

accruals & gappify training

What is an Accrual?

An accrual is an estimate of goods received or work completed by vendors but not yet invoiced.

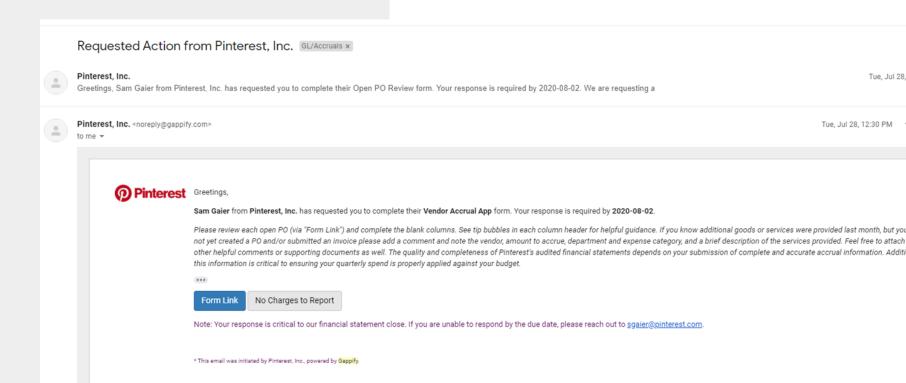
How do we collect them?

Gappify

Gappify is a program the Pinterest accounting team uses to gather accrual responses during month-end or quarterend close from vendors. Gappify requests will list all current POs with an open balance remaining requesting accrual amount.

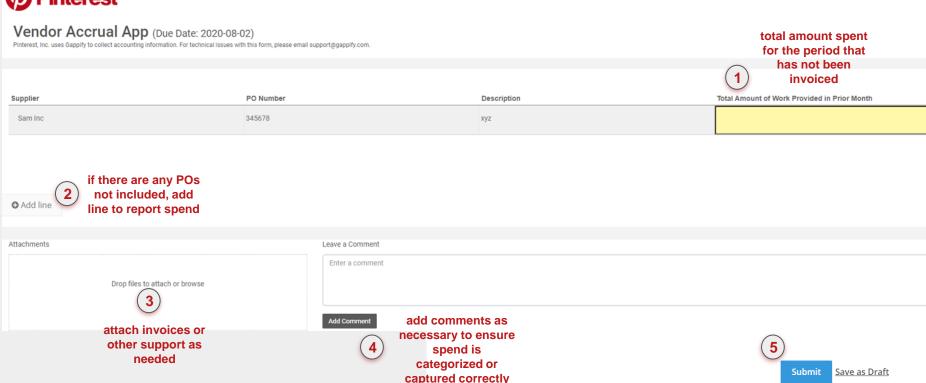
*accrual information may also be gathered via direct email requests

Gappify email sample



Gappify form link sample



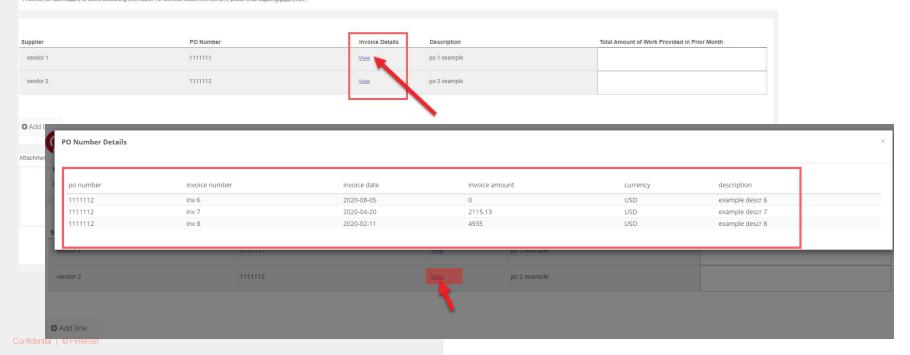


View invoices applied against a PO

To view all invoices which have been applied against the PO in the previous 6 months, click "View" under invoice details. This will be useful in particular if you have submitted invoices at the end of the period to confirm whether they have been processed or not. If they have not been processed then they should be included in the amount to accrue

Pinterest

Vendor Accrual App (Due Date: 2021-03-21)
Pinterest Inc. uses Gappify to collect accounting information. For technical issues with this form, please email support@gappify.com.



How to calculate an accrual?

Review work completed "What's the unbilled amount for Pinterest for the month of XX?"

Milestones achieved - for contracts based on milestones

Accrual example-

Services provided

You provide \$50k in monthly services to Pinterest. You've billed for January and February. The March invoice has not yet been submitted.

Answer:

Amount to Accrue = \$50k (March invoice)

Accrual example-

Project % completion

You are working on a \$1M project for Pinterest. Project is 50% complete and you have only billed the kickoff invoice for \$200k. How much should you accrue for the period?

Facts:

Project is 50% complete 20% of project has been invoiced at kickoff.

Answer:

Amount Invoiced = \$200k (20%)

Amount to Accrue = \$300k (remaining 30% complete but not yet invoiced)



Thank you