Joint Venture Management Overview

JD Edwards EnterpriseOne 9.2

November 2019
Safe Harbor Statement

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Program agenda

1. Business Problem
2. Solution Overview
3. A Deeper Dive
4. Summary
5. Resources
Business Problem
Business Problem

Acme Company needs partners to help fund a project in China

A Joint Venture is formed between the partners

<table>
<thead>
<tr>
<th>Partner</th>
<th>Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acme</td>
<td>45%</td>
</tr>
<tr>
<td>Jones</td>
<td>20%</td>
</tr>
<tr>
<td>Thompson</td>
<td>25%</td>
</tr>
<tr>
<td>Dunn in China</td>
<td>10%</td>
</tr>
</tbody>
</table>

Acme will be the Managing Partner and handle all the financials for the Joint Venture

- Pay Bills/Receive Revenue
- Distribute expenses and revenue to Partners
- Provide Financial Reports for the Joint Venture to the Partners
Business Problem

Many Industries Utilize Joint Ventures
Business Problem

Acme Company needs partners to help fund a project in China

<table>
<thead>
<tr>
<th>Managing Partner</th>
<th>Partner</th>
<th>Partner</th>
<th>Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>45% share</td>
<td>20% share</td>
<td>25% share</td>
<td>10% share</td>
</tr>
</tbody>
</table>

Acme Company needs partners to help fund a project in China to receive revenue and distribute expenses and revenue to partners. ACME will:

- Pay Bills
- Receive Revenue
- Distribute expenses and revenue to Partners
- Provide Financial Reports for the Joint Venture to the Partners

Business Process:

1. Expenses Incurred
2. Revenue Received
3. Manage Cash
4. Process Allocations and Overhead to be Distributed
5. Distribute Expenses, Overhead, and Revenue to Partners
6. Process Invoices, Vouchers, and J/Es for the Distributed Transactions
7. Joint Venture Financial Reporting
Solution Overview
Solution Overview
Generally Available

• JD Edwards EnterpriseOne Applications Release 9.2

• Delivered as part of JD Edwards EnterpriseOne Financials Module

• No Tools release dependency
Solution Overview

Where Joint Venture Management Fits In

Manage Your Joint Ventures with JD Edwards Financial Management

Manage the Joint Venture Operations with Standard JD Edwards EnterpriseOne Products

Joint Venture Management

Joint Venture

Engineering & Construction
- Project Costing

Real Estate
- Real Estate Management

Oil and Gas
- Project Costing

Agribusiness
- Grower Management

Oil and Gas
- Project Costing

Financial Management
- Other
Solution Overview

Acme Company needs partners to help fund a project in China

<table>
<thead>
<tr>
<th>Managing Partner</th>
<th>Partner</th>
<th>Partner</th>
<th>Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>45% share</td>
<td>20% share</td>
<td>25% share</td>
<td>10% share</td>
</tr>
</tbody>
</table>

ACME will:
- Pay Bills
- Receive Revenue
- Distribute expenses and revenue to Partners
- Provide Financial Reports for the Joint Venture to the Partners

Business Process:

Expenses Incurred
Revenue Received
Manage Cash

Process:

Allocate and Overhead to be Distributed

Distribute Expenses, Overhead, and Revenue to Partners

Process Invoices, Vouchers, and J/Es for the Distributed Transactions

Joint Venture Financial Reporting
Incurring Expenses, Receiving Revenue, and Managing Cash
Business as usual for your Business Units and Projects

Expenses Incurred
Revenue Received
Manage Cash

Process Allocations and Overhead to be Distributed
Distribute Expenses, Overhead, and Revenue to Partners
Process Invoices, Vouchers, and J/Es for the Distributed Transactions
Joint Venture Financial Reporting

Incurring Expenses and Receiving Revenue

• Direct Costs
  – Labor, Material, and other costs for the Joint Venture

• Indirect Costs
  – Utility bills, rent, etc.
  – Payroll
  – Other business expenses

• Revenue
  – Payments from customers or tenants
Incurring Expenses, Receiving Revenue, and Managing Cash
Business as usual for your Business Units and Projects

