# Hands-on-Lab 3.2: Configure Chart of Accounts and Posting Groups

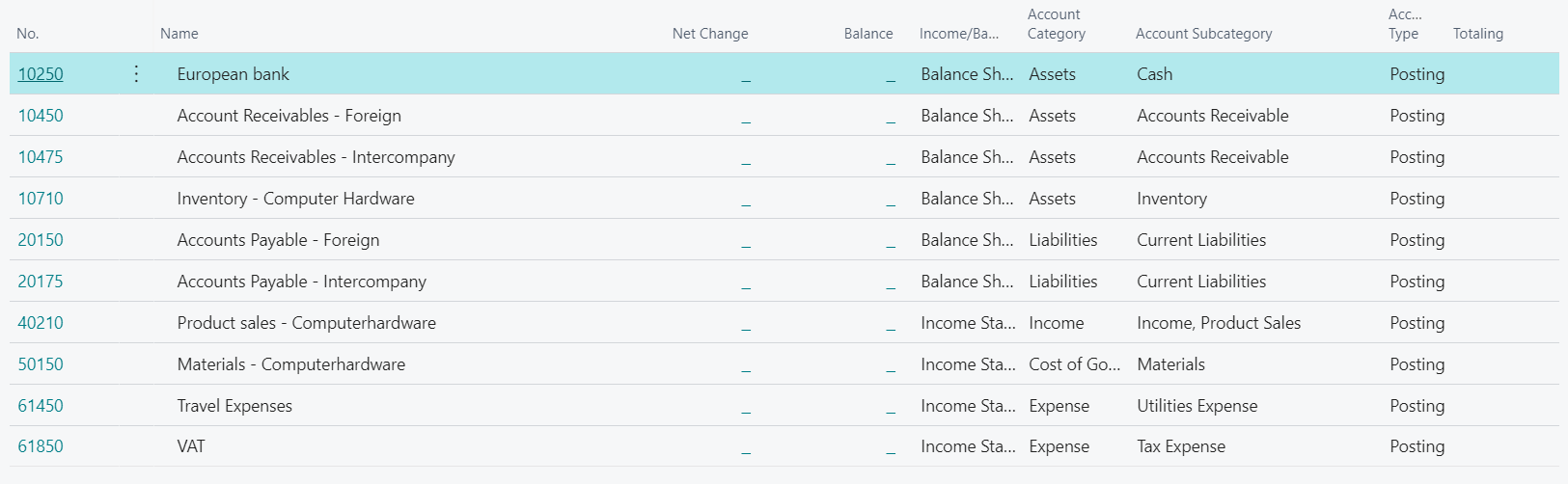
## Exercise 1: Configure the Chart of Accounts

### Scenario

During the implementation process, Contoso’s superusers are systematically informed and trained in different areas of the system during work sessions. After following the work sessions about the chart of accounts, posting groups and dimensions, the accounting manager has reviewed Contoso’s chart of accounts and has added some g/l accounts. The further setup of posting groups is done in collaboration with you, the functional consultant.

Some accounts were added to distinguish very easily between purchases and sales made within their own country, and for each product type, without having to set up even more dimensions. These accounts will be posted to through the setup of posting groups.

Also the expenses are more detailed, where we can see a clear separation between staff-related expenses and other expenses. All staff-related expenses are posted to the g/l accounts 60700 until 61100, where it is obligated to indicate a specific department each time an expense is made.



Your first job is to make sure the g/l accounts are created correctly and that the necessary dimensions are connected.

*Remark: for the income statement accounts, make sure to fill in the Tax Group Code with the NONTAXABLE value. This is due to the use of a US-database.*

