



## Bonuses & Accruals



**Improved discounts with bonuses,  
rebates and accruals posting**



## Bonuses & Accruals

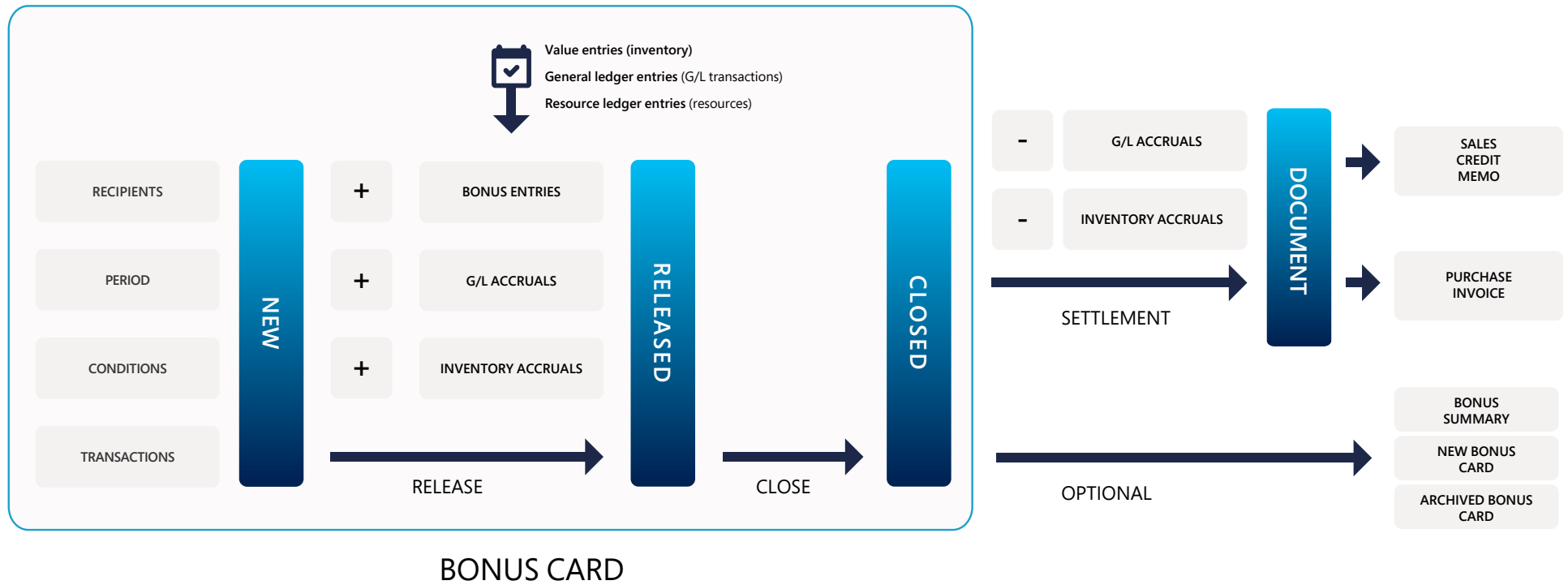
The Bonuses & Accruals application supports calculation of discounts that are granted after issuing a sales invoice or purchase invoice. This type of discount is called a retrospective discount which means it is based on sales targets that have been met. It is settled after the completion/posting of a transaction (as opposed to the so-called front-end discount that is calculated when a sales transaction is entered). In this area, Bonuses & Accruals extends the discount functionality in Microsoft Dynamics 365 Business Central. The application is also used to register other calculations based on sales or purchase amounts and quantities - such as commissions for sales staff and sales representatives, loyalty programs, royalties, etc.

The Bonus Card page where bonus types can be set up is the main element of the Bonuses & Accruals application. The user can create either a sales or purchase bonus card. With bonus types, the user can define the main setup parameters for bonus calculation, including the calculation type and method, G/L accounts as well as posting and settlement methods. The bonus card is also used to specify discount recipients, sales items and the period for which the discount is to be calculated. The discounts calculation details are defined based on bonus calculation thresholds, and percentages or amounts used for calculation within the threshold.