Expenses Incurred
Revenue Received
Manage Cash

Process
Allocations and
Overhead to be
Distributed

Distribute
Expenses, Overhead, and Revenue to Partners

Process Invoices, Vouchers, and J/Es for the Distributed Transactions

Joint Venture
Financial Reporting

Managing Cash

Joint Venture Start-Up
Partner Contributions
Cash On Hand

Monthly Cash Management

Revenue

Expenses

Cash On Hand

Cash On Hand

Low

Periodic Cash Call Requests
Cash On Hand

Cash On Hand

Partner Contributions

Cash On Hand
Process Allocations and Overhead to be Distributed
Sharing the cost of managing the joint venture with your partners

Expenses Incurred
Revenue Received
Manage Cash

Process
Allocations and
Overhead to be
Distributed

Distribute
Expenses,
Overhead, and
Revenue to
Partners

Process Invoices,
Vouchers, and J/E
for the Distributed
Transactions

Joint Venture
Financial
Reporting

Overhead

Calculate Overhead

Review/Update Calculated
Amounts

Create Overhead Expenses
for Joint Venture

Overhead ready to be
distributed to the partners

OR

Indirect Costs

Utilities

JV Acct
Salary

Rent

Office
Supplies

Other

Allocations

Allocate indirect
costs to Joint
Venture

Review/Update
Allocations

Allocated costs ready
to be distributed to
the partners
Distribute Expenses, Overhead, and Revenue to Partners
Distributing the direct/indirect costs and revenue associated with your venture

<table>
<thead>
<tr>
<th>Expenses Incurred</th>
<th>Revenue Received</th>
<th>Manage Cash</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process Allocations and Overhead to be Distributed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Distribute Expenses, Overhead, and Revenue to Partners</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Process Invoices, Vouchers, and J/Es for the Distributed Transactions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Joint Venture Financial Reporting</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Joint Venture</th>
<th>Expenses</th>
<th>Overhead</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenses</td>
<td>$12,000</td>
<td>$200</td>
<td>$15,000</td>
</tr>
<tr>
<td>Acme</td>
<td>$5,400</td>
<td>$90</td>
<td>$6,750</td>
</tr>
<tr>
<td>Jones</td>
<td>$2,400</td>
<td>$40</td>
<td>$4,500</td>
</tr>
<tr>
<td>Thompson</td>
<td>$3,000</td>
<td>$50</td>
<td>$3,750</td>
</tr>
<tr>
<td>Dunn in China</td>
<td>$1,200</td>
<td>$20</td>
<td>$1,500</td>
</tr>
</tbody>
</table>

| Acme          | 45%      |
| Jones         | 20%      |
| Thompson      | 25%      |
| Dunn in China | 10%      |
Process Invoices, Vouchers, and J/Es for Distributions
Invoicing and Paying your Partners

- Expenses Incurred
- Revenue Received
- Manage Cash

- Process Allocations and Overhead to be Distributed

- Distribute Expenses, Overhead, and Revenue to Partners

- Process Invoices, Vouchers, and J/Es for the Distributed Transactions

- Joint Venture Financial Reporting

**Create Journal Entries for the Managing Business Unit**

- Expenses: $5,400
- Overhead: $90
- Revenue: $6,750

- Expenses: $2,400
- Overhead: $40
- Revenue: $4,500

- Expenses: $3,000
- Overhead: $50
- Revenue: $3,750

- Expenses: $1,200
- Overhead: $20
- Revenue: $1,500

**Invoice Each Partner for Expenses and Overhead**

**Pay Each Partner for Revenue Received**

**Create and Pay a Voucher**

**Draw Against Partner Cash Calls**

**Create Invoice**

**Print Invoice or Billing Statement**
Joint Venture Financial Reporting
Communicating the Financial Position of Your Joint Venture

