## Exercise 9: Set up and use Intercompany accounting

You need to set up and use intercompany accounting between **USRT** and **USMF**. These companies are using the same chart of accounts.

### Create intercompany journal name in USMF

1. Select **USMF** company.
2. Navigate to **General ledger > Journal setup > Journal names**
3. Select **New**
4. In the **Name** field type **USMFIntJ**
5. In the **Description** type ‘Intercompany Journal demo’
6. In the **Voucher series** field select a value.
7. Close the form

### Create intercompany journal name in USP2

1. Select **USP2** company
2. Navigate to **General ledger > Journal setup > Journal names**
3. Select **New**
4. In the **Name** field type **USP2IntJ**
5. In the **Description** type ‘Intercompany Journal demo’
6. In the **Voucher series** field select a value such as **Bank\_02**. Thevoucher series must be set to continuous.
7. Close the form

### Configure Intercompany accounting

1. Select **USP2** from the company’s dropdown.
2. Navigate to **General ledger > Chart of accounts > Accounts > Main accounts**.
3. Select **New**
4. In the Main account field, type **'100100'**.
5. In the Name field, type **'Due to USMF**'.
6. In the Main account type field, select **'Balance sheet'**.
7. Select **New**
8. In the Main account field, type '**100101**'.
9. In the Name field, type **'Due from USMF**'.
10. In the **Main account type** field, select **'Balance sheet'**.
11. Select **Save**
12. Close the page
13. Change company to **'USMF'**
14. Navigate to **General ledger > Chart of accounts > Accounts > Main accounts**.
15. Verify the two accounts that you created in the steps 4 and 8 are listed since the two companies are sharing the same chart of account.
16. Select **New**
17. In the **Main** account field, type **'100106'**.
18. In the **Name** field, **'Due to USP2**.
19. Select **Ne**w
20. In the **Main account field**, type **'100107'**.
21. In the **Name** field, type **'Due from USP2'**.
22. Close the page
23. Navigate to **General ledger > Posting setup > Intercompany accounting**.
24. Select **New**
25. In the **Originating company** field, select ‘**USMF**'.
26. In the **Debit account** dropdown, select the **Due from USP2** value100107.
27. In the **Credit account** dropdown, select the **Due to USP2** value 100106.
28. In the **Destination company** field, select **USP2**.
29. In the **Debit account** field, select the **Due to USMF** value 100100.
30. In the **Credit account** field, select the **Due from USMF** value 100101.
31. In the **Journal** field, enter or select **USP2IntJ** a daily journal name from **USP2**.
32. Select **Create reciprocal relationship**.
33. In the **Journal field**, enter or select **USMFIntJ** journal name from **USMF**.
34. Select **Save**
35. Close the page

### Use Intercompany accounting by general journals

1. Navigate to **General ledger > Journal entries > Global general journals.**
2. Select **New** **journal** to open the **New journal** dialog box.
3. In the **Company** field, **USMF**.
4. In the **Name** field, select **IntJrn**.
5. Select **OK**
6. Select **Lines**
7. In the **Account type** field, select **'Bank.'**
8. In the **Account field**, specify the values **'USMF OPER.'**
9. In the **Description** field, type **'Wire.** '
10. Set **Credit** to '**1000000**'.
11. In the **Offset company** field, select **USP2**.
12. In the **Offset account** field, specify the values ‘**100100--'** due to USMF.
13. Select **Inquiries**
14. Select **Balance control**.
15. View the results.
16. Select **Close**
17. Select **Validate > Validate.**
18. Select **Validate > Simulate Posting**.
19. Select **Post**; two vouchers have been posted one per legal entity.
20. Close all pages

### Test the Audit trails to verify the intercompany accounting posting

1. Navigate to **General ledger > Inquiries and reports > Audit trail**.
2. Select **Voucher transactions**. Review the intercompany transactions
3. Select **Related voucher** to see the intercompany in the destination company.
4. Close all pages
5. Switch to **USP2** company
6. Navigate to **General ledger > Inquiries and reports > Audit trail**.
7. Select **Voucher** **transactions**.
8. Select **Related voucher** to see the intercompany in the destination company.
9. Close all pages