All bonus calculation entries are stored in the sub-ledger. Depending on the settings, you can post accruals for the bonuses calculated. After the bonus period has ended, the bonus is closed and it can be settled manually or by issuing a sales credit memo or purchase invoice.



# Bonuses & Accruals Functionality



## Bonus Card

The process is based on the bonus card, which is used to specify:

- bonus recipients,
- periods,
- terms and conditions,
- products (items),
- transactions that should qualify for bonus calculation.

**Dynamics 365 Business Central** | Sandbox

**Bonus Card** | BON0010

Process: Release Prepare Bonus

Close & Settle... Archive

No. BON0010 | Sales Type Sell-to Customer | Ending Date 31.07.2022

Description Bonus - Sales Amount\Percentage\Progressive | Sales Code 10000 | User ID ADMIN

Bonus Type SA\_PERC\_PR | Starting Date 01.07.2022 | Last DateTime Modified 25.07.2022 14:14

Status Released

**Calculation** | Show more

Sales Asset Set Code ITEMS | Calculation Method Percentage | Threshold Currency Code

Calculation Base Sales Amount | Threshold Selection Progressive | Threshold Unit of Measure

**Thresholds** | Manage

	Above		Bonus %
	1 000,00		10,00
→	10 000,00	:	15,00

**Accruals**

Post Accruals to G/L  | Accrual Reversal Date Closing Date

**Statistics**

Base Value 14 000,00 | Total Bonus Amount 1 500,00

## Bonus terms and conditions are defined based on a number of settings, including:

- **bonus type,**
- **sales type (purchase type),**
- **date,**
- **source asset set code,**
- **bonus thresholds.**

Within the **bonus type**, you can define:

- sales/purchase – transactions which will be included,
- bonus calculation base: the sales amount and sales quantity,
- calculation method - based on percentages or amounts,
- bonus threshold – with progressive calculation up to a given value or calculation based on the total sales value,
- bonus settlement method and details,
- accruals calculation.

Bonus type settings can be used in different combinations, which ensures the flexibility of the solution.

The screenshot shows the 'Bonus Type Card' for 'QTY\_FA\_PROG' in Dynamics 365 Business Central. The card is divided into several sections: General, Calculation, Accruals, and Settlement. The 'General' section includes fields for Code (QTY\_FA\_PROG), Description (Sales Qty/Fixed Amount/Progressive), and a Recurring toggle. The 'Calculation' section includes fields for Calculation Base (Sales Qty), Calculation Method (Fixed Amount), Threshold Selection (Progressive), and Exclude Discounts. The 'Accruals' section includes fields for Bonus Posting Group (BONUS), Post Accruals (toggle), and Post Accruals to Inventory (toggle). The 'Settlement' section includes fields for Settle per (Sell-to Customer & Source Currency), Group Settlement Lines (Dimension Set ID & VAT Prod. Posting Group), Settlement Document Type (Sales Cr. Memo), Settlement Document Line Type (Charge (Item)), Settlement Document Line No. Source (BONUS), and Settlement Document Line Description (Bonus granted for extra sales).

Section	Field	Value
General	Code	QTY_FA_PROG
	Description	Sales Qty/Fixed Amount/Progressive
	Recurring	Off
Calculation	Calculation Base	Sales Qty
	Calculation Method	Fixed Amount
	Threshold Selection	Progressive
	Exclude Discounts	Off
Accruals	Bonus Posting Group	BONUS
	Post Accruals	On
	Post Accruals to Inventory	Off
Settlement	Settle per	Sell-to Customer & Source Currency
	Group Settlement Lines	Dimension Set ID & VAT Prod. Posting Group
	Settlement Document Type	Sales Cr. Memo
	Settlement Document Line Type	Charge (Item)
	Settlement Document Line No. Source	BONUS
	Settlement Document Line Description	Bonus granted for extra sales.

The **sales type (purchase type)** defines the recipient of the bonus. It can be an individual customer, a selected group of customers or all customers. Similar settings are available for the vendors in case of the purchase bonuses. It is an optional parameter.