Financial Reporting needed for the Joint Venture as well as by Partner

<table>
<thead>
<tr>
<th>My Company</th>
<th>Other Partners</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Cash Movement</td>
<td></td>
</tr>
<tr>
<td>Bank Balance Beginning of Month</td>
<td>1,568,113</td>
</tr>
<tr>
<td>Monthly Activity</td>
<td></td>
</tr>
<tr>
<td>Cash Call Funds Received:</td>
<td></td>
</tr>
<tr>
<td>Requested from Partners</td>
<td>589,789</td>
</tr>
<tr>
<td>Total Cash Call Funds Received</td>
<td>221,171</td>
</tr>
<tr>
<td>Total</td>
<td>368,618</td>
</tr>
<tr>
<td>Operations</td>
<td></td>
</tr>
<tr>
<td>Net Loss</td>
<td>(562,897)</td>
</tr>
<tr>
<td>Working Capital Change</td>
<td>(211,086)</td>
</tr>
<tr>
<td>(335,600)</td>
<td></td>
</tr>
<tr>
<td>Asset Sales</td>
<td>80,789</td>
</tr>
<tr>
<td>Total Capital and Exploration Expenditures</td>
<td>0,745</td>
</tr>
<tr>
<td>Total Cash Movement from Operations</td>
<td>(25,987)</td>
</tr>
<tr>
<td>Net Change in Cash Balance During Month</td>
<td>1,388,624</td>
</tr>
<tr>
<td>(335,600)</td>
<td></td>
</tr>
<tr>
<td>Bank Balance End of Month</td>
<td>769,203</td>
</tr>
</tbody>
</table>

Distributions Ledgers provide specific ledger types for distributed transactions to enable financial reporting

Operational Reporting needed for the Joint Venture as well for Managing Partner

- Trial Balance
- Account Ledger Inquiry
- General Ledger by Category Codes
- Integrity Reports
- Joint Venture Inquires
A Deeper Dive
A Deeper Dive
Defining the Joint Venture

Address Book
- Partners
- Business Units

Legal Entity Information

Joint Venture Structure
- Business Units
- Projects
- Properties

Financial Accounts
- Model Chart of Accounts
- Distributable Accounts

Joint Venture
- Management Information
- Approval Lists
- Hierarchy
- Overhead

Division of Interest
- Date effective DOI
- DOI Assignment Rules
Defining the Joint Venture
Legal Entity Information

- **Date Effective**: 07/30/2018
- **80 Characters for the Legal Name**: Light Rail Construction
- **User Defined Entity Types**: Joint Venture Entity
- **Minimum Amounts**: Invoice Minimum Amount: 0, Voucher Minimum Amount: 0
- **Extended Legal Name/Description**: T5 R67 S9 NW/4 & SW/4 AKA LOT 2 OR PHASE II OF J D EDWARDS PBG
Defining the Joint Venture
Distributable Accounts

<table>
<thead>
<tr>
<th>Records 1 - 3</th>
<th>Business Unit</th>
<th>Business Unit Description</th>
<th>Object Account</th>
<th>Subsidiary</th>
<th>Account Description</th>
<th>Distributable</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>2030</td>
<td></td>
<td></td>
<td>Heavy Equipment</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Distribution</td>
<td>2040</td>
<td></td>
<td></td>
<td>Vehicles</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Distribution</td>
<td>4110</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Identify which accounts are available to be distributed to the Partners in your Joint Ventures
Defining the Joint Venture
Joint Venture Information

<table>
<thead>
<tr>
<th>Overhead Processing</th>
<th>Category Codes to Assist with Reporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>List of Approvers</td>
<td>Minimum Amounts for Invoicing and Vouchering</td>
</tr>
<tr>
<td>Person Responsible for the JV</td>
<td>Date the JV was Started</td>
</tr>
<tr>
<td>Companies and Business Units Associated with Managing the Joint Venture</td>
<td>Cash Call Processing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Joint Venture Name</th>
<th>Joint Venture Description</th>
<th>Joint Venture Status</th>
<th>Joint Venture Business Unit</th>
<th>Joint Venture Business Unit Address</th>
<th>Managing Business Unit</th>
<th>Approval List</th>
<th>Assigned To</th>
<th>Invoice Minimum Amount</th>
<th>Voucher Minimum Amount</th>
<th>Inception Date</th>
<th>G/L Offset Code</th>
<th>Cash Call by Subledger</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALLIEDTTC</td>
<td>Allied Ventures DTC Towers</td>
<td>Active</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>85010</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>85020</td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>DTCTWRSPPR</td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td>85056</td>
<td></td>
<td></td>
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<tr>
<td>0</td>
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<td>0</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>01/01/2019</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
# Defining the Joint Venture Approval Lists

