

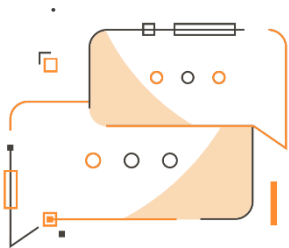
## Extended Management Accounting

Cost Accounting & implementation of customer/item profitability analysis in Dynamics 365 Business Central

# Extended Management Accounting

## App for Microsoft Dynamics 365 Business Central

Extended Management Accounting extends the functionality of Cost Accounting and enables implementation of customer/item profitability analysis in Dynamics 365 Business Central.



Do you want to easily create the Chart of Cost Accounts based on the G/L Chart of Accounts? Do you need to manage drivers and allocations? Do you want to create analysis scenarios and verify their data in detail?

### How it works

The Extended Management Accounting app offers the Cost Accounting managed with the double accounting system

- It has a separate plan of accounts and works in a double-entry
- Synchronises general accounting and accrual accounting
- It has an easily implementable allocation and driver management
- It has a free cost management model (direct costing, full costing, etc.)

### Quick Guide

Ready in a few steps:

1. Enter the Setup C/A - profitability
2. Evaluate different analysis scenarios
3. Verify the data

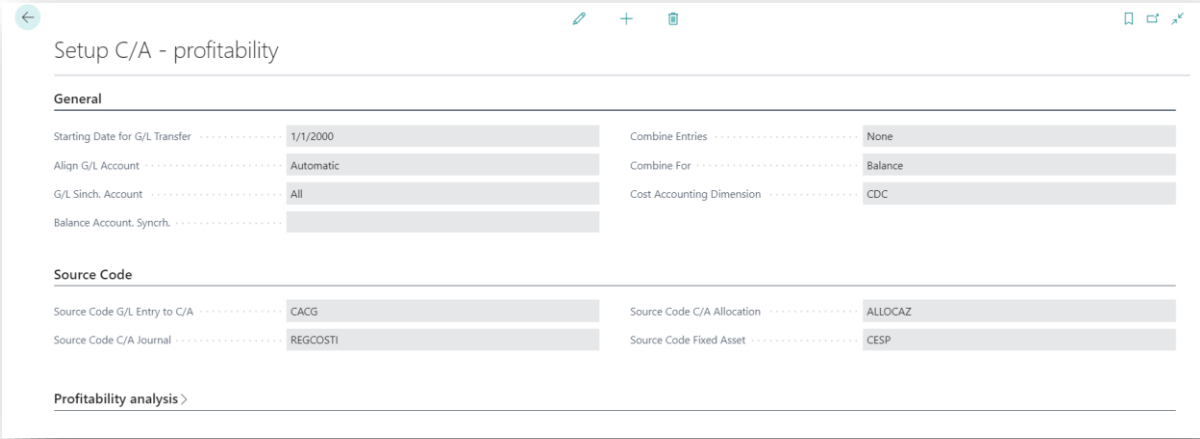
## Extended Management Accounting - SUMMARY

Press ALT + Q and digit "EMA" for a list of the features involved:



## Cost Accounting

The setup sets the basic parameters for the application to work properly:



**Setup C/A - profitability**

**General**

Starting Date for G/L Transfer	1/1/2000	Combine Entries	None
Align G/L Account	Automatic	Combine For	Balance
G/L Sinch. Account	All	Cost Accounting Dimension	CDC
Balance Account. Synchron.			

**Source Code**

Source Code G/L Entry to C/A	CACG	Source Code C/A Allocation	ALLOCAZ
Source Code C/A Journal	REGCOSTI	Source Code Fixed Asset	CESP

**Profitability analysis >**

The main fields are:

Field	Description
Balance Account. Synchron.	is the account that you need to create in the analytical plan of accounts and that the system uses in return for all entries that are reported from G/L to C/A; to be filled-in in the case of synchronization of the income statement only
Combine Entries	Specifies the option to allow for general ledger entries to be posted individually or as a combined posting per day or month
Align G/L Account	Specifies how changes in the chart of accounts are carried over to the chart of cost account. Options are: <ul style="list-style-type: none"> <li>• No Alignment</li> <li>• Automatic: when a G/L account is created the corresponding account is automatically created in the Chart of cost accounting</li> <li>• Prompt: When a G/L account is created, the user is prompted to proceed with the creation of the Cost account (also valuing, 1 to 1, the "G/L Account Range" field of the C/A account).</li> </ul>
G/L Synchron. Account	Specifies which type of G/L Account to synchronize. The options are: "Income Statement" or "All"
Cost Accounting Dimension	You need to specify the Cost Accounting Dimension

