Microsoft Dynamics NAV 2013
Cost accounting Enhancements*

Brought to you by Microsoft Services

Savandeep Singh Chadha
sachadha@Microsoft.com

Kabir Shenvi
kashenvi@microsoft.com

Microsoft ®
Partner Network

* Level Beginner to Intermediate

AGENDA

- ❑ Cost Accounting – new feature
    - ❑ Origin of the module
    - ❑ Enhancements

- ❑ Why cost accounting?
- ❑ Overview of Module
- ❑ Demonstrations
- ❑ FAQ

AGENDA

- Cost Accounting – new feature
  - Origin of the module
  - Enhancements

- Why cost accounting?
- Overview of Module
- Demonstrations
- FAQ

Microsoft Dynamics NAV 2013

Cost accounting

Origin of the module

- ❑ Part of the Swiss localization
- ❑ In Microsoft Dynamics NAV 5.0 in AU, CH, ES, ID, MY, NO, NZ, PH, PT, SG, TH

Enhancements

- ❑ Set any Dimension as Cost Center / Cost Object
- ❑ Budgets, Export/Import from Excel
- ❑ ACY, Debit and Credit fields
- ❑ Integration in account schedules
- ❑ Multiple usability enhancements (New actions, Factbox,…)

AGENDA

✓ Cost Accounting – new feature

       ✓ Origin of the module

       ✓ Enhancements

❑ Why cost accounting?

❑ Overview of Module

❑ Demonstrations

❑ FAQ

Microsoft Dynamics NAV 2013

Why cost accounting?