The image shows a table titled **Approval List - Edit Approval List**. The table is used to identify approvers and track approval dates. Each row represents a different approval list entry with columns for **Outside Partner**, **Insider Business Unit**, **Outside Partner or Insider BU Name**, **Entity Type**, and **Date Approved**.

### Example Entries

<table>
<thead>
<tr>
<th>Outside Partner</th>
<th>Insider Business Unit</th>
<th>Outside Partner or Insider BU Name</th>
<th>Entity Type</th>
<th>Date Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>202020</td>
<td></td>
<td>Wildcat Drilling Operations - North</td>
<td>Inside Owner</td>
<td></td>
</tr>
<tr>
<td>7500010</td>
<td></td>
<td>Bob Thompson</td>
<td>Joint Venture Owner</td>
<td></td>
</tr>
<tr>
<td>7500021</td>
<td></td>
<td>Nancy Jones</td>
<td>Joint Venture Owner</td>
<td></td>
</tr>
<tr>
<td>7500032</td>
<td></td>
<td>Claire Dunn</td>
<td>Joint Venture Owner</td>
<td></td>
</tr>
</tbody>
</table>

The table is used to manage approval lists for joint ventures, allowing for the identification of approvers and tracking of approval dates accurately.
Defining the Joint Venture
Joint Venture Hierarchy

View the structure and information for your Joint Ventures
**Defining the Joint Venture Overhead**

Create Overhead Rules based upon Overhead Calculation Methods

- Fixed Amount
- Fixed Amount w/Escalations
- Fixed Percent
- Fixed Percent w/Sliding Scale
- Day Rate
- User Defined Overhead

Assign Overhead Rules to your Joint Ventures, Business Units, Property, and Projects
## Defining the Joint Venture

### Division of Interest

<table>
<thead>
<tr>
<th>ACME</th>
<th>Jones</th>
<th>Thompson Company</th>
<th>Dunn in China</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managing Partner</td>
<td>Partner</td>
<td>Partner</td>
<td>Partner</td>
</tr>
<tr>
<td>45% share</td>
<td>20% share</td>
<td>25% share</td>
<td>10% share</td>
</tr>
</tbody>
</table>

1. **DOI Assignment Rules**

The Joint Operating Agreement states that all partners pay direct costs for the Joint Venture.

Assigned to the Joint Venture for all direct cost accounts.

2. **DOI Assignment Rules**

The Joint Operating Agreement states that Dunn in China does not pay any overhead expenses for the Joint Venture.

Assigned to the Joint Venture for all overhead expense accounts.
A Deeper Dive
Incurring Expenses, Receiving Revenue, and Managing Cash

Expenses Incurred
Revenue Received
Manage Cash

Process Allocations and Overhead to be Distributed
Distribute Expenses, Overhead, and Revenue to Partners
Process Invoices, Vouchers, and J/Es for the Distributed Transactions
Joint Venture Financial Reporting

Incurring Expenses and Receiving Revenue

Existing Processes in JD Edwards EnterpriseOne

Joint Venture

Indirect Costs
- Utility bills, rent, etc.
- Payroll
- Other business expenses

Revenue
- Payments from customers or tenants
A Deeper Dive
Managing Cash

Expenses Incurred
Revenue Received
Manage Cash

Process Allocations and Overhead to be Distributed
Distribute Expenses, Overhead, and Revenue to Partners
Process Invoices, Vouchers, and J/Es for the Distributed Transactions
Joint Venture Financial Reporting

