**Consolidation of Sub Ledgers: Inventory**

In addition to the GL Consolidation, our Reporting may also include reporting on selected Sub Ledger Consolidation. Here we will describe how we perform Sub Ledger Consolidation for Inventory.
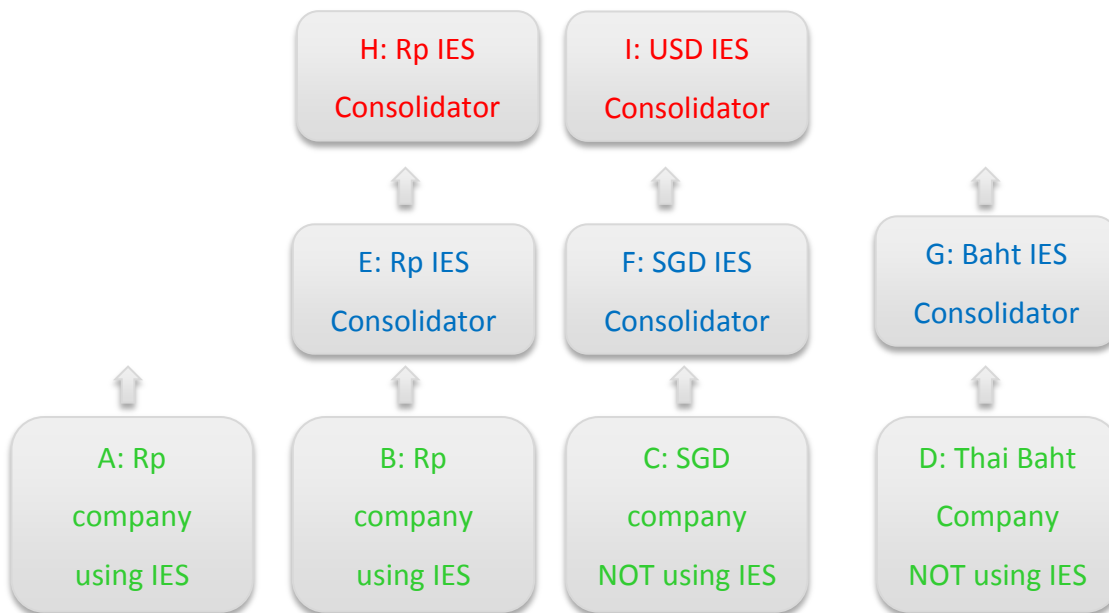
The end result that we are aiming for may look something like this: -

Stock Balance (by Group)

|  | As at 31 Dec 2017 Rp (thousands) |
|---|---|
| Office Supplies and Stationery | 100,000 |
| Spreader | 155,000 |
| Spare Parts | 935,550 |
| Generator Sets | 405,400 |
| Tools and Equipment | 101,995 |
| Total | 1,697,945 |

In the above we note the following: -
- The final result may be arrived at by feeding from multiple business units in multiple Currencies and now presented as totals in currency IDR (Rp), our final Reporting Currency in this example
- We only report Stock Group totals
- We only report in final Currency, but if the need arises to report Inventory levels by source Currency, we can adjust our Chart design to cater for this (in the same manner as we do for Payables and Receivables)

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H: Rp IES          I: USD IES
Consolidator       Consolidator

        ↑              ↑                    ↑

E: Rp IES          F: SGD IES          G: Baht IES
Consolidator       Consolidator        Consolidator

   ↑          ↑          ↑                  ↑

A: Rp       B: Rp      C: SGD            D: Thai Baht
company     company    company          Company
using IES   using IES  NOT using IES    NOT using IES
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From the above, we make observations from the illustrated Business Units and IES Datamarts: -

- Units A, B, C and D (green) are operating Business Units or Companies, where A and B use IES and C and D do not. These Units can all be on separate servers at different geographical locations or some or all can be on the same server, it matters not.
- E, F and G (blue) are Consolidator Datamarts on the IES Server where we process the Consolidations, and even in this case we can still be on the same server, but possibly it is a separate server at Group HQ.
- H and I (red) are final Consolidation and Reporting Consolidator Datamarts. In our example we will only use H for Rupiah Reporting, but we are simply showing that an unlimited number of final Consolidation Datamarts in any Currencies can be provided.
- A Consolidator Datamart can be either a 'feeder' for further Consolidation or a final Reporting Consolidator or both, while the Business Units (green) are only feeders to 1 or more or any number of Consolidators.

For our case study, we aim to do a Group Consolidation at H (Rp.). We have four companies in our Group, two of which are using IES with base Currency Rp, and we have 1 operating a different Accounting system with base currency SGD, and finally we have the 4th company not using IES with a base currency of Thai Baht.

Wherefore, we will get Trial Balance type of results from the Inventory sub ledgers at each of the 4 companies and these will be exported to Excel or CSV. We will then upload A and B to E, C to F and D to G in order to get the results into Consolidator format in the respective currencies. Once this has been achieved, we can easily perform a Group Consolidation at H (Rp) which will automatically be processed by the system as H consolidates from E, F and G, all into Rp. At H, we will do our Consolidated reporting for the Group in Rp. (Bearing in mind that this case study is only 1 example, and of course different permutations are possible, we are just doing the case study to understand how to use our Consolidator.)

The TB Results from the 'feeder' Business Units

The Business Units must produce Inventory results at a selected Period, and the result we need is this: -

Group no, Mapper, Name, Balance

Group no and Name: Is the Inventory Group Code and Name in the Business Unit. We will not use it in the Consolidator at all but it is useful for the Operator to have this when producing and verifying the results that will be used in the Consolidator upload.

Mapper: Is the Destination Account in the Consolidator where we upload.

Balance: Is the Group Balance at end of selected Period. This period in the feeder Accounting system is irrelevant to the Consolidator (because in all likely hood will be different or incompatible) and when we upload we will indicate which period in the Consolidator to use.

Notes about mapping: -

(1) In the IES feeder Business Units, mapping is provided at Inventory Group level.
(2) For feeder units that do not use IES, there may be a memo or other field at Inventory Group that can be used to indicate mapping and then included in the exported CSV result, but if not at all available, then the Operator will open the result in Excel, and include the required mapping column before uploading into IES Consolidator (since we are only dealing with Group level, the list is not at all long).

Notes about our Inventory Groups in the Consolidator Chart: -

(1) Our Inventory Groups will live in the Consolidator GL, in a special 'Y' Ledger which is excluded when reporting on our GL Consolidations. (Note that our Inventory Groups are treated as Balance Sheet values and not P&L.)
(2) In our consolidated reporting, in our case study we report in Rp, and we do not have a need in some aspects of the reporting to differentiate between the feeder currencies. Therefore, we will design our Chart very simple, but can distinguish if there is a change and we need to differentiate between feeder currencies.
For example:-
Y-1010 Office Supplies and Stationery
Y-1020 Spreader
Y-1030 Spare Parts
Y-1040 Generator Sets
Y-1050 Tools and Equipment


'Y' denotes the 'Y' Ledger while '-' is simply masking (presentation).
We leave some gaps in the Group account numbers for possible insertion of new Accounts in the future.
This regime is not fixed, it is simply an example of how to keep it simple and be able to satisfy our needs in selection criteria for reporting.
We further note that while at E, F and G mapping is required for the Consolidation performed at H or I, there is no mapping required at H or I.