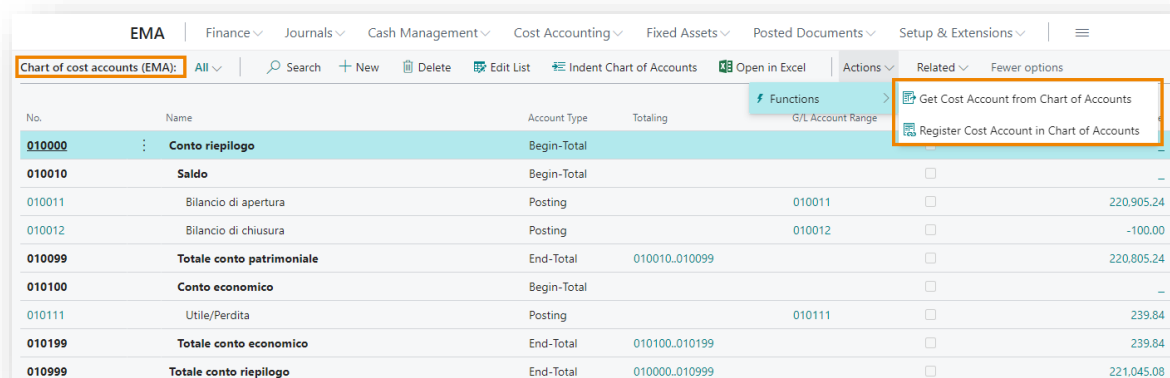
## Chart of cost accounts (EMA)

The chart of cost accounting can be linked to the Chart of accounts in mode 1 to 1, N to 1 or, if necessary, 1 to N: G/L account balances (G/L + simulated) are reported in the Cost accounts.

In order to create the Chart of cost accounts depending on the G/L Chart of accounts it is possible to execute these two functions:

**-Get Cost Account From Chart of Accounts:** copies the accounts of the Chart of accounts in the Chart of cost accounts depending on the "G/L Synchron. Account" field

**-Register Cost Account in Chart of Accounts:** analyzes the Cost accounts and update (if different) the value in the "Cost Account No." field of the G/L accounts which are present in the "G/L Account Range" field



No.	Name	Account Type	Totaling	G/L Account Range
010000	Conto riepilogo	Begin-Total		
010010	Saldo	Begin-Total		
010011	Bilancio di apertura	Posting	010011	220.905.24
010012	Bilancio di chiusura	Posting	010012	-100.00
010099	Totale conto patrimoniale	End-Total	010010..010099	220.805.24
010100	Conto economico	Begin-Total		
010111	Utile/Perdita	Posting	010111	239.84
010199	Totale conto economico	End-Total	010100..010199	239.84
010999	Totale conto riepilogo	End-Total	010000..010999	221.045.08

The "G/L Account Range" field shows the G/L account or accounts linked to the specific C/A account.

## Transfer Entries to C/A (EMA)

To synchronize the balances, you need to execute the task: "Transfer Entries to C/A (EMA)":

Firstly, the feature executes the "Register Cost Account in Chart of Accounts" action and then transfers the G/L and simulated entries to the Cost Accounting, starting from the latest performed synchronization.

## Allocation list (EMA)

Allocation can be used for:

- Group values: total all costs detected by accounting into a single C/A account that identifies a cost object
- Spread values: Divide the costs found into a single general ledger account into multiple C/A accounts that identify different cost objects.
- The Allocation Cards allow the overturning of indirect costs charged to account / dimensions, to other account / dimension combinations (e.g.: Cost Centers, Divisions etc.). The drivers used in the allocations can be:
  - Fixed: they are allocation percentages indicated in the lines of the allocation card.
  - Dynamic: the system reads the "driver entries" tables on the basis of which it calculates the allocation percentages to be used.