Managing Cash

Joint Venture Start-Up
Partner Contributions
Cash On Hand

Monthly Cash Management
Cash On Hand + Revenue - Expenses = Cash On Hand

Periodic Cash Call Requests
Cash On Hand
Partner Contributions
Cash On Hand
Managing Cash
Incurring Expenses and Receiving Revenue

Receive Invoices and Pay Vouchers
Issue Invoices and Receive Payments

Existing Processes in JD Edwards EnterpriseOne
Managing Cash Calls

Cash Call Actions:
- Create the cash
- Invoice the partner
- Void the cash call
- Transfer to New or Existing Cash Call
- Close and Refund
A Deeper Dive
Process Allocations and Overhead to be Distributed

**Expenses Incurred**
Revenue Received
Manage Cash

**Process Allocations and Overhead to be Distributed**

**Distribute Expenses, Overhead, and Revenue to Partners**

**Process Invoices, Vouchers, and J/Es for the Distributed Transactions**

**Joint Venture Financial Reporting**

---

**Overhead**

- Calculate Overhead
- Review/Update Calculated Amounts
- Create Overhead Expenses for Joint Venture

**Indirect Costs**

- Utilities
- Other
- JV Acct Salary
- Rent
- Office Supplies

**Allocations**

- Allocate indirect costs to Joint Venture
- Review/Update Allocations
- Allocated costs ready to be distributed to the partners

**Overhead ready to be distributed to the partners**
## Process Allocations and Overhead to be Distributed
### Overhead Calculation Methods

<table>
<thead>
<tr>
<th>Method</th>
<th>Description</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed Amount</strong></td>
<td>Charge a fixed amount per month based on Operational Status</td>
<td>$200 per month. Do not charge if “Shut-in” for more than 3 months.</td>
</tr>
<tr>
<td><strong>Fixed Amount w/Escalations</strong></td>
<td>Charge a fixed amount per month based on Operational Status. Fixed amount can be escalated yearly.</td>
<td>$375.46 per month. COPAS, base amount $290, base year 2011, escalated thru 2019. Do not charge if “Shut-in” for more than 3 months.</td>
</tr>
<tr>
<td><strong>Fixed Percent</strong></td>
<td>Charge a fixed percentage of cost from a specified set of object accounts</td>
<td>10%, Month-To-Date include object 4004 and exclude object 4004.MISC</td>
</tr>
<tr>
<td><strong>Fixed Percent w/Sliding Scale</strong></td>
<td>Charge a percentage of costs from a specified set of object accounts, where the percentage is based on the total cost</td>
<td>Charge 3% up to $50,000, 2% from $50,000 and 1% for $100,000 and over.</td>
</tr>
<tr>
<td><strong>Day Rate</strong></td>
<td>Charge a specific daily amount based on the Operational Status</td>
<td>Drilling Jan 15 – 29 - Rate - $100, Completions Feb 3 – Current - Rate - $80</td>
</tr>
<tr>
<td><strong>User Defined Overhead</strong></td>
<td>Allow user to specify a Business Function that would do the calculations and return the overhead amount.</td>
<td></td>
</tr>
</tbody>
</table>
Process Allocations and Overhead to be Distributed

Process Overhead

Calculate Overhead

Review & Update Calculated Amounts

Create Overhead Expenses for Joint Venture
Process Allocations and Overhead to be Distributed
Process Overhead

Calculate Overhead

Review & Update Calculated Amounts

Create Overhead Expenses for Joint Venture

Batch Process
Process Allocations and Overhead to be Distributed
Process Overhead

Calculate Overhead
Review & Update Calculated Amounts
Create Overhead Expenses for Joint Venture

Review all Overhead Calculations
Mark for Recalculation
Void/Delete Overhead Expense Journal Entries
Process Allocations and Overhead to be Distributed
Process Overhead

Calculate Overhead
Review & Update Calculated Amounts
Create Overhead Expenses for Joint Venture

Review Source Journal Entries for Fixed Percent and Fixed Percent w/Sliding Scale Overhead Calculations
Process Allocations and Overhead to be Distributed
Process Overhead

