

Just the FAQs

about multi-company in ajeraComplete

Find out the answers to the 9 most frequently asked questions about **multi-company**, which is available only in **ajeraComplete**.

Contents

1. What is multi-company and what is intercompany accounting?.....	1
2. Who should use multi-company? Can anyone?	2
3. What's the difference between multi-company and multiple databases?	2
4. What happens when I select Use multi-company in Company > Preferences?	2
5. In multi-company, what is shared and what is unique to each company?	3
6. How do the Don't Allow Entries Prior To and Beginning Balance dates work?	4
7. What happens if an employee or a project has multiple companies?	4
8. When does Ajera make intercompany entries and how do I reconcile them?	5
9. Can I make deposits and pay vendor invoices using any bank account?	5

What is multi-company and what is intercompany accounting?

Multi-company is a feature in **ajeraComplete** that allows you to set up multiple companies in one database so that they can share a chart of accounts, departments, clients, contacts, vendors, and most of the setups and preferences of the main organization. Each company has its own average labor budget rates, client invoicing options, report and invoice logos, fiscal dates, payroll type and payroll start date, and beginning balance date.

Intercompany accounting is the reconciliation of accounts between companies in the same organization so that they balance to zero.

When you use multi-company in Ajera, tasks that cross companies create intercompany entries. You must use intercompany accounting to reconcile them.

2 Who should use multi-company? Can anyone?

No. Multi-company affects nearly every aspect of Ajera, requiring a slightly different workflow than a single company. Contact your consultant before using it.

In general, your firm is a good candidate for multi-company if it contains individual companies that require:

- **Separate balance sheets**
- **Separate federal tax IDs**
- **Separate tax returns**

For more information, contact Axiom.

3 What's the difference between multi-company and multiple databases?

With **multi-company**, you set up multiple companies in a single Ajera database. This allows companies to share general resources such as chart of accounts, departments, and clients.

With **multiple databases**, each Ajera database contains only one company. It functions as a completely separate version of Ajera, processing and reporting only the company contained within it.

4 What happens when I select **Use multi-company** in Company > Preferences?

If you are a current user, Ajera automatically creates a company for the main organization and assigns existing employees, projects, bank accounts, credit cards, and transactions to that company.

If you are a new user, you set up Ajera as you would for a single company but then enter company-specific information for each company where needed. The next FAQ (#5) describes this in more detail.

5 In multi-company, what is shared and what is unique to each company?

Your companies can share the following, so create one set for all your companies:

Activities	Company preferences	Invoice formats	Security groups
Attachment categories	Contacts	Marketing final dispositions	Types: <ul style="list-style-type: none"> • Client types • Contact types • Employee types • Project types • Utilization types • Vendor types
Billing rate tables	Custom fields	Marketing stages	
Billing review stages	Departments	Overhead groups	
Chart of accounts	Financial statements	Payroll items and settings	
Clients	Inquiries	Reports	Vendors

Helpful tip! If a **client** or **vendor** works only with one company in your organization, you can link it to that company. Then, to save you time, Ajera enters the company's name in the Company field when a task involves the client or vendor.

Helpful tip! Set up **reports**, **financial statements**, and **inquiries** to work for all companies. For example, adding company-specific properties, such as Company Logo, to a financial statement design allows you to use the same design for all your companies.

Your companies cannot share the following, so set them up for each company:

Average labor budget rates	Client invoicing options	Fiscal dates	Payroll type
Bank accounts	Credit cards	Invoice logo	Projects
Beginning balance date	Employees	Payroll start date	Report logo



How do the Don't Allow Entries Prior To and Beginning Balance dates work?

You have only one **Don't Allow Entries Prior To** date. This is in Company > Preferences and applies to all companies. This date prevents users from entering information before a specific date.

In multi-company, each company has its own **beginning balance** date. This is in Company > Companies. This date is when a company “goes live” with Ajera and can make entries to the general ledger.

To prevent invalid general ledger entries, enter a date that is **one day after the latest beginning balance date**. For example, you have three companies with beginning balance dates of **May 31, 2012**; **June 30, 2012**; and **July 31, 2012**. Enter **August 1, 2012**, in the Don't Allow Entries Prior To field.

Caution: If you cannot change the **Don't Allow Entries Prior To** date, make sure that **no transactions** for a company are made before its beginning balance date. Review the Ledger report or the Trial Balance report for entries before the beginning balance date.



What happens if an employee or a project has multiple companies?

Each employee setup and each project setup can be linked to only one company.

If an employee switches companies, you must create an employee setup for each company so that Ajera correctly calculates the payroll taxes.

However, an employee can enter time to more than one company in a timesheet. In this case, Ajera automatically creates intercompany entries.

If more than one company works on a project, you can do one of the following:

- Create a project setup for each company, if each company works on a distinct part of the project (for example, Company 1 works on the Schematic Design phase, and Company 2 works on the Design Documents phase) .
- Set up the other companies as vendors.

Please contact your Axiom consultant to ensure that the approach you take for an employee or project with multiple companies is the right one for your firm.



When does Ajera make intercompany entries and how do I reconcile them?

Ajera creates intercompany entries when transactions cross companies in the organization. These transactions include the following:

- **Client invoices:** You split work-in-progress (WIP) or move WIP from one project to another.
- **Expense reports:** An employee enters an expense to a project that belongs to a different company than the employee's company.
An employee charges an expense to a credit card that belongs to a different company than the company incurring the expense.
- **In-house expenses:** An in-house expense belongs to a different company than the company responsible for the in-house expense log.
- **Timesheets:** An employee enters time to a project that belongs to a different company than the employee's company.
- **Vendor invoices:** An invoice transaction belongs to a different company than the company responsible for the vendor invoice.

During your monthly reconciliation, do the following:

- Review the Multi-company Reconciliation report for intercompany entries.
- Reconcile these entries using the following methods:
 - **Best Practice:** Intercompany bank transfers
 - Intercompany vendor invoices plus intercompany client receipts
 - Journal entries to intercompany accounts



Can I make deposits and pay vendor invoices using any bank account?

No. You can make deposits or pay invoices for a company only to that company's bank accounts.

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