Allocation List (EMA) | Work Date: 6/30/2025

Search + New Manage Reports Open in Excel

Code ↑	Name	Level	Status	Sequence
TEST	: Test Umlage	1	Certified	0

The different allocation cards are performed in increasing order of Level; at the same level, execution takes place according to the "Sequence" field or, alternatively (if the sequence value is equal to zero), according to the "Code" field (alphanumeric order).

### C/A Budgets (EMA)

On this page it is possible to manage the C/A Budget by Period and Dimensions, defining four dimensions for each budget, in addition to the 2 global ones.

EMA C/A BUDGETS | WORK DATE: 1/28/2021

Search + New Edit List Delete Edit Budget Show Attached Open in Excel

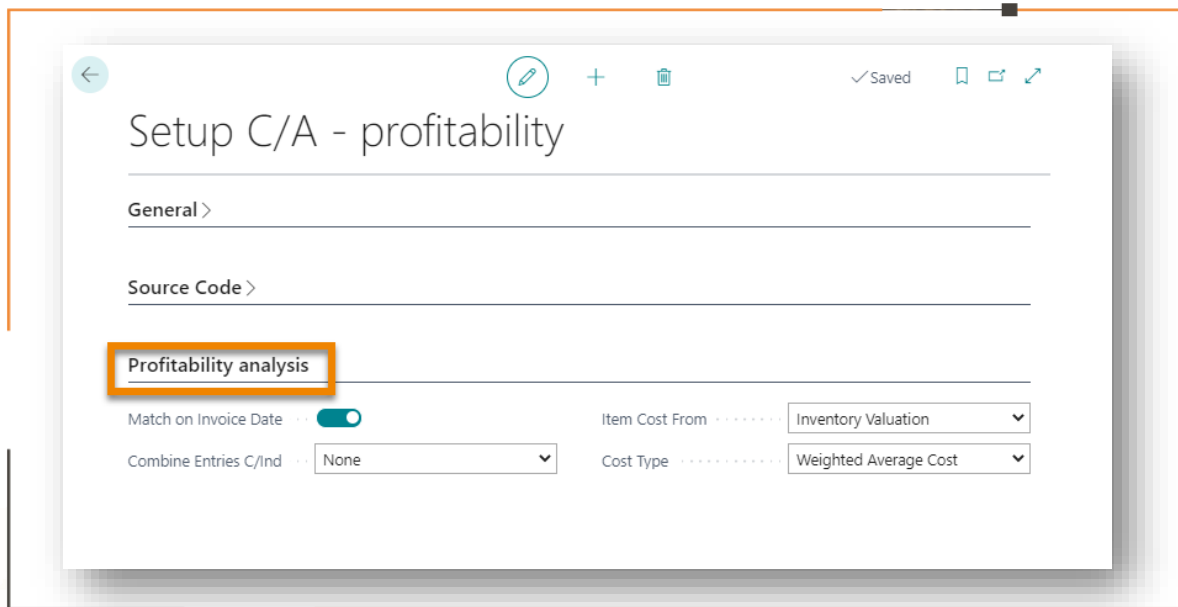
NAME ↑	DESCRIPTION	GLOBAL DIMENSI... 1 CODE	GLOBAL DIMENSI... 2 CODE	BUDGET DIMENSION 1 CODE	BUDGET DIMENSION 2 CODE	BUDGET DIMENSION 3 CODE
TEST	: Budget C/A 2020	CDC	PROGETTO			

The data entry and display period can be selected by the user; in each column and for each G / L Account - Dimensions combination, you can enter the budget value. It is also possible to export the matrix to Excel and fill it in, re-import the modified budget from Excel and / or create a new budget as a copy of another already present in the system.



