Consolidation Worksheet

Module Guide: Consolidation Worksheet

Module Location

Settings > Accounting Settings > Consolidation Worksheet

Module Purpose

The **Consolidation Worksheet** module is an advanced accounting tool used to combine the financial statements of several separate companies within a group into a single, consolidated financial statement. This module facilitates the process of summing up account balances from each entity and provides dedicated columns for creating **elimination entries**, which are used to remove intercompany transactions.?

1. Main View (Worksheet)

The main page displays a worksheet format resembling a trial balance, where all accounts from the Chart of Accounts are presented along with their balances from each company and columns for adjustments.

View Explanation

- **Consolidation Filter**:
    - **Type**: A dropdown to select the type of report or period to be consolidated.

- **Active Companies**: A dropdown to select the subsidiary companies whose data will be pulled and combined.

- **Worksheet Table**:

  - **Account**: Displays all accounts from the Chart of Accounts.

  - **[Company Name]**: Dynamic columns that show the balance of each selected company to be consolidated (e.g., PT. UNGGUL INDO MODERN SEMATERA).

  - **Disbursement (Elimination Journal)**: Consists of **Debit** and **Credit** columns. This is where users input journal entries to eliminate or remove the impact of intercompany transactions, such as intercompany payables/receivables, revenues, or expenses within the group.?

  - **Consolidated**: The final result column, displaying the balance after the individual company balances are summed up and adjusted by the elimination entries. The figures in this column will form the basis of the consolidated financial statements.

2. Steps in the Consolidation Process

- **Select Companies**: From the **Active Companies** dropdown, select all entities to be included in the consolidated financial statements.

- **Pull Data**: The system will automatically pull the balances from each account for the selected companies.

- **Input Elimination Journals**: This is the most crucial manual step. The accountant must identify all intercompany transactions and input opposing journal entries in the **Disbursement (Debit/Credit)** columns to nullify their effect.?
    - **Example**: If the Parent Company has an Accounts Receivable of IDR 100 million from a Subsidiary, and the Subsidiary has an Accounts Payable of IDR 100 million to the Parent, the elimination entry would be: (Debit) Accounts Payable IDR 100 million and (Credit) Accounts Receivable IDR 100 million.
- **Verify Results**: After all elimination entries are made, check the **Consolidated** column to ensure all intercompany balances are zero and other combined balances are correct.

3. Integrated Workflow & Business Process

- This module is the core of the financial reporting process for a corporate group. The data from the **Consolidated** column becomes the primary source for preparing the Consolidated Statement of Financial Position (Balance Sheet) and the Consolidated Income Statement.
- This process is typically performed at the end of each reporting period (monthly, quarterly, or annually) after the books of each individual company have been closed.

4. Tips & Important Notes

- **Understanding of Consolidation Accounting**: Using this module requires a strong understanding of consolidation

accounting principles, especially on how to identify and create elimination entries.?

- **Accuracy is Key**: Errors in identifying or eliminating intercompany transactions will result in inaccurate consolidated financial statements.?

- **Restricted Access**: Due to its complexity and significant impact, access to this module should be restricted to the corporate accounting team or senior accountants responsible for group reporting.

Revision #1
Created 22 October 2025 09:46:44 by Sayu
Updated 22 October 2025 09:48:04 by Sayu