### Tasks

1. Create a G/L Account card.
2. Assign default dimensions to multiple G/L Accounts.

### Steps

1. Create a G/L Account card.
   1. In the **Chart of Accounts** page, select **New**.
   2. In the new general ledger account card, fill in the following fields:
      1. In the **No.** field, enter ‘10250’
      2. In the **Name** field, enter ‘European bank’.
      3. In the **Income/Balance** field, enter the value **Balance Sheet**.
      4. In the **Account Category** field, enter the value **Assets**
      5. In the **Account Subcategory** field, enter the value **Cash**.
      6. Deselect the **Direct Posting** checkbox.
      7. Close the **G/L Account Card** page.
   3. In the **Chart of Accounts** page, select **New**.
   4. In the new general ledger account card, fill in the following fields:
      1. In the **No.** field, enter ‘10450’
      2. In the **Name** field, enter ‘Accounts Receivables – Foreign’.
      3. In the **Income/Balance** field, enter the value **Balance Sheet**.
      4. In the **Account Category** field, enter the value **Assets**
      5. In the **Account Subcategory** field, enter the value **Accounts Receivables**.
      6. Deselect the **Direct Posting** checkbox.
      7. Close the **G/L Account Card** page.
   5. Repeat steps c and d for the account ‘10475’.
   6. In the **Chart of Accounts** page, select **New**.
   7. In the new general ledger account card, fill in the following fields:
      1. In the **No.** field, enter ‘10710’
      2. In the **Name** field, enter ‘Inventory – Computer Hardware’.
      3. In the **Income/Balance** field, enter the value **Balance Sheet**.
      4. In the **Account Category** field, enter the value **Assets**
      5. In the **Account Subcategory** field, enter the value **Inventory**.
      6. Deselect the **Direct Posting** checkbox.
      7. Close the **G/L Account Card** page.
   8. In the **Chart of Accounts** page, select **New**.
   9. In the new general ledger account card, fill in the following fields:
      1. In the **No.** field, enter ‘20150’
      2. In the **Name** field, enter ‘Accounts Payable – Foreign’.
      3. In the **Income/Balance** field, enter the value **Balance Sheet**.
      4. In the **Account Category** field, enter the value **Liabilities**
      5. In the **Account Subcategory** field, enter the value **Current Liabilities**.
      6. Deselect the **Direct Posting** checkbox.
      7. Close the **G/L Account Card** page.
   10. Repeat steps h and i for the account ‘20175’.
   11. In the **Chart of Accounts** page, select **New**.
   12. In the new general ledger account card, fill in the following fields:
       1. In the **No.** field, enter ‘40210’
       2. In the **Name** field, enter ‘Product Sales – Computer hardware’.
       3. In the **Income/Balance** field, enter the value **Income Statement**.
       4. In the **Account Category** field, enter the value **Income**
       5. In the **Account Subcategory** field, enter the value **Income Product Sales**.
       6. Deselect the **Direct Posting** checkbox.
       7. *In the* ***Tax Group Code*** *field, enter NONTAXABLE.*
       8. Close the **G/L Account Card** page.
   13. In the **Chart of Accounts** page, select **New**.
   14. In the new general ledger account card, fill in the following fields:
       1. In the **No.** field, enter ‘50150’
       2. In the **Name** field, enter ‘Materials - Computerhardware’.
       3. In the **Income/Balance** field, enter the value **Income Statement**.
       4. In the **Account Category** field, enter the value **Cost of Goods Sold**
       5. In the **Account Subcategory** field, enter the value **Materials**.
       6. Deselect the **Direct Posting** checkbox.
       7. *In the* ***Tax Group Code*** *field, enter NONTAXABLE.*
       8. Close the **G/L Account Card** page.
   15. In the **Chart of Accounts** page, select **New**.
   16. In the new general ledger account card, fill in the following fields:
       1. In the **No.** field, enter ‘61450’
       2. In the **Name** field, enter ‘Travel Expenses.
       3. In the **Income/Balance** field, enter the value **Income Statement**.
       4. In the **Account Category** field, enter the value **Expense**
       5. In the **Account Subcategory** field, enter the value **Utilities Expense**.
       6. Deselect the **Direct Posting** checkbox.
       7. *In the* ***Tax Group Code*** *field, enter NONTAXABLE.*
       8. Close the **G/L Account Card** page.
   17. In the **Chart of Accounts** page, select **New**.
   18. In the new general ledger account card, fill in the following fields:
       1. In the **No.** field, enter ‘61850’
       2. In the **Name** field, enter ‘VAT’.
       3. In the **Income/Balance** field, enter the value **Income Statement**.
       4. In the **Account Category** field, enter the value **Expense**
       5. In the **Account Subcategory** field, enter the value **Tax Expenses**.
       6. Deselect the **Direct Posting** checkbox.
       7. *In the* ***Tax Group Code*** *field, enter NONTAXABLE.*
       8. Close the **G/L Account Card** page.
   19. In the **Chart of Accounts** page, select **Process** and then select **Indent Chart of Accounts**.
   20. Click **Yes**.
2. Assign default dimensions to multiple G/L Accounts.
   1. In the **Chart of Accounts** page, select general ledger accounts 60700 until 61100.
   2. Select **Related**, then **Account**, then **Dimensions** and then select **Dimensions – Multiple**.
   3. In the **Default Dimensions-Multiple** page, select **New**.
   4. In the **Dimensions Code** field, enter DEPARTMENT.
   5. In the **Value Posting** field, enter the value **Code Mandatory**.
   6. Click **OK**.