- Calculate Overhead
- Review & Update Calculated Amounts
- Create Overhead Expenses for Joint Venture

Batch Process
A Deeper Dive
Distribute Expenses, Overhead, and Revenue to Partners

Expenses Incurred
Revenue Received
Manage Cash

Process Allocations and Overhead to be Distributed

Distribute Expenses, Overhead, and Revenue to Partners

Process Invoices, Vouchers, and J/Es for the Distributed Transactions

Joint Venture Financial Reporting

Expenses
Overhead
Revenue

Acme
45%

Jones
20%

Thompson Companies
25%

Dunn in China
10%

expenses

$12,000

Overhead
$200

Revenue
$15,000

$5,400
$90
$6,750

$2,400
$40
$4,500

$3,000
$50
$3,750

$1,200
$20
$1,500

Joint Venture

Expenses

$12,000

Overhead
$200

Revenue
$15,000

Joint Venture

45%

20%

25%

10%
Distribute Expenses, Overhead, and Revenue to Partners Process

- Load JVM Account Ledger
- Assign Division of Interest
- Manage Account Ledger
- Distribute Transactions
- Manage Distributed Transactions
Distribute Expenses, Overhead, and Revenue to Partners Process

Load JVM Account Ledger → Assign Division of Interest → Manage Account Ledger

Batch Process
Distribute Expenses, Overhead, and Revenue to Partners Process

- Load JVM Account Ledger
- Assign Division of Interest
- Manage Account Ledger

Batch Process
Distribute Expenses, Overhead, and Revenue to Partners Process

- Load JVM Account Ledger
- Assign Division of Interest
- Manage Account Ledger

Review the Transactions to be Distributed and the Assigned Division of Interest
Distribute Expenses, Overhead, and Revenue to Partners

Process

Load JVM Account Ledger
Assign Division of Interest
Manage Account Ledger

Change the Transaction Status
Change the Division of Interest
Or Direct Bill to a Specific Partner

Distribute Expenses, Overhead, and Revenue to Partners
Distribute Expenses, Overhead, and Revenue to Partners

- Distribute Transactions
- Manage Distributed Transactions
- Batch Process
Distribute Expenses, Overhead, and Revenue to Partners Process

Distribute Transactions

Manage Distributed Transactions

View a Summary of Distributions by Partner with Totals
Distribute Expenses, Overhead, and Revenue to Partners Process

Distribute Transactions

Manage Distributed Transactions

View a Detail List of Distributions by Partner
Distribute Expenses, Overhead, and Revenue to Partners

**Distribute Transactions**

- Reverse a completed transaction and assign it to another partner

**Manage Distributed Transactions**

- Change the Transaction Status of an Incomplete Transaction
- Add a Remark to a Transaction

![Image of a software interface for managing transactions]
A Deeper Dive

Process Invoices, Vouchers, and J/Es for Distributions

Expenses Incurred
Revenue Received
Manage Cash

Process
Allocations and
Overhead to be
Distributed

Distribute
Expenses, Overhead, and
Revenue to Partners

Process Invoices,
Vouchers, and J/Es
for the Distributed
Transactions

Joint Venture
Financial
Reporting

Expenses
Overhead
Revenue

$5,400
$90
$6,750

Create Journal Entries
for the Managing
Business Unit

Expenses
Overhead
Revenue

$2,400
$40
$4,500

Invoice Each Partner
for Expenses and
Overhead

Expenses
Overhead
Revenue

$3,000
$50
$3,750

Pay Each Partner
for Revenue Received

Expenses
Overhead
Revenue

$1,200
$20
$1,500

Draw Against
Partner Cash
Calls

Create Invoice

Print Invoice or
Billing Statement
Process Invoices, Vouchers, and J/Es for Distributed Transactions

Process:

- Draw on Cash Calls
- Create Invoices
- Create Vouchers
- Create Journal Entries
- Print Invoices
- Print Billing Reports
- Manage Distribution Documents
Process Invoices, Vouchers, and J/Es for Distributed Transactions

