



Workday Finance, configured by a Chartered Accountant.

ABHAYJAISWAL.COM

■ WORKDAY FINANCE · STEP BY STEP

Intercompany Payments

■ Table of Contents

1. Purpose & Overview
2. Prerequisites
3. Create Settlement Run – Navigation
4. Create Settlement Run – Key Inputs
5. Select Intercompany Items
6. Process Settlement Run
7. Eliminate Old Intercompany Balances (\$0 Settlement)
8. Security Groups
9. Common Errors & Resolutions
10. Best practices

■ Purpose & Overview

- This guide explains how to process Intercompany Payments in Workday.
- Intercompany Settlement Runs are used to settle payables and receivables between related companies.
- The process results in:
 - An intercompany payment, or
 - A \$0 settlement to offset balances only.

■ Prerequisites

Before creating an Intercompany Settlement Run, ensure the following:

- You have the required Workday security access.
- Intercompany transactions (Supplier Invoices, Customer Invoices, etc.) already exist.
- The accounting period is open.
- Required company and currency details are available.

■ Create Settlement Run – Navigation

- Use the Workday Search bar.
- Search for Create Settlement Run.
- Select the task to begin the settlement process.
- Complete the following fields:
- Company – Company initiating the intercompany payment
- Currency – Currency for the settlement run
- Settlement Run Date – Date the settlement is processed
- Click Ok.

Create Settlement Run

Company

*

Global Modern Services, Inc. (USA)

...

⋮

Currency

*

☒ Currencies

USD

...

⋮

☐ All Currencies

Display Currency

*

USD

Settlement Run Name

Testing

Settlement Run Date

*

06/24/2025

📅

Auto Select Filters

⋮

Include Payments on Behalf of Other Companies

☐

Exclude Negative Payments

☒

Dynamic Supplier Payment Date

*

Settlement Run Date

⋮

Cancel

OK

■ Create Settlement Run – Key Inputs

➤ Click Add and select Intercompany Items

Settlement Run Information

Settlement Run
Name
Testing
Number
SR-8159
Status
Draft
Date
06/24/2025

Additional Information

Organization Global Modern Services, Inc. (USA)

Currency USD

Filters Used (empty)

Add

Ad Hoc Payments
Bank Account Transfers for Settlement
Cash Advances
Customer Invoices
Customer Payments
Customer Refunds
Expense Credit Card Transactions
Expense Reports
Intercompany Items

■ Select Intercompany Items

- Use Selection Criteria to identify items for settlement:
- Intercompany Affiliate – Company receiving the payment
- Originating Transaction Type
 - Supplier Invoice, Customer Invoice etc.
- Transaction Type – Payable or Receivable
- Intercompany Invoice Type
 - Direct
 - On Behalf Of

Selection Criteria

Item Date on or After

MM/DD/YYYY 

Item Date On or Before

MM/DD/YYYY 

Intercompany Affiliates



Originating Transaction Type



Intercompany Payable/Receivable Transactions



Intercompany Invoice Type



Search Currencies

x USD 

View Results Option

☒ Summarized View

☐ Itemized View

Search

■ Select Intercompany Items

- Use Selection Criteria to identify items for settlement:
- Intercompany Affiliate – Company receiving the payment
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MM/DD/YYYY 

Item Date On or Before

MM/DD/YYYY 

Intercompany Affiliates



Originating Transaction Type



Intercompany Payable/Receivable Transactions



Intercompany Invoice Type



Search Currencies

x USD 

View Results Option

☒ Summarized View

☐ Itemized View

Search

■ Select Intercompany Items

- Click on **Search**.
- Select the required intercompany items
- Click **OK**

Intercompany Items 14 items | 1 selected

☐	Intercompany Item Count	Company Making Payment	Company Receiving Payment	Originating Transaction Type	Originating Transaction Payment Status	Total Amount	Currency
☒	6	Global Modern Services, Inc. (USA)	Global Modern Services, Ltd (Canada)	Supplier Invoice	Unpaid	(876.25)	USD
☐	12	Global Modern Services, Inc. (USA)	Global Modern Services, PLC (U.K.)			32,978.79	USD

OK Cancel

■ Process Settlement Run

- Review the selected intercompany items.
- Click **Process** to initiate the settlement run.