# Profitability Analysis

Profitability analysis allows you to obtain through EMA a margin income statement per customer/item (and aggregates of these two entities). This is an income statement scheme at the cost of sales. The structure of this income statement is almost free, once the lines have been defined, it will be necessary to indicate for each line the origin of the data. The setup for profitability analysis is performed within the "Setup C/A – profitability" in the tab called "Profitability analysis":



Field	Description
Combine Entries C/Ind	None, Day, Month, Maximum -> specifies the option to allow for industrial ledger entries to be posted individually or as a combined posting per day or month.
Item Cost From	Specifies where to retrieve the item's cost. You can choose from standard cost worksheet or IVC extension.
Cost Type	Specifies which type of cost to analyze. Costing method available are Average, Weighed Average, Standard
Match on Invoice Date	Specifies if consider the posting date of the invoice or the posting date of the shipment when calculating sales analysis

## Profitability income statement example

Profitability analysis list | Work Date: 6/30/2025

Search [ ] + New Manage Indent Chart of Accounts Open in Excel

No.	Name	Source Type	Line Type	Totalling	Bloc...	Analysis Net Amount
0800	<b>Primo margine</b>		Begin-Total		<input type="checkbox"/>	-
0900	<b>Margine industriale</b>		Begin-Total		<input type="checkbox"/>	-
1000	<b>Ricavi</b>		Begin-Total		<input type="checkbox"/>	-
1010	RICAVI Lordi	Proceeds	Posting		<input type="checkbox"/>	-579,977.70
1011	ADDEBITI SU VENDITE	Purchase item charge	Posting		<input type="checkbox"/>	900.00
1012	sconti riga	Line discounts	Posting		<input type="checkbox"/>	1,328.70
1019	<b>Ricavi netti</b>		End-Total	1021_B.1019	<input type="checkbox"/>	-
1020	<b>Costo del venduto</b>		Begin-Total		<input type="checkbox"/>	-
1021	Costo materiali	Material cost	Posting		<input type="checkbox"/>	49,652.85
1021_A	Costi aggiuntivi veri C_IND	Additional Cost	Posting		<input type="checkbox"/>	23.00
1021_B	Costi aggiuntivi veri MAN	Additional Cost	Posting		<input type="checkbox"/>	10.00
1022	Costo Lav.interna	Capacity cost	Posting		<input type="checkbox"/>	35,855.02
1022_A	Ammortamenti	Capacity cost	Posting		<input type="checkbox"/>	1,059.00
1024	Costo lav.esterna	Subcontractor cost	Posting		<input type="checkbox"/>	-
1025	<b>Costo del venduto</b>		End-Total	1021_B.1025	<input type="checkbox"/>	36,924.02
1027	<b>Gross Margin</b>		End-Total	1021_B.1027	<input type="checkbox"/>	36,924.02
1029	<b>Costi variab.commerciali</b>		Begin-Total		<input type="checkbox"/>	-
1030	TRASPORTI	Sales cost custom calc...	Posting		<input type="checkbox"/>	36,900.00
1040	COSTO MAN AGGIUNTIVO		Posting		<input type="checkbox"/>	-
1050	PROVVIGIONI	Sales cost custom calc...	Posting		<input type="checkbox"/>	7,713.75
1055	<b>Tot. costi variab. commerciali</b>		End-Total	1021_B.1055	<input type="checkbox"/>	81,537.77
1057	<b>Margine netto commerciale</b>		End-Total	1021_B.1057	<input type="checkbox"/>	81,537.77
1060	Costi da C/A	C/A	Posting		<input type="checkbox"/>	-41,000.00

The field "Source Type" define the way the single account is filled in and provides a series of pre-defined options.

Analysis Card | Work Date: 6/30/2025

1010 · RICAVI Lordi

General

No. 1010 Search Name RICAVI LORDI

Name RICAVI Lordi Analysis Net Amount -579,977.70

Line Type Posting Blocked

Totalling

Parameter

Source Type **Proceeds** C/A Account No.

Additional Cost Type **Proceeds** Driver Code

Custom Codeunit Discounts Driver Column

Custom function Line discounts Split On Value

Calculate Opposite SL... Invoice discount

Sales item charge

Total cost

Material cost

Capacity cost

Subcontractor cost

Purchase item charge

Corrections > C/A

Statistics > C/IN

Sales cost custom calculation

End custom calculation

Item

Customer

Additional Cost





In any case, through "Sales cost custom calculation", it is possible to define a codeunit and a custom function through which to retrieve data from other tables present in the system, according to a specific logic.