Process

Draw on Cash Calls

Create Invoices

Create Vouchers

Create Journal Entries

Batch Process
Process Invoices, Vouchers, and J/Es for Distributed Transactions

Process

- Draw on Cash Calls
- Create Invoices
- Create Vouchers
- Create Journal Entries

Batch Process
Process Invoices, Vouchers, and J/Es for Distributed Transactions

Process

Draw on Cash Calls
Create Invoices
Create Vouchers
Create Journal Entries

Batch Process
Process Invoices, Vouchers, and J/Es for Distributed Transactions

Process

Draw on Cash Calls

Create Invoices

Create Vouchers

Create Journal Entries

Batch Process
Process Invoices, Vouchers, and J/Es for Distributed Transactions

Batch Process

Print Invoices

Print Billing Reports

Manage Distribution Documents
Process Invoices, Vouchers, and J/Es for Distributed Transactions Process

- Print Invoices
- Print Billing Reports
- Manage Distribution Documents

Summary

Detail
Process Invoices, Vouchers, and J/Es for Distributed Transactions Process

Print Invoices
Print Billing Reports
Manage Distribution Documents

Summary
Detail
Process Invoices, Vouchers, and J/Es for Distributed Transactions

- **Print Invoices**
- **Print Billing Reports**
- **Manage Distribution Documents**

View a Summary of Distributions by Partner with Totals

```
JV Distribution Summary by Partner - Review JV Distribution Summary by Partner
```

<table>
<thead>
<tr>
<th>Record</th>
<th>Inside Business Unit</th>
<th>Inside Business Unit Description</th>
<th>Outside Partner</th>
<th>Outside Partner Description</th>
<th>Legal Name</th>
<th>Distributed Cost/Expense</th>
<th>Invoiced Amount</th>
<th>Distributed Revenue</th>
<th>Vouched Amount</th>
<th>Currency Code</th>
<th>Partner Entity Type</th>
<th>Partner Contact</th>
<th>Partner Email Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>7900030</td>
<td>Bob Thompson</td>
<td></td>
<td></td>
<td></td>
<td>84,125.73</td>
<td>84,125.73</td>
<td>448,763.46</td>
<td>449,206.40</td>
<td>USD</td>
<td>Outside Owner</td>
<td>Bob Thompson</td>
<td><a href="mailto:Bob.Thompson@Yahoo.com">Bob.Thompson@Yahoo.com</a></td>
</tr>
<tr>
<td>2</td>
<td>7900021</td>
<td>Nancy Jones</td>
<td></td>
<td></td>
<td></td>
<td>20,076.00</td>
<td>20,076.00</td>
<td>48,363.27</td>
<td>48,363.27</td>
<td>USD</td>
<td>Outside Owner</td>
<td>Nancy Jones</td>
<td><a href="mailto:Nancy.Jones@yahoo.com">Nancy.Jones@yahoo.com</a></td>
</tr>
<tr>
<td>3</td>
<td>7900032</td>
<td>Clara Dunn</td>
<td></td>
<td></td>
<td></td>
<td>40,699.55</td>
<td>40,699.55</td>
<td>19,264.13</td>
<td>19,264.13</td>
<td>USD</td>
<td>Outside Owner</td>
<td>Clara Dunn</td>
<td>Clara.Dunn@Maxwell嘴嘴</td>
</tr>
<tr>
<td>4</td>
<td>01013 Capital Assets &amp; 01 Asset</td>
<td>Insider share of JV Capital Assets</td>
<td></td>
<td></td>
<td></td>
<td>160,333.34</td>
<td></td>
<td></td>
<td></td>
<td>USD</td>
<td>Inside Owner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>01014 Operations - J 01 Asset</td>
<td>Management Resources, Inc. - JV #162</td>
<td></td>
<td></td>
<td></td>
<td>219,599.39</td>
<td></td>
<td></td>
<td></td>
<td>USD</td>
<td>Inside Owner</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>01015</td>
<td>Insolvent Shareholder</td>
<td></td>
<td></td>
<td></td>
<td>53,144.00</td>
<td>144,901.38</td>
<td></td>
<td></td>
<td>USD</td>
<td>Inside Owner</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Joint Venture Total**

