

Account Pairing

Module Guide: Account Pairing

Module Location

Settings > Accounting Settings > Account Pairing

Module Purpose

The **Account Pairing** module is used to define a reciprocal mapping between accounts, especially for those used in intercompany or inter-branch transactions. By defining this "pairing," the system can automatically identify the contra account when an inter-entity transaction occurs, which is crucial for the elimination process during consolidation.

1. Main View (List of Account Pairings)

This page is the interface for viewing or defining the pairing relationships between accounts.

View Explanation

- **Filter:**

- **Pairing:** A dropdown to select the company entity or group whose pairing map you want to view.
- **Branch:** A dropdown to filter further by a specific branch.

- **Account Pairing Table:**

- **Account Name:** The source account.
 - **Currency:** The currency of the account.
 - **Main:** Likely indicates if this is a primary mapping.
 - **Paired Account:** The destination or contra account that is paired with the source account.
- Currently, the table shows "No Data," which means no account pairings have been defined for the selected entity.

2. Steps to Define an Account Pairing

Although a "New" button is not explicitly visible, the workflow is likely as follows:

- **Select Entity:** Choose the relevant **Pairing** group and **Branch** from the dropdowns.
- **Define Relationship:** The user would likely click on a row or a hidden button to bring up a pop-up or form where they can select the source **Account Name** and then choose the destination **Paired Account** from a list of available accounts.
- **Save Mapping:** Once the pair is defined, the change is saved.

3. Integrated Workflow & Business Process

- **Automated Elimination Journals:** The primary function of this mapping is to facilitate the elimination process in

consolidated financial reports.

- **Example:** Imagine Company A (Parent) sells goods to Company B (Subsidiary).
 - In Company A's books, this transaction is recorded as an **Intercompany Receivable**.
 - In Company B's books, it is recorded as an **Intercompany Payable**.
 - In the **Account Pairing** module, the user would define that the "Intercompany Receivable" account is paired with the "Intercompany Payable" account.
- When the consolidation report is prepared, the system can use this mapping to automatically propose or create an elimination journal that zeroes out both of these accounts, because from the group's perspective, no real debt or receivable actually exists.
- This simplifies and automates one of the most complex parts of consolidation accounting.

4. Tips & Important Notes

- This is an advanced accounting feature specific to companies with multiple entities (a group).
- The accuracy of the mapping here is crucial. An error in pairing accounts will lead to invalid consolidated financial statements.

- Ensure that only reciprocal accounts (those that mirror each other in the books of different entities) are mapped here.
- The management of this module should be in the hands of the corporate accounting team that handles group financial reporting.

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