**Bonus dates** define the beginning and end of the period in which the bonus is valid. Based on this data, both existing and future calculations are made - so the moment when a bonus card is created does not affect the process. For example, to calculate a bonus in a period from January to March, we can create a bonus card on January 1 or March 30 or any other date in this period.

The **source asset set code** defines the bonus calculation basis which can be an item or resource.

**Bonus thresholds** determine which bonuses are to be calculated based on which sales amounts. For example, for a sales amount of PLN 10,000 or more, we grant a 10% bonus, and after exceeding the threshold of PLN 50,000, the bonus will amount to 15%.





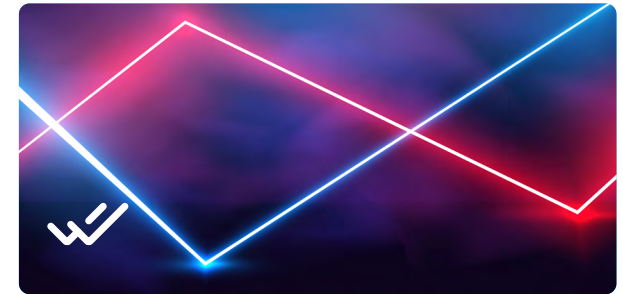
## Bonus calculation

When a bonus card is activated, the system verifies which transactions in a selected period qualify for the bonus. The existing value entries (inventory), general ledger entries (G/L transactions) or resource ledger entries (resources) are taken into account. Based on this data, bonus entries that reflect the conditions defined on the bonus card are created. Additionally, when the bonus card is activated, bonus entries are created for all subsequent sales or purchase transactions. The bonus card creation date does not affect the process.



## Posting accruals

Accruals calculation in the general ledger and inventory value entries is an additional functional extension that the Bonuses & Accruals application offers. With accruals, accounting departments are able to reserve funds for future payables and settlements by posting additional transactions to the general ledger. If accruals are posted for inventory entries, additional value entries (that increase or decrease the margins) are created (in case of the sales bonus). This way, the actual sales statistics and inventory value is presented.



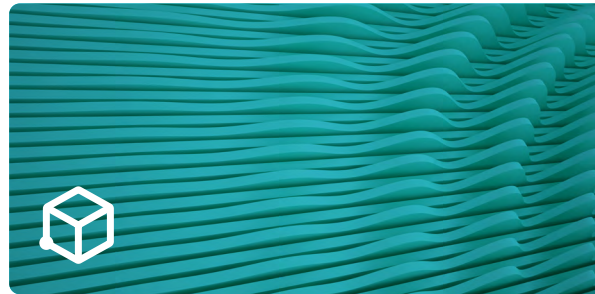
## Bonus closing

After closing, the bonus is deactivated and no more transactions can be added to it. Then, the user can settle the sales bonus (purchase bonus) by creating a sales credit memo or a purchase invoice (purchase credit memo or sales invoice). Along with these documents, a bonus summary report is generated with a detailed list of transactions for which the bonus was calculated. At this stage, users can reverse the posting of accruals, provided that accruals calculation was set up. After closing the bonus card, the user can archive it.



## Recurring bonuses

The bonus card can be created automatically only after the current bonus card is closed. To set up recurring bonus creation, the user can define the frequency of the starting date and ending date for new bonuses by setting the appropriate date formulas on the bonus type page. The functionality is especially useful for companies that frequently grant multiple bonuses to many of their customers.



## Bonus handling automation

Companies that calculate bonuses for a large number of transactions can automate this process and schedule it outside company hours to reduce system load. What's more, the application allows you to create or close bonuses for multiple cards simultaneously.