Process

Add ▼

View Items

Summary

Bank Account View

Summary 2 items

Excluded	Company	Payment Category	Payment Count
	Global Modern Services, Inc. (USA)	Intercompany Payment	1

■ Eliminate Old Intercompany Balances (\$0 Settlement)

- Use this process to clear old balances with no cash impact:
- Follow the same steps as Create Settlement Run.
- Select intercompany items with a net zero balance.
- Click Process.

Intercompany Items 2 of 321 items 2 selected										
☐	Company Making Payment	Intercompany Transaction	Company Receiving Payment	Originating Transaction Type	Originating Transaction	Originating Transaction Payment Status	Item Unmatched on Affiliate	Intercompany Date	Amount Due	Currency
☒	Global Modern Services, Inc. (USA)	2025 06 25 - Green Planet Solutions, Inc. (USA) : 1088.75	Green Planet Solutions, Inc. (USA)	Supplier Invoice	Supplier Invoice: 25229	Unpaid	☐	06/25/2025	1,088.75	USD
☒	Global Modern Services, Inc. (USA)	2025 06 25 - Green Planet Solutions, Inc. (USA) : -1088.75	Green Planet Solutions, Inc. (USA)	Supplier Invoice	Supplier Invoice: 25228	Unpaid	☐	06/25/2025	(1,088.75)	USD

■ Eliminate Old Intercompany Balances (\$0 Settlement)

Result:

- Intercompany payables and receivables are offset
- No cash movement occurs

Process

Add ▼

View Items

Summary

Bank Account View

Summary 1 item

Company	Payment Category	Payment Count	Group Total Amount	Currency	
Global Modern Services, Inc. (USA)	Intercompany Payment	1	0.00	USD	Details

**Note: This is a \$0 settlement, and the resulting intercompany payment will only offset the related intercompany payables/ receivables journal lines. This settlement will not affect cash*

■ Eliminate Old Intercompany Balances (\$0 Settlement)

View Accounting for Payment

Operational Journal

Current Status

Posted

Operational Journal Information

Operational Transaction

Global Modern Services, Inc. (USA) pays Green Planet Solutions, Inc. (USA) : 06/25/2025 - \$0.00

Originated by

Teresa Serrano

Company

Global Modern Services, Inc. (USA)

Ledger

Actuals

Period

Jun - 2025

Accounting Date

06/25/2025

Journal Source

Intercompany Payment

Book Code

Accrual Basis

Operational Journal Details

Balanced

Yes

Total Debits

1,088.75

Total Credits

1,088.75

Currency

USD

Journal Lines

Accounting History

Journal Lines 2 items

Journal Line	Ledger Account	Debit Amount	Credit Amount	Memo	Cost Center	Additional Worktags
Q	2900:Intercompany Payable	1,088.75			34000 Facilities	Intercompany Affiliate: Green Planet Solutions, Inc. (USA)
Q	1900:Intercompany Receivable		1,088.75		34000 Facilities	Intercompany Affiliate: Green Planet Solutions, Inc. (USA)

■ Security Groups

Users with the following security groups can initiate Intercompany Settlement Runs:

- Finance Administrator
- GL Accountant
- Commissions Accountant
- Prepaid Accountant
- Tax Accountant
- Revenue Accountant
- Payroll Manager
- Cost Plus Settlement Specialist

■ Common Errors & Resolutions

Error	Possible Cause	Resolution
No intercompany items found	Incorrect selection criteria	Review affiliate, transaction type, and invoice type
Unable to process settlement	Missing security or closed period	Confirm security role and accounting period
Currency mismatch	Settlement currency differs from transaction	Ensure settlement currency matches transaction currency
Unexpected \$0 settlement	Net zero items selected	Review item balances before processing

■ Best Practices

- Always review selected intercompany items before processing.
- Use clear settlement run dates.
- Perform \$0 settlements periodically to clear aging balances.
- Maintain consistent criteria for intercompany settlements.



Thank You

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