module, you will only need to enter transactions in one company and same transaction will be automatically entered in other Company, after its posting in first company. You will see a clear benefit of using inter-company module when you are assigned to reconcile both the companies. In this post I will try to provide a step by step way on how you can configure inter-company module yourself. It's as simple as counting 1 2 3.

1. Intercompany Setup window.
   (Microsoft Dynamics GP menu >>>> Tools >>>> Setup >>>> System >>>> Intercompany)

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2. Enter or select an Originating Company ID. When you select an originating company ID, other companies you have access to appear in the Destination Company Name list.

3. Select a Destination Company Name. This is the company you establish an intercompany relationship with. The Company ID for the company you select appears below the list box.

4. Enter or select Originating Company Due To/Due from accounts. If you enter the account number, enter it as an unformatted string. Intercompany Processing automatically formats the account according to the account format of the specified company.

5. Enter or select Destination Company Due To/Due from accounts.

6. Mark the Enter Corresponding Company ID option if you enter Corresponding Company IDs when you enter intercompany transactions.

7. Choose Save.

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Transactions

General Ledger intercompany transaction:

1. Open the Transaction Entry window.
    (Transactions >> Financial >> General)

2. Mark the Intercompany option, situated in from of voucher number.
3. You can unmark this option only if you haven't entered distributions to companies other than the originating company; that is, the one in which you are entering the transactions.

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4. Enter or select a batch. All intercompany transactions must be saved in a batch.

5. Select a transaction type.

6. Enter other related information, such as the Transaction Date or Reversing Date, the Source Document and Reference information, and the Currency ID currency ID is only applicable if multicurrency is active.

7. Enter company IDs, accounts, transaction amounts, distribution reference, and corresponding company ID.

8. You'll be able to enter a corresponding company ID only if the Enter Corresponding Company ID option is marked in the Intercompany Setup window.

9. Intercompany transactions will not be included in the batch total. Total debit and credit amounts will appear only when viewing the originating currency.

10. Verify the transaction by printing a General Transaction Edit List.

11. Choose Save to save the batch.

12. Use any batch-level posting method to post intercompany batches.

Payables Transactions Entry Window intercompany transaction:

1. Open the Payables Transaction Entry window.
   (Transactions >> Purchasing >> Transaction Entry)

2. Enter a voucher number and mark the Intercompany option. You can unmark the Intercompany option only if you haven't entered distributions to companies other than the originating company; that is, the one in which you are entering the transaction.
3. Select the document type and enter a description.
4. Enter or select a batch. All intercompany transactions must be saved in a batch.
5. Enter transaction information including document date, vendor ID, document number, and purchase amounts.
6. Enter or select a currency ID.

7. Choose the Distributions button to open the Payables Transaction Entry Distribution window.

By default, the scrolling window displays the distributions that were created automatically based on the posting accounts assigned to the vendor you chose in the Payables Transaction Entry window or on posting accounts assigned in the Posting Accounts Setup window.

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8. Modify company IDs, accounts, transaction amounts, distribution reference, and corresponding company IDs of the existing distributions, if necessary.

> *Please note that Intercompany transactions must be distributed to Type PURCH, FNCHG, FREIGHT, MISC, or UNIT. You'll be able to modify a corresponding company ID only if the Enter Corresponding Company ID option is marked in the Intercompany Setup window.*

9. All intercompany distributions must be entered in the originating currency; that is, the currency specified in the Payables Transaction Entry window. In addition, **if Multicurrency Management is not registered, all originating and destination companies must have the same functional currency.**
Continue entering distribution accounts until your transaction is fully distributed, and choose OK.

> *If you've entered several distributions to one particular distribution type, you can choose Redisplay to sort the accounts in the scrolling window by distribution type.*

10. Print the Payables Transaction Edit List to verify the transactions.
11. Choose save to save the intercompany transaction in assigned batch.
12. Use any batch-level posting method to post intercompany batches.

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