- 533,144.00
- 144,901.38
- 603,235.65
- 517,137.62
Process Invoices, Vouchers, and J/Es for Distributed Transactions Process

- **Print Invoices**
- **Print Billing Reports**
- **Manage Distribution Documents**

1. **Reverse a completed transaction and assign it to another partner**
2. **Review the Invoice, Voucher, or Journal Entry Document the Transaction is on**
3. **View Detail of the Distributions by Partner**
4. **Add a Remark to a Transaction**
Process Invoices, Vouchers, and J/Es for Distributed Transactions Process

- Print Invoices
- Print Billing Reports
- Manage Distribution Documents

- Review the full Invoice, Voucher, or Journal Entry Document
- View Detail of the Distributions by Document
- Void or Delete a completed transaction
A Deeper Dive
Joint Venture Financial Reporting

Financial Reporting needed for the Joint Venture as well as by Partner

<table>
<thead>
<tr>
<th>Expenses Incurred</th>
<th>Revenue Received</th>
<th>Manage Cash</th>
<th>Process Allocations and Overhead to be Distributed</th>
<th>Distributions Ledgers provide specific ledger types for distributed transactions to enable financial reporting</th>
<th>Operational Reporting needed for the Joint Venture as well for Managing Partner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>My Company</td>
<td>Other Partners</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BEGINNING OF MONTH</td>
<td>1,568,113</td>
<td>97.5%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MONTHLY ACTIVITY</td>
<td>589,789</td>
<td>988,638</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Requested from Partners</td>
<td></td>
<td>589,789</td>
<td>988,638</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Cash Funds Received</td>
<td>589,789</td>
<td>988,638</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OPERATIONS</td>
<td>(562,897)</td>
<td>(351,811)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net Loss</td>
<td>(221,086)</td>
<td>(333,600)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Working Capital Change</td>
<td>(880,600)</td>
<td>(556,000)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Asset Sales</td>
<td>33,669</td>
<td>36,116</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital and Exploration Expenditures</td>
<td>(25,987)</td>
<td>(16,242)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Cash Movement From Operations</td>
<td>1,388,699</td>
<td>(867,937)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NET CHANGE IN CASH BALANCE DURING MONTH</td>
<td>798,512</td>
<td>(499,319)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>ENDS OF MONTH</td>
<td>769,203</td>
<td>299,913</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Configurable by the customer
Joint Venture Financial Reporting Process

Load Distribution Ledgers  Financial Reporting & Inquiries
Joint Venture Financial Reporting Process

Load Distribution Ledgers

Financial Reporting & Inquiries

Batch Process
Joint Venture Financial Reporting Process

Load Distribution Ledgers

Financial Reporting & Inquiries

Financial Reports & Inquiries Available

- Balance Sheets
- Income Statements
- Trial Balance
- General Ledger By Business Unit
- General Ledger by Object Account
- General Ledger by Category Code

- Account Ledger Inquiry
- Account Balances
- Account Inquiries
- Consolidations
- One View Reporting for Financials
- One View Financial Statements
Joint Venture Financial Reporting Process

Load Distribution Ledgers

Financial Reporting & Inquiries

Joint Venture Inquires

- Account Ledger
- Distribution Summary by Partner
- Distribution Detail by Partner
- Distribution Detail
- Distribution Detail by Distribution Document

- Distribution Inquiry
- Cash Calls Inquiry
- Cash Call Invoice Inquiry
- Cash Call Receipts Inquiry
Summary
Summary

Managing Partners are able to:

- Define joint ventures
- Manager the division of interest for each joint venture
- Manage partner contributions to the Joint Venture
- Track and manage budgets, indirect costs, direct costs, revenue, and cash
- Allocate indirect costs and/or calculate overhead expenses
- Distribute expenses, overhead, and revenue to the partners
- Draw on cash calls, create invoices, create vouchers, and create journal entries for the distributed transactions
- Create financial statements and reports and inquire on all Joint Venture data
Thank you

JD Edwards EnterpriseOne