General Ledger

- ❑ Invoices / Documents are recorded at the account level (showing the type of costs)
- ❑ All recorded postings have to be based on actual documents
- ❑ Balance accounts and profit and loss accounts
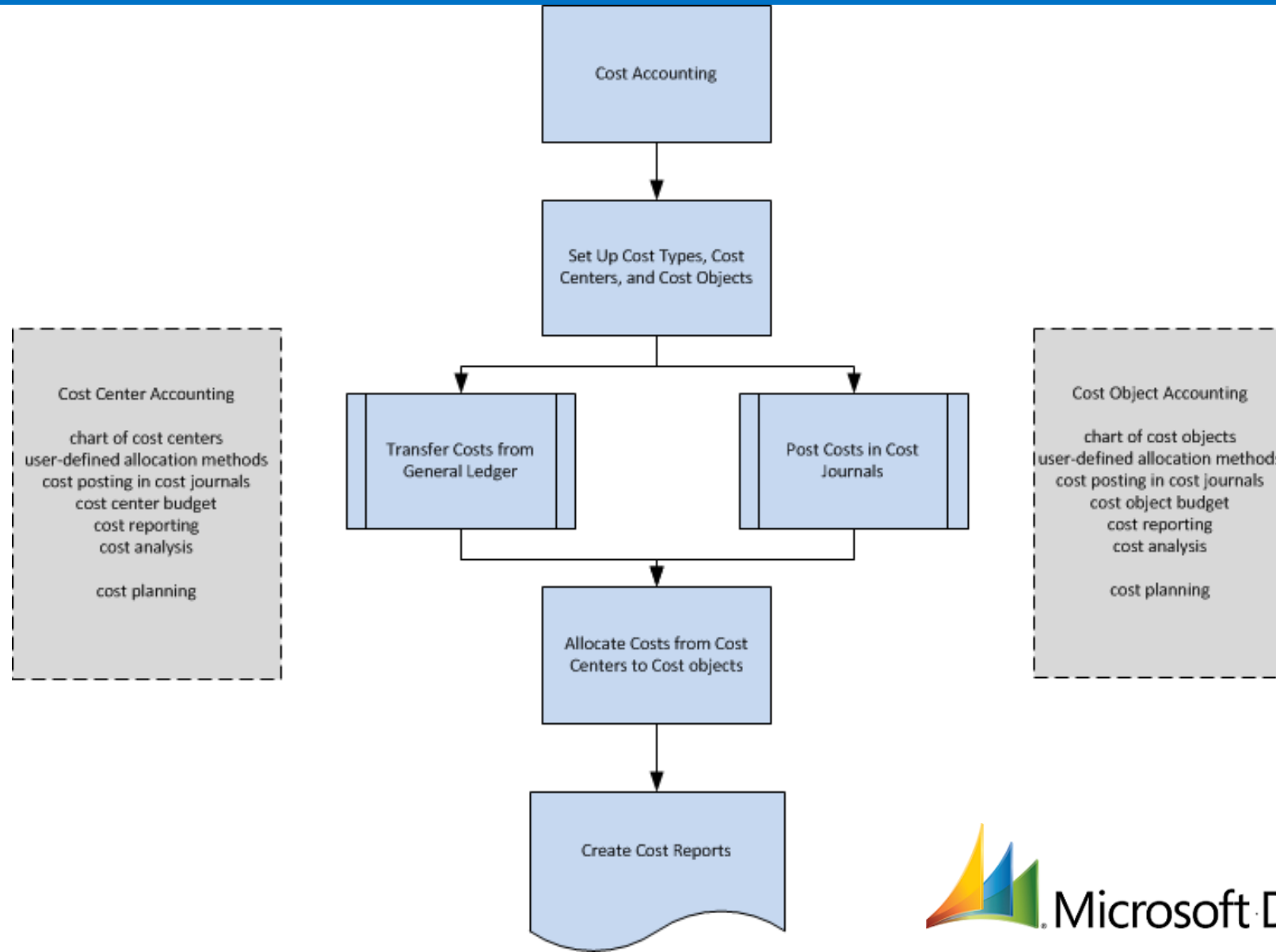- ❑ To **fullfil legal requirements** is the first priority
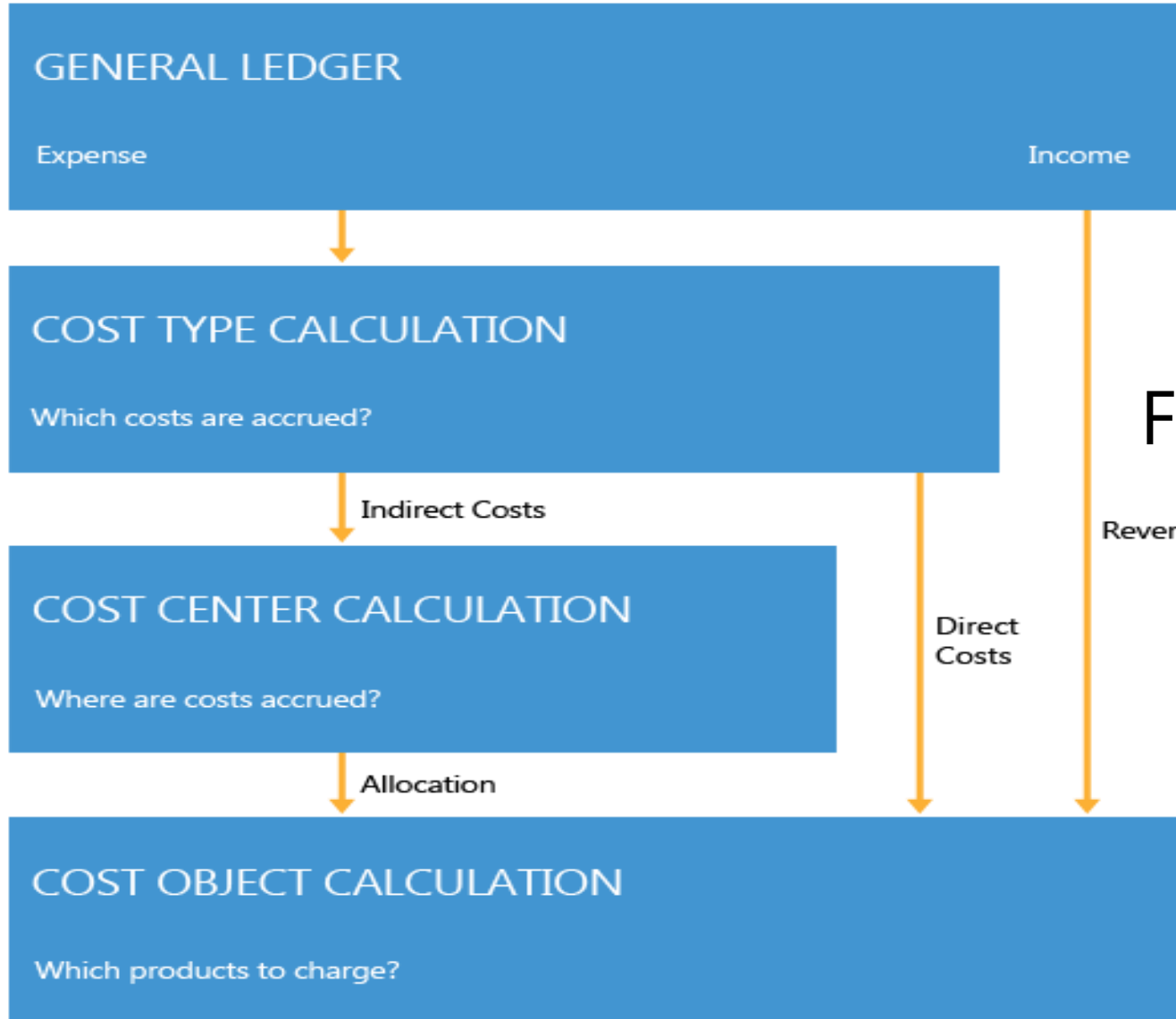
Cost Accounting