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<https://www.it.integro.pl/en/erp-system/business-solutions/bonuses-and-accruals/>

Documentation available on

<https://docs.it.integro.pl/en-us/BonusesAccruals/index.html>



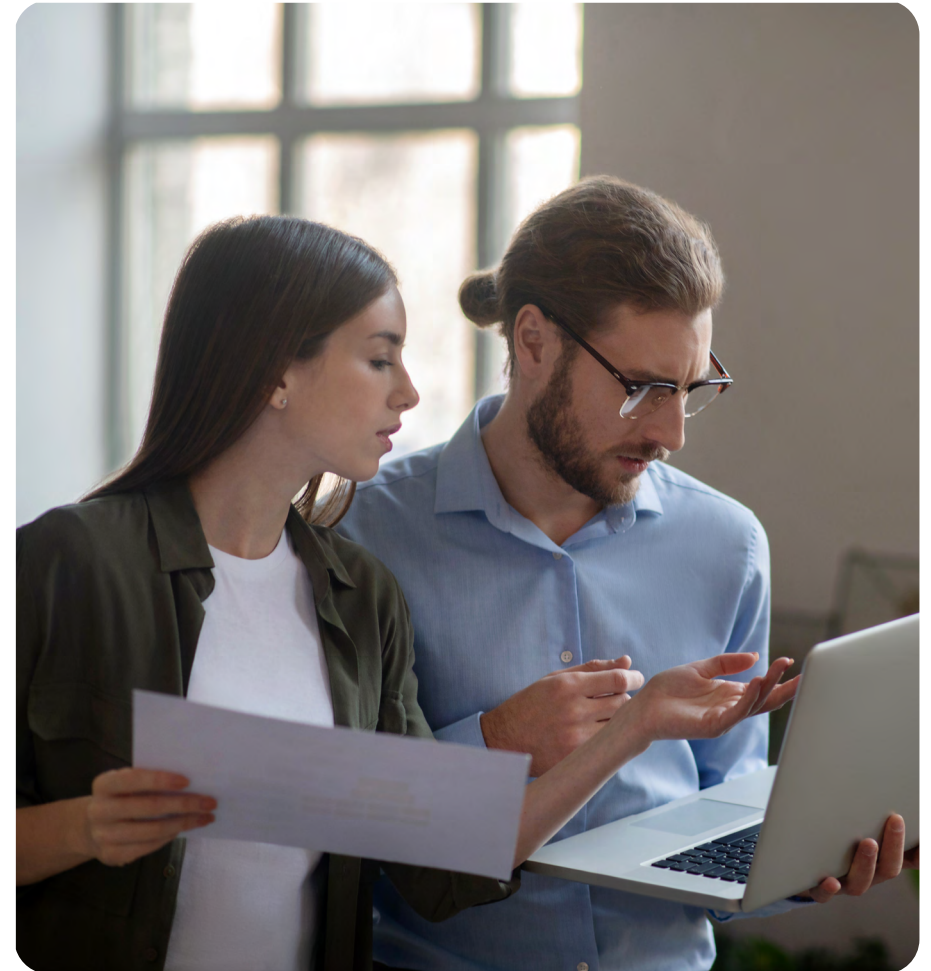
## Benefits of implementing Bonuses & Accruals

- Streamlined fulfillment of sales objectives
- Ability to implement a comprehensive bonus calculation strategy
- Effective sales policy
- Promoted sales of selected items from the offer
- More effective receivables and payables management
- Enhanced liquidity management

## What makes Bonuses & Accruals unique?

With the versatility and flexibility of the solution, users can set up and handle different types of bonuses, including commissions, royalties, loyalty programs. The solution enables the user to post accruals. This feature is not offered within other solutions for Microsoft Dynamics 365 Business Central.

- Versatility and complexity of the solution
- Flexibility in defining the discount recipient and discount methods
- Ability to handle various discount, rebate and bonus types
- Automatic calculation and posting of accruals



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# Microsoft Dynamics 365 Business Central

