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## No More Multi-Works for Multi-Entity Accounting

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Many companies struggle to generate timely, accurate financial statements. The pressure of being chased by investors to get them done quickly is irreconcilable with accounting's responsibility to ensure the processes are correct. Managing the tension between the two cross-swords priorities is tough enough to tackle even in the scope of just one company. It's more complex when consolidating results from several business units to produce a single set of reports.

When dealing with data stored in multiple systems and formats, we commonly need many hours to track down missing information and undertake spreadsheet calculations which must be generated and checked manually. For companies with multiple subsidiaries or independent business units, moreover, closing the books is even more challenging, especially if they are running in multiple countries. Even this ignores the probability that the company will evolve and develop other businesses and products which could require additional ERP and accounting systems. To add to this complexity, the subsidiaries could be in widespread area, with various tax systems applied.

With NetSuite, subsidiaries are able to manage accounting in the way that works best for them, with their own chart of accounts, journal entries and workflows. They can use different currencies and accounting rules to the parent organization, and even have different reporting periods.

NetSuite automates the consolidation process, eliminating the challenges of working with multiple accounting and tax systems by providing a cloud-based financial management solution specifically designed for multi-entity businesses. NetSuite's platform stores data centrally, which allows its users, instead of dealing with multiple sources and formats, to work with a single

set of data.

When a transaction is posted to a subsidiary account, it is also posted to the corresponding account at the parent company level. NetSuite automatically converts the account code used by the subsidiary to the correct parent account code. Currency conversion, if required, is also undertaken automatically. Everything happens in real time, ensuring accurate, consolidated financial data is available whenever it is needed.

To maintain data integrity, accounting staff at the subsidiary level only have access to the records for their business. Corporate finance personnel have different requirements, however, so permission-based rules give them access to any information that is appropriate for their role, from summarized results to individual transactions at the subsidiary level.

The ability to link one subsidiary's sales order to another's purchase request simplifies the reconciliation process. When an intercompany order is invoiced, NetSuite identifies the transaction and automatically posts an elimination journal entry. This not only saves time by ensuring that accounting rules and legal requirements are being adhered to, it reduces the risk of costly fines or penalties.

NetSuite provides multi-entity organizations fully automated, real-time financial consolidation, resulting in a faster period close process and more timely reporting.