- ❑ Transfer G/L postings to the cost accounting as a starting point
- ❑ Focus on profit and loss only
- ❑ Learn where the costs where produced (cost center) and used for what product (cost object)
- ❑ Add calculatory costs at will
- ❑ To **understand the structure** of your costs is the first priority

AGENDA

✔ Cost Accounting – new feature

      ✔ Origin of the module

      ✔ Enhancements

✔ Why cost accounting?

❑ Overview of Module

❑ Demonstrations

❑ FAQ

Overview

GENERAL LEDGER

Expense   Income

COST TYPE CALCULATION

Which costs are accrued?

Indirect Costs

COST CENTER CALCULATION

Where are costs accrued?

Allocation

Direct Costs

Revenue

COST OBJECT CALCULATION

Which products to charge?

Functions of Cost Accounting

Microsoft Dynamics NAV 2013

Overview

Relationships in Cost Accounting

AGENDA

✔ Cost Accounting – new feature

      ✔ Origin of the module

      ✔ Enhancements

✔ Why cost accounting?

✔ Overview of Module

❑ Demonstrations
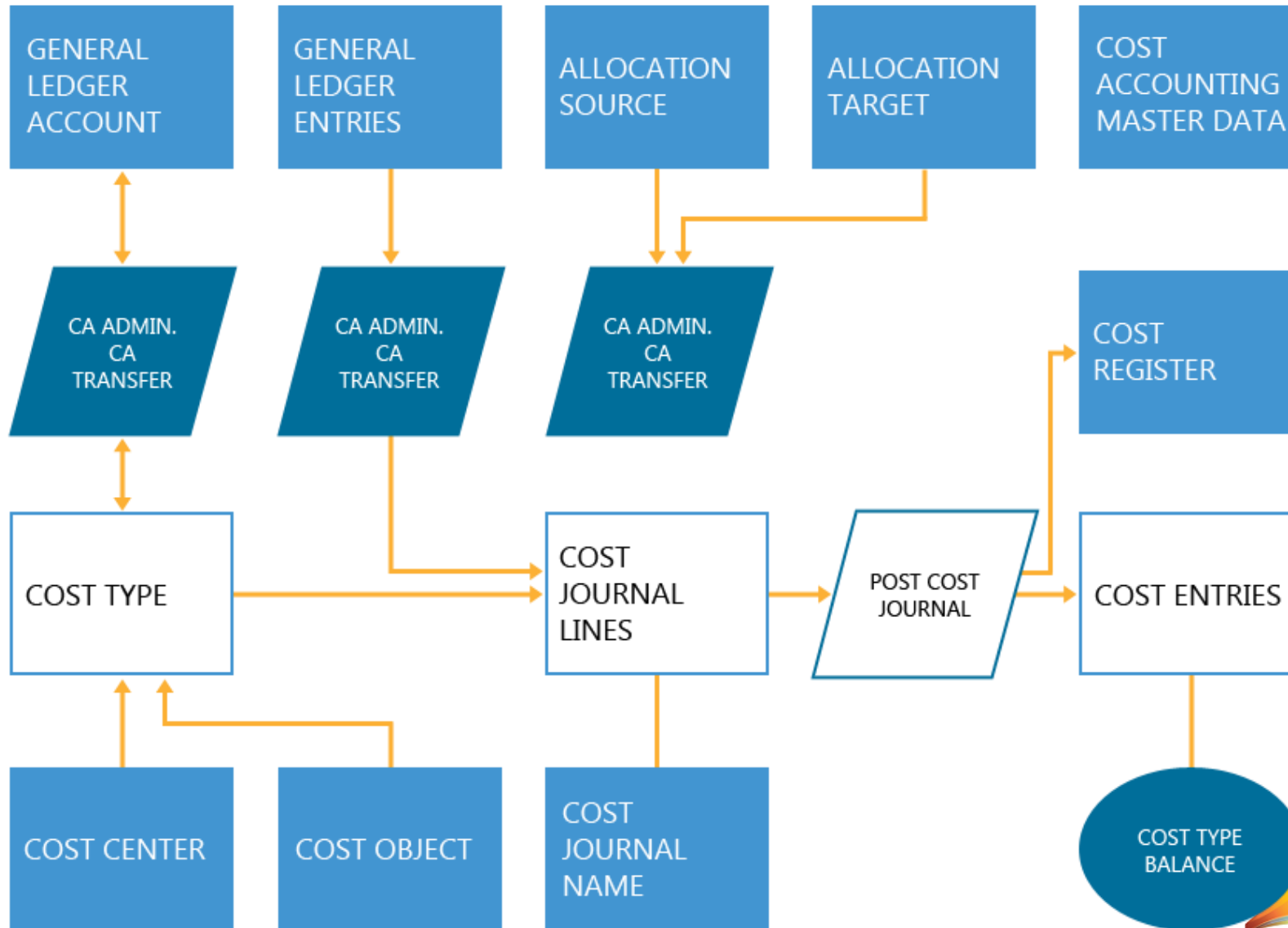
❑ FAQ

Microsoft Dynamics NAV 2013

Setup advanced considerations

Before using cost accounting

Customers should have a clear picture about the structure about:

- ❑ Cost Types
- ❑ Cost Centers
- ❑ Cost Object

Renaming can be tricky

- ❑ Cost center in cost accounting is a dimension in G/L they are connected but not the same

Changing the connection between dimensions and cost accounting

- ❑ Can be done but it is not a good idea

Setup Advanced Features

Demo:

❖ Setup advanced considerations

Microsoft Dynamics NAV 2013

Posting and Transferring

Correction

❏ Cost accounting allows to delete entries

Transferring

❏ Automatic transfer vs. batch transfer

❏ How to use the job queue to transfer the entries

Demo:

❖ Posting and Transferring

Microsoft Dynamics NAV 2013

Allocations

Static

❑ How to use Excel to find „circles" in your allocations

❑ Explaining Amount per Share / Percent per Share and loose all confusion

Dynamic

❑ Where the data resides for the different allocation base values

❑ How to add a new base value

Allocations

Demo:

- ❖ Allocations

Reporting and Analysis

Using account schedules

❑ Mix data from cost accounting and general ledger

Microsoft

Microsoft Dynamics NAV 2013

Demo:

❖ Reporting and Analysis

Microsoft·Dynamics NAV 2013

Budgeting

Demo:

❖ **Budgeting**

Microsoft Dynamics NAV 2013

AGENDA

- ✔ Cost Accounting – new feature
  - ✔ Origin of the module