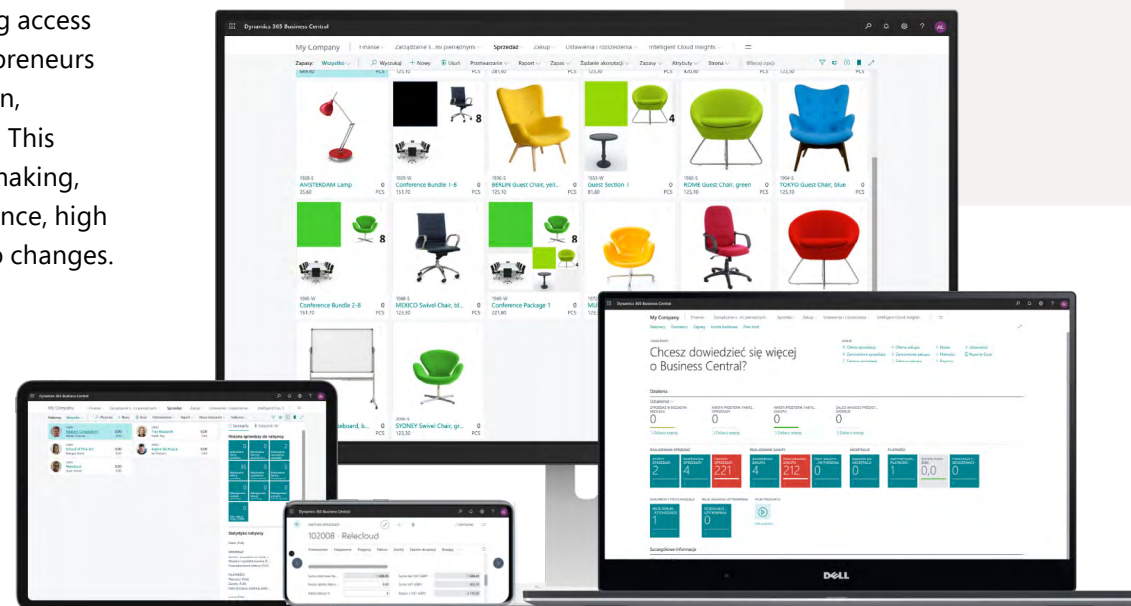
We are entering the world of digital transformation that changes the market, customers and competition. It also has an impact on the strategies and business models applied in modern companies. Innovative technological solutions keep appearing at a surprising pace. The emerging trends indicate the direction of this evolution. The evolution, that is based on mobility, artificial intelligence, the Internet of Things, cloud computing, social media networks and analytics.

Presently business growth depends on the tight integration of business processes. Having access to complete information, modern entrepreneurs gain a comprehensive insight into proven, reliable data at any time from anywhere. This enables conscious, fact-based decision making, ongoing control over business performance, high productivity and readiness to respond to changes.

**Dynamics 365 Business Central** (former Dynamics NAV) is an ERP system which

will transform your business to a higher level, adding up a new value to it.

It will enable you to enter the path of digital transformation. As a set of integrated and intelligent business solutions, Dynamics 365 Business Central will stimulate your organization to grow and your employees to develop as professionals. Keeping up with the latest trends, Dynamics 365 Business Central will turn your organization into an intelligent digital company.



**Rich and powerful functionality**



**Enhanced with business and industry solutions**



**Integrates all areas of business activity**



**Available both in the cloud model or on-premise servers**



**Intuitive and flexible business solution**

## IT.integro

As a strategic Dynamics 365 Business Central partner in Poland, IT.integro cooperates with Microsoft on educating the market about integrated IT systems and implements the most popular ERP system of the Microsoft product family. For its extensive knowledge and experience, **IT.integro** was granted numerous awards, including the Microsoft Partner Gold Enterprise Resource Planning status and the title of Microsoft Dynamics Partner of the Year 2016, as well as being a Finalist in the Microsoft Dynamics Regional Partner of the Year 2016 for Central and Eastern Europe competition. IT.integro is also a member of the elite President's Club for Microsoft Dynamics

club. For over 30 years, the company has been supporting the work of thousands of Microsoft Dynamics 365 Business Central users by systematically delivering new implementations of the solution and its add-ons. IT.integro's successful track record includes domestic and global projects carried out for corporations and capital groups, with support for multilingual and multi-currency needs. With its focus on helping its customers to grow their businesses faster, IT.integro offers its comprehensive services to local and global users from several dozens of countries worldwide.



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Language



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Banking  
EXTENSION



Advanced  
Intercompany



Bonuses  
& Accruals



Advanced  
Product Configurator

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