## Exercise 2: Set up posting groups

### Scenario

Contoso recently decided to start selling computer hardware through their European web shop. To keep track of these new line of product, they will record these sales on a separate income statement account 40210, apart from the other retail activities. They will have to comply to European legislation and calculate 15% VAT on all their web shop sales. This VAT amount will be posted to the general ledger account 61850. *(Remark: this is just for exercise purposes and not based on actual legislation.)*

The products are mainly purchased with export vendors, no VAT needs to be paid in these countries. Purchase with EU vendors is however also possible.

The necessary general ledger accounts were already created in the previous exercise. It is now up to you to complete the General Posting Setup and the VAT Posting Setup.

### Tasks

1. Create a VAT Product Posting Group.
2. Create a VAT Business Posting Group.
3. Complete the Tax Posting Setup.
4. Create a Product Posting Group.
5. Create a Business Posting Group.
6. Complete the General Posting Setup.

### Steps

1. Create a VAT Product Posting Group.
   1. In the **VAT Product Posting Groups** page, select **New**.
   2. In the **Code** field, enter G15.
   3. In the **Description** field, enter ‘Goods 15%’.
2. Create a VAT Business Posting Group.
   1. In the **VAT Business Posting Groups** page, select **New**.
   2. In the **Code** field, enter EU.
   3. In the **Description** field, enter ‘EU’.
3. Complete the Tax Posting Setup.
   1. In the **Tax Posting Setup** page, select **New**.
   2. In the new tax posting setup card, fill in the following fields:
      1. In the **VAT Bus. Posting Group** field, enter EU.
      2. In the **VAT Prod. Posting Group** field, enter G15.
      3. In the **VAT Calculation Type** field, enter Normal Tax.
      4. In the **Description** field, enter ‘web shop verkopen’.
      5. In the **Tax%** field, enter 15.
      6. In the **Tax Identifier** field, enter G15.
      7. In the Sales Tax Account field, enter 61850.
4. Create a Product Posting Group.
   1. In the **General Product Posting Groups** page, select **New**.
   2. In the **Code** field, enter COMPUTERHW.
   3. In the **Description** field, enter ‘computer hardware’.
   4. In the **Def. VAT Prod. Posting Group** field, enter G15.
5. Create a Business Posting Group
   1. In the **Gen. Business Posting Groups** page, select **New**.
   2. In the **Code** field, enter EU.
   3. In the **Description** field, enter ‘EU customer and vendors’.
   4. In the **Def. VAT Bus. Posting Group** field, enter EU.
   5. In the **Gen. Business Posting Groups** page, select **New**.
   6. In the **Code** field, enter EXPORT.
   7. In the **Description** field, enter ‘Export customer and vendors’.
   8. Leave the **Def. VAT Bus. Posting Group** field blank.
6. Complete the General Posting Setup.
   1. In the **General Posting Setup** page, select **New**.
   2. In the new general posting setup card, in the **General** FastTab, fill in the following fields:
      1. In the **Gen. Bus. Posting Group** field, fill in EU.
      2. In the **Gen. Prod. Posting Group** field, fill in COMPUTERHW.
   3. Select **Copy**.
   4. In the page that opens, fill in the following fields:
      1. In the **Gen. Bus. Posting Group** field, fill in DOMESTIC.
      2. In the **Gen. Prod. Posting Group** field, fill in RETAIL.
      3. In the **Copy** field, select the **All fields** option.
      4. Leave all the checkboxes selected.
      5. Click **OK**.
   5. In the new general posting setup card, in the **Sales** FastTab, change the following fields:
      1. In the **Sales Account** field, change 40200 to 40210
      2. In the **Sales Credit Memo Account** field, change 40200 to 40210
   6. In the new general posting setup card, in the **Purchases** FastTab, change the following fields:
      1. In the **Purch. Account** field, change 10700 to 50150.
      2. In the **Purch. Credit Memo Account** field, change 10700 to 50150.
   7. In the **General Posting Setup** page, select **New**.
   8. In the new general posting setup card, in the **General** FastTab, fill in the following fields:
      1. In the **Gen. Bus. Posting Group** field, fill in EXPORT.
      2. In the **Gen. Prod. Posting Group** field, fill in COMPUTERHW.
   9. Select **Copy**.
   10. In the page that opens, fill in the following fields:
       1. In the **Gen. Bus. Posting Group** field, fill in EU.
       2. In the **Gen. Prod. Posting Group** field, fill in COMPUTERHW.
       3. In the **Copy** field, select the **All fields** option.
       4. Leave all the checkboxes selected.
       5. Click **OK**.