  - ✔ Enhancements

- ✔ Why cost accounting?
- ✔ Overview of Module
- ✔ Demonstrations
- ❑ FAQ

FAQ

Questions I asked myself during creation of this session.

Microsoft

Microsoft Dynamics NAV 2013

FAQ 1

Q1: Where can I assign the number series for document numbers in the cost journal?

Ans: No where the system is not following the standard rules here yet.

Q2: Where are the recurring journals for cost postings?

Ans: There are no recurring journals available. You can use allocations or recurring journals in G/L and have the postings transferred later to the cost accounting. Also you can choose to not delete the cost journals after posting, so you can reuse it.

Q3: I can use any number of dimension in the G/L what will happen if I transfer such a posting to the cost accounting?

Ans: If you are using the cost center and cost object assigned dimensions in the same posting the cost center dimension has priority and the cost object dimension will be deleted. The same goes for any other dimension, cost accounting only uses cost centers and cost objects

FAQ 2

Q4: Can I assign a Begin Total / End Total to a G/L Account?

Ans: No. Only cost types can be used.

Q5: Are there standard permission sets for cost accounting?

Ans: Yes there is a permission set called "COST"

Q6: Is there anything I should think of when using security filters and cost center / cost objects for example to restrict the view of a person to only one cost center?

Ans: Yes, if the person has access to G/L data and cost accounting data you need to be sure to set security filters in G/L for the matching dimensions as you have them assigned to the cost accounting and as well in the cost accounting since these are different tables.

AGENDA

- ✓ Cost Accounting – new feature
    - ✓ Origin of the module
    - ✓ Enhancements

- ✓ Why cost accounting?
- ✓ Overview of Module
- ✓ Demonstrations
- ✓ FAQ

Microsoft Dynamics NAV 2013

Key Take-Aways

- ✓ Cost Accounting – New in NAV 2013
- ✓ Cost Accounting provides an efficient way to control the company's costs.
- ✓ Cost Accounting provides visibility and insight into budgeted and actual costs of operations.
- ✓ Cost Accounting provides visibility and insight into departments, products, and projects.
- ✓ Cost Accounting synchronizes cost information with the general ledger.
- ✓ Cost Accounting allocates to different costs centers and cost objects.

Questions?