As standard, the following pre-coded functions can be used:

- PROVV: allows you to recover the accrued commission cost of the single sales line from the appropriate "Commissions (CMS)" App
- PREMICLI: allows you to recover the amount of the bonus assigned to the single sales line from the specific "Sales and Purchase Bonus (SPB)" App
- TRASP: allows you to recover the amount of the transport cost assigned to the single sales line from the special "Transport Costs" App

## Profitability Driver

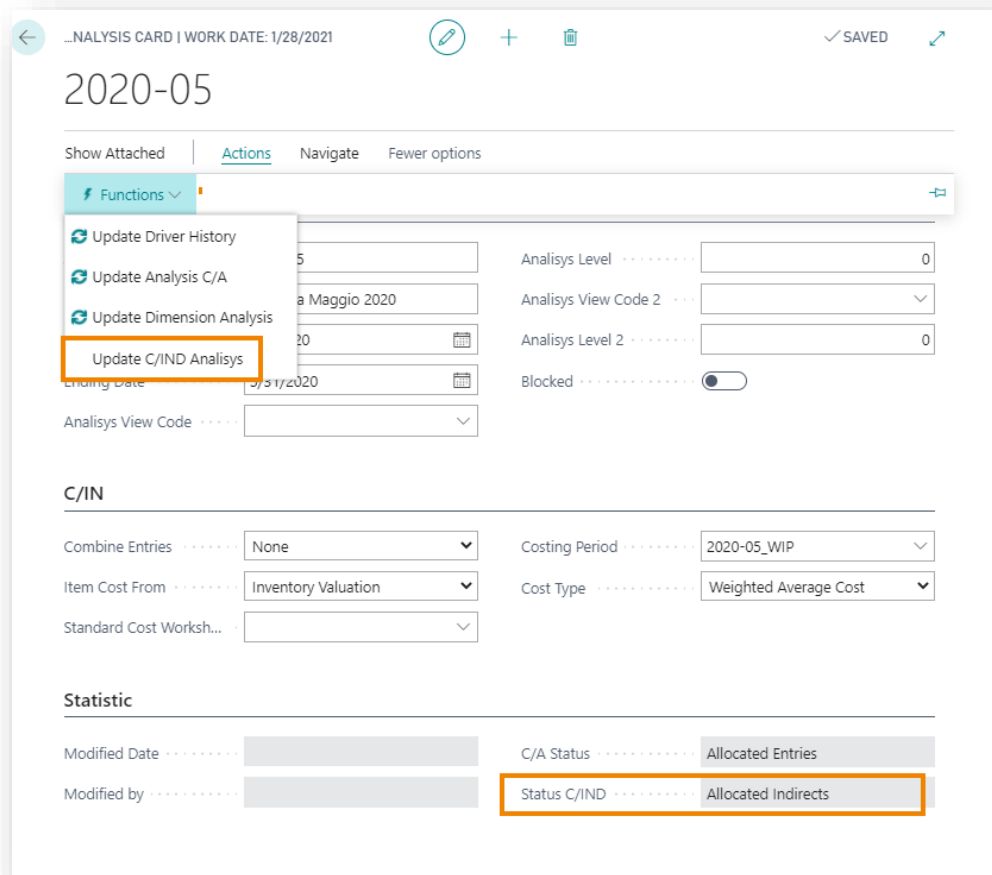
They allow you to allocate costs on sales turnover ("Driver column") according to filters set on fields and / or dimensions present in the sales lines.

In the following example, marketing costs are spread across the revenue lines according to the value of the "Division Value Filter".

## Scenario Analysis (EMA)

To feed the Profitability Analysis Account, after calculating the cost of the single item (eg through the "IVC" App), it is necessary to go back to the Scenario Analysis Card and execute the "Update C/IND Analysis" function.

At the end of the processing, the "Status C/IND" field in the Statistics tab will show the value "Allocated Indirects".



Field	Description
Update C/IND Analysis	feeds the detailed table C/IND Entries which you can open from the C/IND Account
Navigate->C/IND Card Analysis	il is possible to access the C/IND Analysis Account, filtered according to the initial Analysis Code

## Subscription

Some features of the Extended Management Accounting app require a subscription.

The subscription can be activated from Subscription control panel or directly from the notification messages that the system proposes, by clicking on the link that allows you to start the subscription wizard.

Contact us for more info:

[www.eos-solutions.it/en/contact-support.html](http://www.eos-solutions.it/en/contact-support.html)



[www.eos-solutions.it](http://www.eos-solutions.it)